



**中國誠通發展集團有限公司**  
**China Chengtong Development**  
**Group Limited**

(於香港註冊成立之有限公司)  
(Incorporated in Hong Kong with limited liability)  
股份代號 Stock Code: 217

Annual Report  
年報 **2018**



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# Corporate Information 公司資料

## BOARD OF DIRECTORS

### Executive Directors

Zhang Bin (*Acting Chairman and Managing Director*)  
Wang Tianlin

### Independent Non-Executive Directors

Chang Qing  
Lee Man Chun, Tony  
He Jia

## AUDIT COMMITTEE

Lee Man Chun, Tony (*Chairman*)  
Chang Qing  
He Jia

## REMUNERATION COMMITTEE

He Jia (*Chairman*)  
Lee Man Chun, Tony  
Zhang Bin

## NOMINATION COMMITTEE

Chang Qing (*Chairman*)  
Lee Man Chun, Tony  
Zhang Bin

## COMPANY SECRETARY

Tse Ching Wah

## AUDITOR

BDO Limited  
*Certified Public Accountants*

## 董事會

### 執行董事

張 斌 (*代理主席兼董事總經理*)  
王天霖

### 獨立非執行董事

常 清  
李萬全  
何 佳

## 審核委員會

李萬全 (*主席*)  
常 清  
何 佳

## 薪酬委員會

何 佳 (*主席*)  
李萬全  
張 斌

## 提名委員會

常 清 (*主席*)  
李萬全  
張 斌

## 公司秘書

謝靜華

## 核數師

香港立信德豪會計師事務所有限公司  
*執業會計師*

## PRINCIPAL BANKERS

Agricultural Bank of China Limited  
Bank of China (Hong Kong) Limited  
The Hongkong and Shanghai Banking Corporation Limited  
Dah Sing Bank, Limited  
Luso International Banking Limited  
Morgan Stanley Asia International Limited

## REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 6406, 64/F,  
Central Plaza,  
18 Harbour Road,  
Wanchai, Hong Kong  
Tel: (852) 2160-1600  
Fax: (852) 2160-1608

## WEBSITE AND E-MAIL ADDRESS

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[www.hk217.com](http://www.hk217.com)  
E-mail: [public@hk217.com](mailto:public@hk217.com)

## SHARE REGISTRAR & TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17/F., Hopewell Centre,  
183 Queen's Road East,  
Wanchai, Hong Kong  
Tel: (852) 2862-8628  
Fax: (852) 2865-0990

## STOCK CODE

217

## 主要往來銀行

中國農業銀行股份有限公司  
中國銀行(香港)有限公司  
香港上海滙豐銀行有限公司  
大新銀行有限公司  
澳門國際銀行股份有限公司  
摩根士丹利亞洲國際有限公司

## 註冊辦事處及香港主要營業地點

香港灣仔  
港灣道18號  
中環廣場  
64樓6406室  
電話：(852) 2160-1600  
傳真：(852) 2160-1608

## 網址及電郵地址

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[www.hk217.com](http://www.hk217.com)  
電子郵件：[public@hk217.com](mailto:public@hk217.com)

## 股份過戶登記處

香港中央證券登記有限公司  
香港灣仔  
皇后大道東183號  
合和中心17樓1712-1716號舖  
電話：(852) 2862-8628  
傳真：(852) 2865-0990

## 股份編號

217

## Chairman's Statement 主席致辭

On behalf of the board of directors, I hereby present to our shareholders the annual report of China Chengtong Development Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2018 (the “**Year**”).

During the Year, in response to the complicated external environment, the Group promoted the transformation and upgrading of its existing businesses with improved quality and efficiency and explored new business opportunities, all these resulted in a significant increase of profit in the Year. During the Year, the Group recorded a turnover of approximately HK\$1,020.89 million (2017: approximately HK\$1,353.12 million), representing a decrease of approximately 25% as compared with that of last year. Profit attributable to owners of the Company during the Year amounted to approximately HK\$113.44 million (2017: approximately HK\$23.36 million), representing an increase of approximately 386% as compared with that of last year. A decrease in turnover during the Year as compared with that of last year was mainly due to the scaling down of the steel trading business by the Group for prudent risk management. During the Year, the Group has seized the opportunities associated with the launch of the Free Trade Zone Policy in Hainan Province to dispose of its 100% equity interests in Haikou Cuidao Hotspring Resort Hotel Company Limited (“**Cuidao Hotspring Hotel**”), which contributed mainly to the significant increase of profit for the Year. The non-recurring gain on the disposal was approximately HK\$110.80 million.

The Group is currently principally engaged in property development and property investment, finance leasing, bulk commodity trade and hotel and marine travelling services. For property development and property investment, the Group's overall strategy is to dispose of certain projects to have cash resources to fund the Group's strategic transformation. For finance leasing, three sale-and-leaseback projects were completed during the Year. The Group also strengthened the exploration and research in new leasing business, in areas such as energy saving and environmental protection, equipment manufacturing, inventory lease, etc. With regard to bulk commodity trade, the Group will continue to carry out the relevant business prudently with stringent risk control. For hotel and marine travelling services, we have (1) speed up the upgrade and renovation of 海南寰島海底世界酒店 (the “**Undersea World Hotel**”), to enhance its image with operational efficiency and profitability; (2) to enhance its foothold in Hainan and further exploring new tourism resources by grasping strategic opportunities arising from the establishment of the Free Trade Zone in Hainan.

本人謹代表董事會向各位股東提呈中國誠通發展集團有限公司(「**本公司**」, 連同其附屬公司, 統稱「**本集團**」)截至二零一八年十二月三十一日止(「**本年度**」)的年度報告。

本年度, 本集團積極應對複雜多變的外部環境, 在推進現有業務轉型升級的同時, 全力做好提質增效及新業務的開拓工作, 全年盈利水平大幅提升。本年度本集團共錄得營業額約港幣10億2,089萬元(二零一七年: 約港幣13億5,312萬元), 較上年度減少約25%; 年內錄得本公司擁有人應佔溢利約港幣1億1,344萬元(二零一七年: 約港幣2,336萬元), 較上年度增長約386%。本年度營業額較上年度下降, 乃是由於本集團出於風險控制原因主動調減鋼材貿易業務規模所致。本年度溢利大幅增長主要是由於本集團抓住中國海南省打造自由貿易區政策的機遇, 出售了海口翠島溫泉度假酒店有限公司(「**翠島溫泉酒店**」)100%股權, 本次出售錄得非經常性收益約港幣1億1,080萬元。

本集團目前從事的主營業務為物業發展及物業投資、融資租賃、大宗商品貿易、酒店和海上旅遊服務。關於物業發展及物業投資, 本集團的總體策略是有選擇性退出部分項目, 回收現金資源服務於本集團的戰略轉型。關於融資租賃, 本年度完成了三個售後回租項目, 並加大了對節能環保、裝備製造、存貨租賃等領域新租賃業務的探索和研究。關於大宗商品貿易, 本集團將繼續在嚴格控制經營風險的前提下, 審慎開展相關業務。關於酒店和海上旅遊服務, 一是加快海南寰島海底世界酒店(「**海底世界酒店**」)升級改造進程, 在提升對外形象的同時提高經營效益; 二是抓住海南建設自由貿易區的戰略機遇, 立足海南, 進一步開拓新的旅遊資源。



## Chairman's Statement 主席致辭

In respect of the exploration of new businesses, Chengtong Trading (International) Limited, a subsidiary of the Group, and the subsidiaries of Honghua Group Limited ("**Honghua Group**", the shares of which are listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (Stock Code: 196)), have signed a series of contracts regarding overseas rig leasing projects. This was the first business cooperation between the Group and Honghua Group after the Group's subscription of the placing shares of Honghua Group in May 2017. It was also the first overseas leasing business of the Group. The Group will continue to explore further overseas leasing business arising from the business opportunities presented by the "One Belt, One Road" national strategy.

Looking forward, the Group will further focus on its strategic directions. While the Group will endeavour to better develop its existing businesses, the Group will leverage and integrate the resources advantages of its controlling shareholder and continue to explore and develop new businesses, and to cultivate and generate new sources of profit.

Lastly, I, on behalf of the board of directors, would like to express my sincere gratitude to our shareholders, business partners and communities for their continuous support and care to the Group. We would also like to express our gratitude to the management and employees of the Group for their hard work during the Year.

**Zhang Bin**  
*Acting Chairman*

Hong Kong, 25 February 2019

在新業務開拓方面，本集團附屬公司誠通貿易（國際）有限公司與宏華集團有限公司（「**宏華集團**」）（其股份於香港聯合交易所有限公司（「**聯交所**」）主板上市，股份編號：196）之附屬公司簽訂鑽機海外租賃項目一系列合同，這是繼二零一七年五月本集團認購宏華集團的配售股份後，雙方在業務層面的首次合作，也是本集團首次開展海外租賃業務，本集團將會圍繞國家「一帶一路」戰略所帶來的業務機會探索更多的海外租賃業務。

展望未來，本集團將進一步加強戰略引領，在做好現有業務基礎上，依託和整合本集團之控股股東的資源優勢，繼續探索和開拓創新業務，不斷培育和構建新的盈利增長點。

最後，本人謹代表董事會衷心感謝各位股東、業務夥伴及社會各界人士對本集團一直以來的支持和關心，及感謝本集團管理層及員工在本年度的辛勤工作。

代理主席  
**張斌**

香港，二零一九年二月二十五日

# Management Discussion and Analysis

## 管理層討論與分析

### I. RESULTS AND DIVIDEND

For the year ended 31 December 2018, the Group recorded a consolidated turnover of approximately HK\$1,020.89 million (2017: approximately HK\$1,353.12 million), representing a year-on-year decrease of approximately 25%. This year, the profit attributable to the owners of the Company was approximately HK\$113.44 million (2017: approximately HK\$23.36 million), representing a year-on-year increase of approximately 386%. The significant increase in profit was mainly because of (i) the Group completed the disposal of the equity interests in Cuidao Hotspring Hotel in December 2018, which resulted in a non-recurring gain on disposal of a subsidiary of approximately HK\$110.80 million (2017: HK\$ nil); and (ii) the Company had fully redeemed the RMB600 million bonds issued by it in May 2017, leading to no related interest expenses being recorded during the year, which resulted in a year-on-year significant decrease in finance costs by approximately 50% to approximately HK\$6.51 million (2017: approximately HK\$12.95 million).

The Board did not recommend the declaration of any final dividend for the year ended 31 December 2018 (2017: nil).

### II. BUSINESS REVIEW

#### Segment Revenue and Results

The revenue of the Group was mainly derived from the five business segments in the PRC, including property development, property investment, finance leasing, bulk commodity trade and hotel and marine travelling services. The details of segment revenue and results are as follows:

#### (1) Property Development

The sales revenue from property development of the Group was generated from two projects in CCT-Champs-Elysees in Zhucheng City of Shandong Province of the PRC and "Chengtong International City" in Dafeng City of Jiangsu Province of the PRC. The two aforementioned projects altogether brought a turnover for the Group's property development segment of approximately HK\$60.99 million (2017: approximately HK\$109.21 million), representing a year-on-year decrease of approximately 44%, and the segment profit before tax when compared to that of last year decreased by 16% to approximately HK\$20.48 million (2017: approximately 24.25 million). Details of the two aforementioned projects are as follows:

### 一. 業績及股息

截至二零一八年十二月三十一日止年度，本集團錄得綜合營業額約港幣10億2,089萬元（二零一七年：約港幣13億5,312萬元），同比減少約25%。本年度本公司擁有人應佔年內溢利約港幣1億1,344萬元（二零一七年：約港幣2,336萬元），同比上升約386%，溢利大幅上升主要原因是(i)本集團於二零一八年十二月完成出售翠島溫泉酒店權益，錄得非經常性出售一間附屬公司之收益約港幣1億1,080萬元（二零一七年：港幣0元）；及(ii)本公司於二零一七年五月內全數贖回其發行的人民幣6億元債券，令本年內沒有錄得相關的利息支出，導致融資成本同比大幅減少約50%至約港幣651萬元（二零一七年：約港幣1,295萬元）。

董事會不建議就截至二零一八年十二月三十一日止年度宣派任何末期股息（二零一七年：無）。

### 二. 業務回顧

#### 分類收益及業績

本集團業務收入主要來自於中國境內的五項分類業務包括：物業發展、物業投資、融資租賃、大宗商品貿易及酒店和海上旅遊服務。分類收益及業績詳情如下：

#### (1) 物業發展

本集團的物業發展銷售收入乃來自於中國山東省諸城市之誠通香榭裡及中國江蘇省大豐市之「誠通國際城」兩個項目，綜合上述兩個項目為本集團帶來物業發展的分類營業額約港幣6,099萬元（二零一七年：約港幣1億921萬元），同比下降約44%，分類除稅前溢利較去年減少約16%至約港幣2,048萬元（二零一七年：約港幣2,425萬元）。上述兩個項目的業務詳情如下：

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

(i) Zhucheng City of Shandong Province – CCT-Champs-Elysees

The CCT-Champs-Elysees project, which is wholly owned by the Group, is located at the northern side of Eastern Section of No. 1 Mizhou West Road, Zhucheng City, Shandong Province, the PRC (Lot No. 01213003). The project has a total site area of approximately 146,006 square metres and has been developing in three phases. The project is located in a county level city, which is a third- and fourth-tier city in the PRC. During the year under review, affected by policies including state stringent regulations and tightened bank credit, the demand for new flats in Zhucheng City was low which led to a decline in the sales revenue of the project. During the year, the area of residential apartments of the project sold was approximately 8,928 square metres (2017: approximately 18,702 square metres), representing a year-on-year decrease of approximately 52%. In addition, six parking spaces were sold (2017: 37). No record of commercial properties sold during the year (2017: 242 square metres). The average unit selling price per square metre for residential apartments of the project was approximately RMB5,833, representing an increase of approximately 12% as compared to approximately RMB5,215 per square metre in last year. Mainly because of the decrease of areas sold as compared to that of last year, the sales revenue of the project was approximately HK\$60.61 million (2017: approximately HK\$109.21 million), representing a year-on-year decrease of approximately 45%. The profit before tax amounted to approximately HK\$23.38 million (2017: approximately HK\$26.42 million), representing a year-on-year decrease of approximately 12%.

As at 31 December 2018, the unsold area of phases I, II and III of CCT-Champs-Elysees project included residential area of approximately 29,392 square metres (as at 31 December 2017: approximately 37,920 square metres) and commercial spaces of approximately 1,410 square metres (as at 31 December 2017: approximately 1,410 square metres) (excluding the leased area of approximately 7,565 square metres (as at 31 December 2017: approximately 7,565 square metres)).

Construction works of phase III of CCT-Champs-Elysees project have been commenced. Parts of the project were sold, while the whole project is expected to be completed and delivered by 2020.

(i) 山東省諸城市－誠通香榭裡

本集團全資持有的誠通香榭裡項目位於中國山東省諸城市密州西路1號東段北側（地段編號為第01213003號），總地盤面積約146,006平方米，項目分三期發展，項目所在地是縣級市，屬於中國境內三、四線城市。於回顧年內，受國家調控及銀行信貸收緊等政策影響，令諸城市內購新房需求減少，導致該項目銷售收入下降。本年度該項目售出之住宅面積約8,928平方米（二零一七年：約18,702平方米），同比減少約52%，另售出之車庫6個（二零一七年：37個）。本年度內沒有錄得售出之商業物業面積（二零一七年：242平方米）。項目住宅平均銷售單價約人民幣5,833元，較去年的每平方米約人民幣5,215元增加約12%。主要由於於售出之面積較去年減少，項目銷售收入約港幣6,061萬元（二零一七年：約港幣1億921萬元），同比減少約45%。除稅前溢利約港幣2,338萬元（二零一七年：約港幣2,642萬元），同比減少約12%。

於二零一八年十二月三十一日，誠通香榭裡項目第一、二、三期未售出之住宅面積約29,392平方米（於二零一七年十二月三十一日：約37,920平方米）及商業面積約1,410平方米（於二零一七年十二月三十一日：約1,410平方米）（不包括已出租約7,565平方米（於二零一七年十二月三十一日：約7,565平方米）之面積）。

誠通香榭裡項目第三期土建工程已動工，部分已經銷售，項目整體將於二零二零年期間全數竣工交房。



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

### (iii) Dafeng City of Jiangsu Province – Chengtong International City

The Group holds 66.67% equity interest in “Chengtong International City”, which is located at North Portion of Lot No. 2, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC. The total site area is approximately 118,974 square metres and the first phase was developed in two sections. Dafeng City is a third and fourth-tier city of the PRC. Given that the project is situated far from major cities and the real estate market in the region remains stagnant, the residential area of the project sold was approximately 92 square metres during the year (2017: nil). The sales revenue of the project was approximately HK\$0.38 million (2017: nil). The loss before tax amounted to approximately HK\$2.91 million (2017: loss before tax amounted to approximately HK\$2.17 million), representing a year-on-year increase in loss of approximately 34%.

As at 31 December 2018, the unsold area of Chengtong International City project included residential area of approximately 10,930 square metres (as at 31 December 2017: approximately 11,022 square metres) and commercial spaces of approximately 9,540 square metres (as at 31 December 2017: approximately 9,540 square metres).

### Land Resources Development

It remains the Group’s plan to dispose of the land situated in Dafeng City, Jiangsu Province. 誠通大豐海港開發有限公司 (unofficial English translation being Chengtong Dafeng Harbour Development Limited) (“**Dafeng Development**”), a 66.67%-owned subsidiary of the Company, held a parcel of industrial land situated in the south of Shugang Highway, Dafeng City, Jiangsu Province, the PRC and three parcels of residential and commercial land situated at lot number 1 to 3 in the Port Serviced Area, Ocean Economic Development Zone, Dafeng City, Jiangsu Province.

### (iii) 江蘇省大豐市－誠通國際城

本集團持有位於中國江蘇省大豐市大豐海洋經濟開發區口岸服務區2號地塊北側之「誠通國際城」66.67%股權，總地盤面積約118,974平方米，首開區分兩標段開發。大豐市屬於中國境內三、四線城市，由於項目距離大城市較為偏遠及區內房地產市場持續低迷，本年度內該項目售出之住宅面積約92平方米（二零一七年：無），項目銷售收入約港幣38萬元（二零一七年：無），除稅前虧損約港幣291萬元（二零一七年：除稅前虧損約港幣217萬元），同比虧損增加約34%。

於二零一八年十二月三十一日，誠通國際城項目未售出之住宅面積約10,930平方米（於二零一七年十二月三十一日：約11,022平方米）及商業面積約9,540平方米（於二零一七年十二月三十一日：約9,540平方米）。

### 土地資源開發

本集團仍維持計劃出售江蘇省大豐市土地。本公司持有66.67%權益之附屬公司誠通大豐海港開發有限公司（「**大豐開發**」），持有一塊位於中國江蘇省大豐市疏港公路南側的工業用地，及三塊位於江蘇省大豐市海洋經濟開發區口岸服務區一標至三標段地塊的商住用地。

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On 3 July 2014, the Group entered into two resumption agreements with Dafeng Land Reserve Center and Management Committee of the Jiangsu Dafeng Harbour Economic Development Zone (the “**Dafeng Harbour Committee**”) and two compensation agreements with the Dafeng Harbour Committee and 江蘇大豐海港控股集團有限公司 (unofficial English translation being Jiangsu Dafeng Harbour Holdings Group Limited). Details of the relevant agreements related to the resumption of land were set out in the Company’s announcement dated 3 July 2014. However, the relevant land has not been resumed as of 31 December 2018 and the date of this annual report.

### (2) Property Investment

The rental income from property investment of the Group was generated from the commercial properties of CCT-Champs-Elysees project in Zhucheng City, Shandong Province, the PRC. As at 31 December 2018, the leasable area of the project was approximately 7,565 square metres, which was the same as that of last year. Due to the increase in rent for renewed tenancy agreements during the year, the rental income amounted to approximately HK\$2.64 million (2017: approximately HK\$2.41 million), representing a year-on-year increase of approximately 10%. The profit before tax was approximately HK\$2.29 million (2017: approximately HK\$2.15 million), representing a year-on-year increase of approximately 7%.

### (3) Finance Leasing

During the year under review, the turnover from the finance leasing business amounted to approximately HK\$53.26 million (2017: approximately HK\$52.69 million), representing a year-on-year increase of approximately 1%. The profit before tax was approximately HK\$44.14 million (2017: approximately HK\$44.63 million), representing a year-on-year decrease of approximately 1%. The decrease in profit was mainly attributable to the increase in administrative expenses when compared to that of last year.

於二零一四年七月三日，本集團與大豐市土地儲備中心及江蘇大豐港經濟開發區管理委員會（「**大豐港委員會**」）訂立兩份收回協議，並與大豐港委員會及江蘇大豐海港控股集團有限公司訂立兩份補償協議，土地收回有關協議詳情載於本公司日期為二零一四年七月三日的公告。然而，截至二零一八年十二月三十一日及本年度報告日期止，有關土地尚未被收回。

### (2) 物業投資

本集團物業投資的租金收入乃來自於中國山東省諸城市的誠通香榭裡項目內的商業物業。於二零一八年十二月三十一日，該項目可出租面積約7,565平方米，與去年相同。由於本年度簽定的新租約租金有所調升，令租金收入錄得約港幣264萬元（二零一七年：約港幣241萬元），同比上升約10%，除稅前溢利約港幣229萬元（二零一七年：約港幣215萬元），同比增加約7%。

### (3) 融資租賃

於回顧年內，融資租賃業務實現營業收入約港幣5,326萬元（二零一七年：約港幣5,269萬元），同比增加約1%，除稅前溢利約港幣4,414萬元（二零一七年：約港幣4,463萬元），同比下降約1%，溢利下降主要原因是行政費用較去年上升。

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### (4) Bulk Commodity Trade

During the year under review, turnover from bulk commodity trade business segment was approximately HK\$865.24 million (2017: approximately HK\$1,145.87 million), representing a year-on-year decrease of approximately 24%. Segment profit before tax was approximately HK\$4.34 million (2017: approximately HK\$9.52 million), representing a year-on-year decrease of approximately 54%. The details of the trading of coal and steel and non-ferrous metal under bulk commodity trade operated by the Group are as follows:

#### (i) Trading of Coal

During the year, the Group achieved the sales volume of coal trading of approximately 0.86 million tons (2017: approximately 1.01 million tons), representing a year-on-year decrease of approximately 15%. Turnover was approximately HK\$614.72 million (2017: approximately HK\$684.77 million), representing a year-on-year decrease of approximately 10%. The average unit selling price increased by approximately 1.7% from approximately RMB590 per ton in last year to approximately RMB600 per ton during the year under review. However, due to the year-on-year decrease in sales volume and increase in administrative expenses, the profit before tax was approximately HK\$1.75 million (2017: approximately HK\$6.95 million), representing a significant year-on-year decrease of approximately 75%.

#### (ii) Trading of Steel and Non-ferrous Metal

During the year under review, the sales volume of steel under bulk commodity was approximately 60,745 tons (2017: approximately 131,679 tons), representing a year-on-year decrease of approximately 54%. There was no record of any sales volume of non-ferrous metals (2017: approximately 300 tons). The turnover was approximately HK\$250.52 million (2017: approximately HK\$461.10 million), representing a year-on-year decrease of approximately 46%. The average unit selling price of steel increased by 22% year-on-year to approximately RMB3,404 per ton, which resulted in a year-on-year increase in gross profit by approximately 1% to approximately HK\$4.81 million (2017: approximately HK\$4.77 million), thus offsetting the negative impact of falling sales volume on gross margin. The profit before tax was approximately HK\$2.59 million (2017: approximately HK\$2.57 million), which was nearly the same with that of last year.

### (4) 大宗商品貿易

於回顧年內，來自大宗商品貿易的分類營業額約港幣8億6,524萬元（二零一七年：約港幣11億4,587萬元），同比減少約24%。分類除稅前溢利約港幣434萬元（二零一七年：約港幣952萬元），同比減少約54%。本集團經營的大宗商品貿易項下之煤炭貿易及鋼材及有色金屬貿易業務詳情如下：

#### (i) 煤炭貿易

本年度本集團實現了煤炭貿易銷售量約86萬噸（二零一七年：約101萬噸），同比下降約15%。營業額約港幣6億1,472萬元（二零一七年：約港幣6億8,477萬元），同比減少約10%。銷售平均單價由去年每噸約人民幣590元增加約1.7%至於回顧年內的每噸約人民幣600元，但由於銷售量同比下降及行政費用上升，除稅前溢利約港幣175萬元（二零一七年：約港幣695萬元），同比大幅減少約75%。

#### (ii) 鋼材及有色金屬貿易

於回顧年內，大宗商品貿易之鋼材貿易的銷售量約60,745噸（二零一七年：約131,679噸），同比下降約54%，本年內沒有錄得有色金屬貿易的銷售量（二零一七年：約300噸）。營業額約港幣2億5,052萬元（二零一七年：約港幣4億6,110萬元），同比減少約46%。鋼材銷售平均單價同比上升約22%至每噸約人民幣3,404元，導致毛利同比增加約1%至約港幣481萬元（二零一七年：約港幣477萬元），抵消銷售量下跌對毛利的負面影響。除稅前溢利約港幣259萬元，（二零一七年：約港幣257萬元），與去年相若。

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### (5) Hotel and Marine Travelling Services

The hotel and marine travelling services mainly consist of: marine travelling business, hotel operation and travelling agency business.

#### (i) Marine Travelling Business

During the year under review, the turnover of the marine travelling business was approximately HK\$36.30 million (2017: approximately HK\$36.66 million), representing a year-on-year decrease of approximately 1%. The gross profit decreased by approximately 4% from approximately HK\$19.73 million in last year to approximately HK\$19.02 million, which, together with an increase in the selling and administrative expenses, resulted in a profit before tax of approximately HK\$2.27 million (2017: approximately HK\$4.75 million), representing a year-on-year decrease of approximately 52%.

#### (ii) Hotel Business

The turnover of the hotel business was approximately HK\$1.56 million (2017: approximately HK\$4.99 million), representing a year-on-year decrease of approximately 69%, which was mainly due to the closure of the hotel since March 2018 to renovate its aged facilities which had turned guests away in last periods. With the decrease in turnover, the gross profit decreased by approximately 67% from approximately HK\$4.00 million of last year to approximately HK\$1.31 million. Moreover, the renovation of hotel rooms during the year generated a loss on disposal and write-off of equipment of approximately HK\$0.64 million in total. However, due to the suspension of hotel business and there was a significant decrease in selling and administrative expenses, the loss before tax amounted to approximately HK\$6.86 million (2017: loss before tax amounted to approximately HK\$10.02 million), representing a year-on-year decrease in loss of approximately 32%.

### (5) 酒店和海上旅遊服務

酒店和海上旅遊服務主要包括：海上旅遊業務、酒店經營及旅行社業務。

#### (i) 海上旅遊業務

於回顧年內，海上旅遊業務的營業額約港幣3,630萬元（二零一七年：約港幣3,666萬元），同比下跌約1%。毛利從去年約港幣1,973萬元減少約4%至約港幣1,902萬元，加上銷售和行政費用增加，除稅前溢利約港幣227萬元（二零一七年：約港幣475萬元），同比下降約52%。

#### (ii) 酒店業務

酒店業務的營業額約港幣156萬元（二零一七年：約港幣499萬元），同比下降約69%，主要原因是酒店設備設施老化令住客減少，故自二零一八年三月起，酒店客房暫停營業及進行裝修。由於營業額下降，毛利從去年約港幣400萬元減少約67%至約港幣131萬元，加上年內酒店客房進行裝修，產生出售及撇銷設備虧損合計約港幣64萬元，但因酒店租房業務停止令銷售和行政費用大幅減少，除稅前虧損約港幣686萬元（二零一七年：除稅前虧損約港幣1,002萬元），虧損同比減少約32%。



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### (iii) Travelling Agency Business

The turnover of the travelling agency business was approximately HK\$0.90 million (2017: approximately HK\$1.28 million), representing a year-on-year decrease of approximately 30%. The profit before tax was approximately HK\$0.48 million (2017: approximately HK\$0.46 million), representing a year-on-year increase of approximately 4%.

The above three businesses contributed a total segment turnover of approximately HK\$38.76 million (2017: approximately HK\$42.93 million), representing a year-on-year decrease of approximately 10%. The segment loss before tax amounted to approximately HK\$4.11 million (2017: segment loss before tax amounted to approximately HK\$4.80 million), representing a year-on-year decrease of approximately 14%.

### Other Income

Other income mainly included the interest income from deposits, short-term investments and other financial assets/available-for-sale financial assets of approximately HK\$45.84 million (2017: approximately HK\$49.01 million), representing a year-on-year decrease of approximately 6%. The total amount of other income was approximately HK\$58.58 million (2017: approximately HK\$54.83 million), representing a year-on-year increase of approximately 7%.

### Selling and administrative expenses

During the year under review, the selling expenses was approximately HK\$14.06 million (2017: approximately HK\$14.59 million), representing a year-on-year decrease of approximately 4%. The administrative expenses amounted to approximately HK\$92.34 million (2017: approximately HK\$99.42 million), representing a year-on-year decrease of approximately 7%.

### (iii) 旅行社業務

旅行社業務的營業額約港幣90萬元(二零一七年:約港幣128萬元),同比下跌約30%。除稅前溢利約港幣48萬元(二零一七年:約港幣46萬元),同比上升約4%。

綜合上述三項業務共為本集團帶來分類營業額約港幣3,876萬元(二零一七年:約港幣4,293萬元),同比下降約10%。分類除稅前虧損約港幣411萬元(二零一七年:除稅前虧損約港幣480萬元),虧損同比下降約14%。

### 其他收入

其他收入主要包括存款、短期投資及其他金融資產/可供出售金融資產利息收入約港幣4,584萬元(二零一七年:約港幣4,901萬元),同比減少約6%。其他收入總金額約港幣5,858萬元(二零一七年:約港幣5,483萬元),同比增加約7%。

### 銷售及行政費用

於回顧年內,銷售費用約港幣1,406萬元(二零一七年:約港幣1,459萬元),同比減少約4%。行政費用約港幣9,234萬元(二零一七年:約港幣9,942萬元),同比減少約7%。



### Gain on Disposal of a Subsidiary

In December 2018, the Group completed the disposal of the interests in Cuidao Hotspring Hotel which was originally planned for operating hotspring hotel or elderly business, and recorded a non-recurring gain on the disposal of a subsidiary of approximately HK\$110.80 million (2017: HK\$ nil). Details of the agreement in relation to the disposal of the interests in Cuidao Hotspring Hotel were set out in the announcements of the Company dated 11 September 2018 and 29 October 2018.

### Finance Costs

During the year under review, the finance costs mainly composed of the interest on bank borrowings. The total finance costs were approximately HK\$9.04 million (2017: approximately HK\$21.72 million), representing a year-on-year decrease of approximately 58%. After deducting the finance costs of approximately HK\$2.53 million (2017: approximately HK\$8.77 million) which were capitalised during the year under review, the net finance costs were approximately HK\$6.51 million (2017: approximately HK\$12.95 million), representing a year-on-year decrease of approximately 50%. The significant decrease in finance costs was mainly attributable to the decrease in related interest expenses from approximately HK\$14.33 million of last year to HK\$ nil for the year, as the Company fully redeemed the RMB600 million bonds issued by it in May 2017.

### 出售一間附屬公司之收益

本集團於二零一八年十二月完成出售原計劃用作經營溫泉酒店或養老業務的翠島溫泉酒店權益，錄得非經常性出售一間附屬公司之收益約港幣1億1,080萬元（二零一七年：港幣0元）。出售翠島溫泉酒店的有關協議詳情載於本公司日期為二零一八年九月十一日及二零一八年十月二十九日的公告。

### 融資成本

於回顧年內，融資成本主要為銀行借款利息。融資總成本約港幣904萬元（二零一七年：約港幣2,172萬元），同比下降約58%。扣除於回顧年內資本化融資成本約港幣253萬元（二零一七年：約港幣877萬元），融資淨成本約港幣651萬元（二零一七年：約港幣1,295萬元），同比下降約50%。融資成本大幅減少主要是本公司於二零一七年五月全數贖回其發行的人民幣6億元債券，令相關的利息支出從去年約港幣1,433萬元減少至本年度內港幣零元。

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### III. OUTLOOK

Looking back at 2018, the world economy grew in different directions from synchronised recovery. The American economy recovered strongly while the economic growth of the Eurozone and emerging economies slowed down. Major central banks across the globe adopted different monetary policies. During the year, the Federal Reserve raised interest rates four times, the central banks of Europe and Japan continued to maintain ultra-low interest rates and the central bank of China reduced deposit reserve ratio four times in a row. In 2018, facing a complex and volatile domestic and international environment amid the interest rate hikes by the Federal Reserve and China-US trade war, China's GDP hit RMB90 trillion for the first time with the growth rate slowing down to 6.6%. In general, China's economy remained stable and manageable.

Looking forward, the recovery of world economy will still face various deep-seated problems such as escalating trade disputes, rising debt levels and the changes of monetary policies of developed economies. A number of international institutions recently expected that the world economy would slow down in 2019. In the short term, China's economy will still be under considerable downward pressures, and China will further the supply-side structural reform to promote the high quality development of its economy. In the medium-long term, China will still possess favorable development conditions and enormous development potentials.

In the face of opportunities and challenges, the Group will closely monitor the latest international and domestic economic and financial development, evaluate the situation and seize the opportunities. While implementing the improvement in quality and efficiency and exploring the potential of its existing businesses, the Group will continue to explore new businesses and develop new drivers for profit growth.

In respect of the integrated development and the transformation and upgrade of its existing businesses: for finance leasing, while putting more efforts on exploring overseas leasing business, the Group will make good use of the background advantage of its controlling shareholder of being a state-owned capital operation company, vigorously explore the business demand in areas such as equipment manufacturing, energy conservation and environment protection and infrastructure construction, gradually expand its business scale; in relation to property development and property investment, the Group's overall strategy is to selectively withdraw from some projects so as to have the cash flows to serve its strategic transformation; with regard to bulk commodity trading, the Group will continue to cautiously develop business relating to bulk commodity trading with stringent risk control; regarding hotel and marine travelling services, on one hand, the Group will complete the upgrade and renovation of the Undersea World Hotel in the coming year, and on the other hand, it will seize the strategic opportunities brought by the establishment of free trade zone (port) with its establishment in Hainan to further expanding new travelling resources.

### 三. 前景展望

回顧二零一八年，全球經濟增長由同步復蘇逐步走向分化，美國經濟復蘇強勁，而歐元區、新興經濟體等經濟增速放緩。全球主要央行貨幣政策也呈現分化局面，年內美聯儲加息四次，而歐洲和日本央行繼續維持超低利率，中國央行累計四次降准。二零一八年面臨美聯儲加息、中美貿易戰等複雜多變的國際國內環境，中國GDP首次突破90萬億人民幣，增速回落至6.6%，經濟運行總體平穩可控。

展望未來，全球經濟復蘇仍面臨著貿易爭端升級、債務水準升高、發達經濟體貨幣政策轉向等諸多深層次問題，近期多家國際機構預計二零一九年全球經濟會出現增速放緩。短期內，中國經濟仍存在較大的下行壓力，中國將堅持深化供給側結構性改革，推動經濟轉向高品質發展。從中長期看，中國仍然擁有相對有利的發展條件和巨大的發展潛力。

面對機遇與挑戰，本集團將密切關注國際國內經濟金融的最新動向，搶抓機遇，在落實提質增效、深入挖掘現有業務潛力的同時，本集團繼續努力開拓創新業務，培育新的利潤增長點。

在現有業務的融合發展和轉型升級方面：關於融資租賃，要充分發揮控股股東國有資本運營公司的背景優勢，大力開拓裝備製造、節能環保、基礎設施建設等領域的業務需求，逐步做大業務規模，同時繼續加大境外租賃業務模式的探索；關於物業發展及物業投資，本集團的總體策略是選擇性退出部分項目，回收現金資源服務於本集團戰略轉型；關於大宗商品貿易的煤炭及鋼鐵市場，本集團在嚴格控制風險的前提下，繼續審慎開展大宗商品貿易相關業務；關於酒店和海上旅遊業務，一方面在來年將完成現有海底世界酒店的升級改造；另一方面將抓住海南建設自由貿易島（港）的戰略機遇，立足海南，進一步開拓新的旅遊資源。

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In respect of the exploration of new businesses: the Group will rely on the resources advantages of China Chengtong Holdings Group Limited (“CCHG”), the controlling shareholder of the Group, focus on the “One Belt, One Road” national strategy, continue exploring new businesses areas, expand overseas financing channels and improve its international business level. Meanwhile, the Group will focus on new business direction, increase its effort in recruiting talents, reinforce internal control structure and management, and improve the capability in risk management.

After the business adjustment and optimisation in recent years, the Group has a relatively high proportion of cash assets, which has laid a solid foundation for the next transformation and development during the current economic downturn. The Group will proactively seize market opportunities and strive to make innovation, so as to create more values for the shareholders. The Board has full confidence in the future development of the Group.

### IV. ASSET STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

The Group continues to maintain a sound financial position. As at 31 December 2018, equity attributable to owners of the Company amounted to approximately HK\$2,761.71 million (as at 31 December 2017: approximately HK\$2,838.61 million), representing a decrease by approximately 3% as compared with the equity attributable to owners of the Company as at 31 December 2017.

As at 31 December 2018, the total assets of the Group amounted to approximately HK\$3,590.30 million, representing an increase by approximately 0.4% as compared to the total assets as at 31 December 2017. The amount of total current assets of the Group was approximately HK\$3,011.70 million, accounting for approximately 84% of the total assets and representing an increase by approximately 11% as compared to the total current assets as at 31 December 2017. The total non-current assets of the Group amounted to approximately HK\$578.61 million, accounting for approximately 16% of the total assets and representing a decrease by approximately 33% as compared to the total non-current assets as at 31 December 2017.

在新業務開拓方面：本集團將依託本集團之控股股東中國誠通控股集團有限公司（「誠通控股」）的資源優勢，圍繞國家「一帶一路」戰略，繼續開拓創新業務領域，拓寬海外融資管道，提升國際化經營水準。同時本集團將圍繞新的業務方向，加大人才引進力度，加強內控及管理，提升風險管理能力。

本集團經過近年來的業務調整與優化，現金類資產佔比較高，在當前經濟下行週期為下一步轉型發展奠定了良好的基礎。本集團積極把握市場機遇，勇於開拓創新，為股東創造更大價值。董事會對本集團之未來發展充滿信心。

### 四. 資產結構、資本流動性及財政資源

本集團繼續維持良好的財務狀況。於二零一八年十二月三十一日，本公司擁有人應佔之權益約港幣27億6,171萬元（於二零一七年十二月三十一日：約港幣28億3,861萬元），較於二零一七年十二月三十一日的本公司擁有人應佔之權益減少約3%。

於二零一八年十二月三十一日，本集團的總資產值約港幣35億9,030萬元，較於二零一七年十二月三十一日的總資產值增加約0.4%。本集團的流動資產總值約港幣30億1,170萬元，佔總資產值約84%，較於二零一七年十二月三十一日的流動資產總值增加約11%。本集團的非流動資產總值約港幣5億7,861萬元，佔總資產值約16%，較於二零一七年十二月三十一日的非流動資產總值減少約33%。



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

As at 31 December 2018, total liabilities of the Group amounted to approximately HK\$693.16 million, representing an increase of approximately HK\$104.81 million as compared with that as at the same date of last year. The total non-current liabilities of the Group amounted to approximately HK\$51.79 million and accounted for approximately 7% of the total liabilities and represented a decrease of approximately HK\$29.84 million as compared with that as at the same date of last year. The total current liabilities of the Group amounted to approximately HK\$641.37 million and accounted for approximately 93% of the total liabilities, representing an increase of approximately HK\$134.65 million as compared with that as at the same date of last year. The current ratio (calculated as total current assets over total current liabilities) was approximately 4.7 times, representing a decrease of approximately 0.7 time as compared to the current ratio of approximately 5.4 times as at 31 December 2017. Despite the decrease in current ratio, the liquidity of the assets of the Group remains strong.

As at 31 December 2018, the Group had cash and deposits (including pledged bank deposits, deposits in other financial institution and bank balances and cash) of approximately HK\$907.42 million, accounting for approximately 25% and approximately 31% of the total assets and the net assets respectively, representing an increase of approximately HK\$67.51 million as compared with the cash and deposits as at the same date of last year. As at 31 December 2018, the Group's bank borrowings were approximately HK\$274.10 million, representing an increase of approximately HK\$59.70 million as compared with the bank borrowings as at 31 December 2017 of approximately HK\$214.40 million. Bank borrowings of approximately HK\$74.10 million was of one-year term and the remaining balance of HK\$200 million was a revolving loan with the final repayment date in the year of 2020. The interest rates of the bank borrowings ranged from approximately 2.67% to approximately 5.9% per annum. It is expected that the Group will have sufficient financial resources to cope with the commitments and liabilities for the following year.

於二零一八年十二月三十一日，本集團的負債總值約港幣6億9,316萬元，較去年同日的負債總值增加約港幣1億481萬元。本集團的非流動負債總值約港幣5,179萬元，佔負債總值約7%，較去年同日的非流動負債總值減少約港幣2,984萬元。本集團的流動負債總值約港幣6億4,137萬元，佔負債總值約93%，較去年同日的流動負債總值增加約港幣1億3,465萬元。流動比率（其計算方式為流動資產總值除以流動負債總值）約4.7倍，較於二零一七年十二月三十一日的流動比率約5.4倍減少約0.7倍。雖然流動比率下跌，本集團資產流動性維持強勢。

於二零一八年十二月三十一日，本集團持有現金及存款（包括已抵押銀行存款、於其他金融機構存款及銀行結存及現金）約港幣9億742萬元，分別佔總資產值及資產淨值約25%及約31%，較去年同日的現金及存款增加約港幣6,751萬元。於二零一八年十二月三十一日，本集團的銀行借款約港幣2億7,410萬元，較二零一七年十二月三十一日的銀行借款約港幣2億1,440萬元增加約港幣5,970萬元。銀行借款中約港幣7,410萬元為一年期貸款，餘額港幣2億元為循環貸款，最後還款日在2020年，銀行借款年利率介乎約2.67%至約5.9%。本集團預期具備足夠財務資源以應付來年之承擔及負債。

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

## V. SIGNIFICANT INVESTMENTS

Details of the significant investments in the portfolio under other financial assets as at 31 December 2018 are as follows:

## 五. 重大投資

於二零一八年十二月三十一日，其他金融資產內的重大投資詳情如下：

Description of investment	Approximate Interest rate per annum	Approximate investment amount as at 31 December 2018	Fair value as at 31 December 2018 (HK\$'000)	Approximate percentage to the Group's audited total assets as at 31 December 2018	Changes in fair value during the year 2018 (HK\$'000)
投資概述	概約年利率	於二零一八年十二月三十一日的概約投資金額	於二零一八年十二月三十一日的公平值 (港幣千元)	佔於二零一八年十二月三十一日本集團經審核總資產的概約百分比	二零一八年的公平值變動 (港幣千元)
Honghua Group (Stock code: 196) (Note 1)	N/A	HK\$195,580,000	104,140	2.9%	(66,040)
宏華集團(股份代號: 196) (附註1)	不適用	港幣 195,580,000元			(附註2)
Unlisted trust schemes managed by and investment product issued by PRC banks and financial institutions	3.3%-8.9%	RMB365,417,211	421,847	11.7%	5,431
由中國的銀行及金融機構管理的非上市信託計劃及發行的投資產品		人民幣 365,417,211元			(附註3)
Unlisted interest bearing wealth management products in PRC banks	4.0%-7.0%	RMB65,000,000	74,100	2.1%	-
中國的銀行附息非上市理財產品		人民幣 65,000,000元			
Interest bearing structured bank deposits with PRC banks	2.9%-4.5%	RMB210,000,000	239,400	6.7%	-
中國的附息結構性銀行存款		人民幣 210,000,000元			

Note 1: The principal businesses of Honghua Group are manufacturing of drilling rigs, offshore engineering, manufacturing of oil & gas exploitation equipment and providing drilling services. The Group held 254,000,000 shares of Honghua Group, representing approximately 4.7% of the total issued shares of Honghua Group as at the date of this annual report. During the year, the Group did not receive any dividend income from Honghua Group.

Note 2: This financial asset is measured at fair value through other comprehensive income (non-recycling).

Note 3: This financial asset is measured at fair value through profit or loss.

附註1: 宏華集團的主要業務為製造鑽機、離岸工程、製造油氣開採設備及提供鑽探服務。本集團持有宏華集團股份數目為254,000,000股，相當於宏華集團於本年度報告日期已發行股份總數約4.7%。於年內，本集團沒有收取宏華集團任何股息收益。

附註2: 本金融資產乃按公平值計入其他全面收益(不可轉入損益)之方法計量。

附註3: 本金融資產乃按公平值計入損益之方法計量。



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

During the year, the 3-year term notes issued by HNA Group (International) Company Limited with an annual interest rate of 8.125% was redeemed on maturity date in December 2018. The total interest income from this notes during the year ended 31 December 2018 was approximately HK\$13,043,000.

For more details of the Group's other financial assets, please refer to note 26 to the financial statements in this annual report. Looking ahead, the Group anticipates to receive investment income from these investments and we intend to actively explore other potential investment opportunities to maximise shareholders' value.

### VI. DEBT TO EQUITY RATIO

The debt to equity ratio (calculated by dividing total interest-bearing borrowings by total equity) as at 31 December 2018 was approximately 9%, representing an increase by approximately 2% as compared with the debt to equity ratio of approximately 7% as at 31 December 2017, which indicated a stable financial position and a low gearing level of the Group.

### VII. TREASURY POLICIES

The business activities and operation of the Group are mainly carried out in Mainland China and Hong Kong, with transactions denominated in RMB, HKD and United States dollars, which exposes the Group to foreign currency risks. The HKD-denominated bank borrowings of the Group of approximately HK\$200 million were based on floating interest rates, which exposed the Group to interest rate risks. The Group will use interest rate and foreign currency swaps and forward foreign exchange contracts as and when appropriate for risk management and hedging purposes with a view to managing the Group's exposure to interest rate and foreign exchange rate fluctuations. It is the Group's policy not to enter into derivative financing transactions for speculative purposes. It is also the Group's policy not to invest in financial products with significant underlying leverage or derivative exposure including hedge funds or similar instruments.

於年內，海航集團（國際）有限公司年利率為8.125%的三年期票據於二零一八年十二月到期日贖回。截至二零一八年十二月三十一日止年度，該票據利息收入總金額約港幣13,043,000元。

有關本集團其他金融資產的詳情請參閱本年度報告內財務報表附註26。展望未來，本集團預期自該等投資取得投資收入，且我們有意積極探求其他具潛力的投資機遇，將股東價值最大化。

### 六. 負債與權益比率

於二零一八年十二月三十一日之負債權益比率（其計算方式為附息貸款總和除以總權益）約9%，較於二零一七年十二月三十一日之負債權益比率約7%，增加約2%，反映本集團財政狀況穩健，負債仍然維持在低水準。

### 七. 理財政策

本集團之業務活動及營運所在地主要在中國內地及香港，交易以人民幣、港幣及美元計值，令本集團承受外匯風險。本集團之港幣銀行借款約2億元以浮息為基礎，令本集團承受利率風險。本集團將在適當時候以利率與外匯掉期及遠期外匯合約用作風險管理、對沖交易，以及調控本集團面對之利率與匯率波動風險。本集團之政策是不參與投機性之衍生融資交易，亦不會投資於具有重大相關槓桿效應或衍生風險之金融產品上，包括對沖基金或類似之工具。

## VIII. INTEREST RATE RISK

As at 31 December 2018, the Group's bank borrowings were denominated in HKD and RMB, of which the RMB-denominated bank borrowings of approximately RMB65 million were based on fixed interest rates, and the HKD-denominated borrowings of approximately HK\$200 million were based on floating interest rates. The floating interest rates are stabilised at a low level because the banks in Hong Kong have sufficient capital and strong liquidity and there is no urgent need to increase the interest rates. Although the Group does not have any hedging measures against such interest rate risks, the Group will continue to closely monitor the risks arising from such interest rate fluctuation. When interest rate rises, hedging instruments will be used in due course against the interest rate risks caused by the HKD-denominated bank borrowings which are based on floating interest rates.

## IX. FOREIGN EXCHANGE RISK

During the year under review, the Group's businesses were principally conducted in RMB, while most of the Group's assets and liabilities were denominated in HKD and RMB. Any fluctuation in the exchange rate of HKD against RMB may have an impact on the Group's results. As at 31 December 2018, the net assets of the Group's business within the territory of the PRC were approximately RMB2,605.86 million. According to HKASs, such amount of net assets denominated in RMB should be converted at the exchange rate applicable as at the end of the reporting period. Due to the decrease in foreign exchange reserve by approximately HK\$135.02 million as a result of the depreciation of RMB during the year under review, there had been a decrease in net assets of the Group. Although foreign currency fluctuations did not pose significant risks to the Group during the year under review and the Group does not have any hedging measures against such exchange risks currently, the Group will continue to closely monitor the risks arising from such currency fluctuations.

## 八. 利率風險

於二零一八年十二月三十一日，本集團之銀行借款以港幣及人民幣計值，其中人民幣銀行借款約6,500萬元是以固定息率為基礎，港幣銀行借款約2億元是以浮息為基礎，由於香港銀行資金充裕流動性強而毋需急於加息，浮息利率處於穩定低水準。儘管本集團現時並無就該等利率風險採取任何對沖措施，本集團將會密切監控有關利率波動產生的風險，在利率趨升時，適時採用利率對沖工具，以減少港幣銀行借款以浮息為基礎產生的利率風險。

## 九. 外匯風險

於回顧年內，本集團主要以人民幣進行業務，而本集團的大部分資產及負債以港幣及人民幣計值，港幣兌人民幣的匯率波動可能對本集團的業績產生影響。於二零一八年十二月三十一日，本集團位於中國境內業務之資產淨值約人民幣26億586萬元，遵照香港會計準則，該人民幣資產淨值應按本公告期間結算日之適用匯率換算。由於本年度人民幣貶值，減少本集團外匯儲備約港幣1億3,502萬元，導致本集團資產淨值減少。儘管本年度外匯波動並無使本集團面對重大風險且我們現時並無就該等外匯風險採取任何對沖措施，本集團也將會密切監控有關貨幣波動可能產生的風險。

# Management Discussion and Analysis

## 管理層討論與分析

### X. PLEDGE OF ASSETS

- (a) As at 31 December 2018, pledged bank deposits of the Group in the sum of approximately HK\$1.26 million were pledged as security for banking facilities granted to mortgagees (as at 31 December 2017: approximately HK\$1.32 million). The remaining balance of approximately HK\$2.56 million of the Group's pledged bank deposit (as at 31 December 2017: approximately HK\$2.69 million) was guaranteed deposits.
- (b) On 29 March 2016, the Group entered into a guarantee agreement with China Chengtong Coal Investment Limited ("**Chengtong Coal**"), a subsidiary of the ultimate holding company of the Company, pursuant to which the Group provided a guarantee by pledging its office premise with net book value of approximately HK\$45.37 million as at 31 December 2018 and issuing a guarantee letter to the Supreme People's Court of Guangxi Zhuang Autonomous Region to the extent of approximately RMB53.54 million (equivalent to approximately HK\$61.04 million) for a period of three years or such shorter period as may be approved by the court. The guarantee provided to Chengtong Coal was for the purpose of supporting a property preservation order on certain subject assets in a litigation between Chengtong Coal and its debtors.

### XI. COMMITMENTS AND CONTINGENT LIABILITIES

Please refer to notes 38, 43 and 44 to the financial statements in this annual report.

### 十. 資產抵押

- (a) 於二零一八年十二月三十一日，本集團的已抵押銀行存款中約港幣126萬元（於二零一七年十二月三十一日：約港幣132萬元）為授予按揭人之銀行融資的抵押。餘下約港幣256萬元的本集團之已抵押銀行存款（二零一七年十二月三十一日：約港幣269萬元）為保證存款。
- (b) 於二零一六年三月二十九日，本集團與中國誠通煤業投資有限公司（「**誠通煤業**」）（本公司最終控股公司的附屬公司）訂立擔保協議，據此，本集團已透過質押其於二零一八年十二月三十一日賬面值約港幣4,537萬元的辦公室物業及向廣西壯族自治區高級人民法院出具金額約人民幣5,354萬元（約港幣6,104萬元）為限的保函以提供擔保，期限為三年（或法院可能批准的較短期限）。向誠通煤業提供的擔保用作支援就誠通煤業與其債務人的訴訟中若干主要資產的財產保全令。

### 十一. 承擔及或有負債

請參閱本年度報告內財務報表附註38、43及44。



# Biographies of Directors and Senior Management 董事及高級管理層履歷

## DIRECTORS

### Mr. Zhang Bin

Mr. Zhang, aged 50, is an executive Director, acting Chairman of the Board and the Managing Director of the Company. Mr. Zhang joined the Group in July 2010. He was appointed as an executive Director with effect from 30 January 2014, as the Managing Director with effect from 15 June 2017 and as acting Chairman of the Board with effect from 1 December 2018. He is also a director of several subsidiaries of the Company. Mr. Zhang holds an EMBA degree from China Europe International Business School and a Doctorate degree from Peking University. He also undertook postdoctoral research in Rutgers University and North Carolina State University in the United States. Mr. Zhang has rich experience in corporate management. Mr. Zhang is currently a director of China Chengtong Hong Kong Company Limited (“**CCHK**”), which has an interest in the shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“**SFO**”).

### Mr. Wang Tianlin

Mr. Wang, aged 46, is an executive Director and a director of several subsidiaries of the Company. Mr. Wang joined the Group in February 2007. Mr. Wang obtained his Bachelor and Master degrees from Beijing Institute of Technology and in 2003, he obtained his Master degree in Business Administration in Finance from The Chinese University of Hong Kong. Mr. Wang was previously the secretary to the board of directors of Sihuan Pharmaceutical Company Limited, the shares of which are listed on the Shenzhen Stock Exchange and also was the assistant to the president of CCHK. He is currently an executive director and general manager of China Huandao Group Limited (formerly known as China Huandao Group Co.), a subsidiary of CCHG. Mr. Wang has extensive experience in corporate governance, capital management and business administration.

### Professor Chang Qing

Professor Chang, aged 61, is an independent non-executive Director. Professor Chang joined the Group in January 2013. Professor Chang studied Economics at Jilin University and obtained his Master degree in Economics from Jilin University in 1985 and PhD degree from Chinese Academy of Social Sciences. He has over 30 years of experience in economic and financial field. He is currently the chairman of Jinpeng International Futures Co., Ltd., a professor of College of Economics and Management of China Agricultural University, supervisor of Futures and Financial Derivatives Association of China Agricultural University and a member of the expert committee of China Securities Journal. Professor Chang is now acting as an independent non-executive director of Kangda International Environmental Company Limited and Honghua Group (both companies are listed on the Main Board of the Stock Exchange). He also previously served as independent directors of Tibet Summit Resources Co., Ltd. (formerly known as Tibet Summit Industry Co. Ltd) and TBEA Co., Ltd. (both companies are listed on the Shanghai Stock Exchange) as well as Yuan Long Ping High-Tech Agriculture Co., Ltd., Rongfeng Holding Group Co., Ltd. and Shenwu Environmental Technology Co., Ltd. (all three companies are listed on the Shenzhen Stock Exchange). Professor Chang was a council member of the Shanghai Futures Exchange and the vice president of the expert committee of China Futures Association.

## 董事

### 張斌先生

張先生，50歲，本公司執行董事、董事會代理主席及董事總經理。張先生於二零一零年七月加入本集團，彼於二零一四年一月三十日獲委任為執行董事，於二零一七年六月十五日獲委任為董事總經理及於二零一八年十二月一日獲委任為董事會代理主席。張先生同時為本公司若干附屬公司之董事。張先生持有中歐國際商學院高級工商管理碩士學位及北京大學博士學位。彼亦曾於美國羅格斯大學及美國北卡羅萊納州立大學從事博士後研究工作。張先生具有豐富的企業管理經驗。現時張先生為中國誠通香港有限公司（「**誠通香港**」）的董事，而誠通香港擁有根據證券及期貨條例（香港法例第571章）（「**證券及期貨條例**」）第XV部第2及第3分部之條文須向本公司披露之本公司股份權益。

### 王天霖先生

王先生，46歲，執行董事及本公司若干附屬公司之董事。王先生於二零零七年二月加入本集團。王先生自北京理工大學取得學士及碩士學位，並於二零零三年取得香港中文大學工商管理碩士學位，主修金融。王先生曾於深圳證券交易所上市之四環藥業股份有限公司擔任董事會秘書，亦曾於誠通香港擔任總裁助理。彼現為誠通控股附屬公司中國寰島集團有限公司（前稱中國寰島（集團）公司）執行董事及總經理。王先生具備豐富的公司治理、資本運作及企業管理經驗。

### 常清教授

常教授，61歲，獨立非執行董事。常教授於二零一三年一月加入本集團。常教授在吉林大學修讀經濟，於一九八五年獲吉林大學頒發經濟學碩士學位，並自中國社會科學院取得博士學位。彼在經濟及財經領域超過30年經驗。常教授現為金鵬期貨經紀有限公司的董事長、中國農業大學經濟管理學院教授、中國農業大學期貨與金融衍生品研究中心主任及中國證券報專家委員會委員。常教授現擔任康達國際環保有限公司和宏華集團（兩間公司均於聯交所主板上市）的獨立非執行董事，彼也曾擔任西藏珠峰資源股份有限公司（前稱為西藏珠峰工業股份有限公司）、特變電工股份有限公司（兩間公司均於上海證券交易所上市）、袁隆平農業高科技股份有限公司、榮豐控股集團股份有限公司及神霧環保技術股份有限公司（三間公司均於深圳證券交易所上市）的獨立董事。常教授曾擔任上海期貨交易所理事及中國期貨業協會副會長。

## Biographies of Directors and Senior Management 董事及高級管理層履歷

### Mr. Lee Man Chun, Tony

Mr. Lee, aged 65, is an independent non-executive Director. Mr. Lee joined the Group in November 2013. Mr. Lee obtained a Master degree in Business Administration from Chu Hai College of Higher Education in 1981. He is a member of the Hong Kong Institute of Certified Public Accountants. He has over 40 years of experience in accounting, capital markets, corporate management, finance and banking. Previously, he worked for and held senior positions with Standard Chartered Bank (Hong Kong) Limited and Sanwa International Finance Ltd. Mr. Lee was an executive director of Shenwan Hongyuan (H.K.) Limited (formerly known as Shenyin Wanguo (H.K.) Limited) (the shares of which are listed on the Main Board of the Stock Exchange) from June 2000 to June 2017, and served as its chief executive officer during the period from July 2000 to March 2012.

### Professor He Jia

Professor He, aged 64, is an independent non-executive Director. Professor He joined the Group in September 2015. He holds a Doctor of Philosophy degree in Finance from the Wharton School of University of Pennsylvania, the United States. Currently, he is the leading professor of the Faculty of Financial Mathematics and Engineering at the South University of Science and Technology of China, a jointly-appointed professor at the Tsinghua University, Cheung Kong Visiting Chair Professor of the Ministry of Education and an executive director and academic member of the China Society for Finance and Banking. Professor He currently acts as a financial consultant for the Chengdu and Quanzhou municipal governments. He is also an editor of China Financial Economics Review, and is serving as a member of the editorial boards of a number of journals, including China Accounting and Finance Review and Research in Banking and Finance. Professor He is currently an independent non-executive director of Bank of Tianjin Co., Ltd., OP Financial Investments Limited and CITIC Securities Company Limited (the shares of which are listed on the Main Board of the Stock Exchange) and an independent director of Shenzhen Xinguodu Technology Co., Ltd. (a company listed on ChiNext of Shenzhen Stock Exchange), Tibet Huayu Mining Co., Ltd., Tsinghua Tongfang Co., Ltd. (both companies are listed on the Shanghai Stock Exchange) and China Investment Securities Co., Ltd. He previously served as an independent director of Shenzhen Soling Industrial Co., Ltd. (a company listed on Small and Medium Enterprises Board of Shenzhen Stock Exchange). He was also a professor of the Department of Finance and a director of the MBA program in Finance at the Chinese University of Hong Kong. Professor He was a commissioner of the Planning and Development Committee of China Securities Regulatory Commission from June 2001 to August 2002, and a director of integrated research institute of the Shenzhen Stock Exchange from June 2001 to October 2002.

### 李萬全先生

李先生，65歲，獨立非執行董事。李先生於二零一三年十一月加入本集團。李先生於一九八一年獲珠海學院頒發工商管理碩士學位。李先生為香港會計師公會會員，彼於會計、資本市場、企業管理、財務及銀行業累積逾40年經驗。彼曾於渣打銀行（香港）有限公司及三和國際財務有限公司擔任要職。李先生曾於二零零零年六月至二零一七年六月期間擔任申萬宏源（香港）有限公司（前稱為申源萬國（香港）有限公司）（其股份於聯交所主板上市）的執行董事，並於二零零零年七月至二零一二年三月期間擔任其行政總裁。

### 何佳教授

何教授，64歲，獨立非執行董事。何教授於二零一五年九月加入本集團。彼持有美國賓夕法尼亞大學沃頓商學院金融哲學博士學位。彼現為南方科技大學金融數學與金融工程系領軍教授，清華大學雙聘教授，教育部長江學者講座教授及中國金融學會常務理事兼學術委員。何教授現任職成都及泉州市政府金融顧問。彼亦為《中國金融經濟評論》(China Financial Economics Review)之編輯，並任多家期刊編輯委員會委員，其中包括《中國會計及金融評論》(China Accounting and Finance Review)及《銀行及金融研究》(Research in Banking and Finance)。何教授現為天津銀行股份有限公司、東英金融投資有限公司及中信證券股份有限公司（其股份於聯交所主板上市）的獨立非執行董事，亦是深圳市新國都技術股份有限公司（深圳證券交易所中國創業板上市公司）、西藏華鈺礦業股份有限公司和同方股份有限公司（兩間公司均於上海證券交易所上市）及中國中投證券有限責任公司的獨立董事。彼曾為深圳市索菱實業股份有限公司（深圳證券交易所中小企業板上市公司）的獨立董事。彼亦曾為香港中文大學金融學系教授及金融財務MBA課程主任。何教授曾於二零零一年六月至二零零二年八月任職中國證券監督管理委員會規劃發展委員會委員，於二零零一年六月至二零零二年十月任職深圳證券交易所綜合研究所所長。



# Biographies of Directors and Senior Management 董事及高級管理層履歷

## SENIOR MANAGEMENT

### Mr. Chan Siu Kay

Mr. Chan, aged 59, is the financial controller of the Company and a director of several subsidiaries of the Company. He joined the Company in May 2014. Mr. Chan holds a Master degree in Business Administration from the University of Strathclyde in the United Kingdom and a Master degree in Corporate Finance from The Hong Kong Polytechnic University. He is a fellow member of the Association of Chartered Certified Accountants and a Certified Public Accountant of The Hong Kong Institute of Certified Public Accountants. He is also an associate member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators. He is also a Fellow Certified Professional Economist of The Hong Kong Society of Economists Limited. Mr. Chan has gained over 26 years of experience in audit, accounting, taxation, corporate finance and IPO from working in an international audit firm and a number of listed companies.

## COMPANY SECRETARY

### Ms. Tse Ching Wah

Ms. Tse, aged 37, is the company secretary of the Company. Ms. Tse joined the Group in October 2012. She holds a Master degree in Corporate Governance from The Hong Kong Polytechnic University. She is a fellow member of both The Hong Kong Institute of Chartered Secretaries and Institute of Chartered Secretaries and Administrators. She is also a member of both The Hong Kong Institute of Certified Public Accountants and The Institute of Chartered Accountants in England and Wales. She has extensive experience in accounting, auditing, corporate governance and merger and acquisition activities from working in an international accounting firm and a Hong Kong listed company.

## 高級管理層

### 陳紹基先生

陳先生，59歲，為本公司之財務總監及本公司若干附屬公司之董事。陳先生於二零一四年五月加入本公司。陳先生持有英國斯特拉斯克萊德大學工商管理碩士學位及香港理工大學企業融資碩士學位。彼為英國特許公認會計師公會資深會員及香港會計師公會之註冊會計師。彼亦為香港特許秘書公會會員及英國特許秘書及行政人員公會會員，同時亦為香港經濟師學會有限公司之註冊專業經濟師。陳先生曾在一家國際會計師事務所及多家上市公司工作，於審計、會計、稅務、企業融資及安排公司上市集資累積超過26年經驗。

## 公司秘書

### 謝靜華女士

謝女士，37歲，為本公司公司秘書。謝女士於二零一二年十月加入本集團。謝女士持有香港理工大學公司管治碩士學位。彼為香港特許秘書公會及英國特許秘書及行政人員公會資深會員，彼亦為香港會計師公會及英格蘭及威爾斯特許會計師公會會員。謝女士曾於國際會計師事務所及香港上市公司工作，在會計、審計、公司管治及收購合併方面具有豐富經驗。

# Corporate Governance Report

## 企業管治報告

The Board is pleased to present the corporate governance report of the Group for the Year.

The Group considers that good corporate governance is vital to the healthy and sustainable development of the Group and the Group strives to uphold high standard of corporate governance continuously.

In the opinion of the Directors, the Company had complied with all the code provisions of the Corporate Governance Code (“CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) for the Year, save as disclosed below:

Mr. Yuan Shaoli resigned as the Chairman of the Board with effect from 1 December 2018. Upon his resignation, due to the time needed by the Company to find suitable candidate for the replacement, Mr. Zhang Bin performs both the roles of the Managing Director and the acting Chairman of the Board, which constitutes a deviation from Code Provision A.2.1 of the CG Code which provides that the roles of chairman and chief executive should be separate and should be performed by different individuals. The Company is identifying suitable candidate(s) for the relevant position(s) in order to re-comply with Code Provision A.2.1 of the CG Code.

The Company periodically reviews its corporate governance practices to ensure those continue to meet the requirements of the CG Code, and acknowledges the important role of the Board in providing effective leadership and direction to the Company’s business, and ensuring operational transparency and accountability.

The key corporate governance principles and practices of the Company during the Year are summarised as follows:

### THE BOARD

#### Responsibilities

The Board provides leadership for the Company in the interests of the shareholders, approves policies, strategies and plans, and oversees their implementation to sustain the healthy growth of the Company.

The Board is responsible for all major matters of the Group, and the approval and monitoring of all material changes in policies, including risk management strategies, dividend policy, appointment of directors and other significant financial and operational matters.

All Directors have full and timely access to all relevant information as well as the advice and services of the company secretary of the Company, with a view to ensure that the Board’s procedures and all applicable rules and regulations are followed. In general, each Director can seek independent professional advices in appropriate circumstances at the Company’s expenses, upon making request to the Board.

The day-to-day management, administration and operation of the Company are delegated to the Managing Director, executive Directors and senior management. Approval from the Board has to be obtained prior to entering into any significant transactions by the aforementioned personnel.

董事會欣然呈報本集團本年度之企業管治報告。

本集團認為良好的企業管治對本集團持續健康發展十分重要。本集團致力於持續提高企業管治水平。

董事認為，於本年度，除下文所披露外，本公司已遵守聯交所證券上市規則（「上市規則」）附錄14所載的企業管治守則（「企業管治守則」）的所有守則條文。

自二零一八年十二月一日起，袁紹理先生辭任董事會主席。袁紹理先生辭任後，由於本公司需要時間物色合適人選以填補空缺，張斌先生同時出任董事總經理及董事會代理主席的職位。此乃偏離了企業管治守則第A.2.1條守則條文規定，該條文規定主席與行政總裁的角色應由不同人士擔任，本公司正為相關職位物色合適的人選，以重新遵守企業管治守則第A.2.1條守則條文規定。

本公司會定期檢討其企業管治常規，以確保該等常規持續符合企業管治守則之要求，本公司亦明白董事會在提供有效領導及指引本公司業務，以及確保本公司運作之透明度及問責性方面扮演著重要角色。

本公司於本年度主要企業管治原則及慣例概述如下：

### 董事會

#### 職責

董事會負責帶領本公司，以股東之利益為依歸，通過審批本公司之政策、策略及計劃，審視其落實情況，以確保本公司持續健康發展。

董事會負責處理本集團之所有重大事宜，審批及監察重大政策變化，包括風險管理策略、股息政策、委任董事及其他重大財務及運營事宜。

所有董事均有權於適當時候取閱所有相關資料，以及獲得本公司公司秘書之意見及服務，以確保董事會制定的程序及所有適用規則及規例均獲遵從。在一般情況下，各董事在向董事會提出要求後，均可於適當的時候尋求獨立專業意見，費用由本公司支付。

本公司之日常管理、行政及運作均已委派董事總經理、執行董事及高級管理層負責。上述人員在訂立任何重大交易前，必須先取得董事會的批准。

## Composition

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

As at the date of this report, the Board comprised the following Directors:

### Executive Directors

ZHANG Bin (Acting Chairman of the Board and Managing Director, appointed as acting Chairman with effect from 1 December 2018)

WANG Tianlin

### Independent non-executive Directors

CHANG Qing

LEE Man Chun, Tony

HE Jia

The list of Directors (by category) is disclosed in all corporate communications issued by the Company and on the websites of the Company and the Stock Exchange pursuant to the Listing Rules.

During the Year, the Board at all times met the requirements 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.

The Company has received written annual confirmation from each of the existing independent non-executive Directors of his independence pursuant to the requirements of Rule 3.13 of the Listing Rules. The Company considers all independent non-executive Directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

The independent non-executive Directors bring a wide range of business and financial expertise and relevant experience to the Board and provide independent opinions for decision-making of the Board. Through active participation in Board meetings, taking the lead in issues involving potential conflicts of interest and serving on committees of the Board, all independent non-executive Directors make positive contributions to the orderly management and effective operation of the Company.

## Appointment and Succession Planning of Directors

The Company has established the nomination committee ("Nomination Committee") and adopted formal, considered and transparent procedures for the appointment and succession planning of Directors. Appropriate candidates as properly selected by the Nomination Committee will be proposed to the Board for approval.

## 組織

董事會的組合體現了有效領導本集團之決策所需的領導技能與經驗，亦反映了董事會決策的獨立性。

於本報告日期，組成董事會之董事如下：

### 執行董事

張斌 (董事會代理主席兼董事總經理，自二零一八年十二月一日起獲委任為董事會代理主席)

王天霖

### 獨立非執行董事

常清

李萬全

何佳

董事名單(按類別)亦根據上市規則要求於本公司刊發之所有公司通訊內及本公司和聯交所的網頁上披露。

於本年度，董事會均遵守上市規則中須委任最少三名獨立非執行董事，佔董事會成員人數不少於三分之一的規定，而當中最少須有一名獨立非執行董事具備合適之專業資格，或會計或相關財務管理專業知識。

本公司已接獲現有各獨立非執行董事根據上市規則第3.13條之規定就其獨立性發出之年度確認書。根據上市規則所列表之獨立性指引，本公司認為所有獨立非執行董事均為獨立人士。

獨立非執行董事為董事會帶來廣泛的業務及財務專才知識及相關經驗，也為董事會決策提供了獨立意見。通過積極參與董事會會議，處理涉及潛在利益衝突等之事宜，以及出任董事會委員會，所有獨立非執行董事為本公司規範管理、有效運作作出了正面之貢獻。

## 董事之委任及續任計劃

本公司已成立提名委員會(「提名委員會」)並就董事的委任及繼任計劃制訂正式、經周詳考慮及透明的程序。經提名委員會挑選考慮合適人選，再向董事會提名、通過落實。



# Corporate Governance Report

## 企業管治報告

The Board and the Nomination Committee as a whole are responsible for reviewing the Board composition, developing and formulating the relevant procedures for nomination and appointment of Directors, monitoring the appointment and succession planning of Directors and assessing the independence of independent non-executive Directors. The Board reviews its own structure, size and composition regularly to ensure that it has a balance of expertise, skills and experience appropriate to the requirements of the business of the Company.

In accordance with the Articles of Association of the Company, one third of the Directors are subject to retirement by rotation every year and any new Director appointed to fill a causal vacancy or as an addition to the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at such meeting.

The Board recommended the re-appointment of the Directors standing for re-election at the forthcoming annual general meeting of the Company. Detailed information of the Directors standing for re-election will be set out in the circular of the Company in relation to the forthcoming annual general meeting to be despatched to the shareholders.

All independent non-executive Directors were appointed for a fixed term expiring on 30 June 2019.

### Board Diversity Policy

The Company continuously seeks to enhance the effectiveness of the Board and to maintain the highest standards of corporate governance and recognises and embraces the benefits of diversity in the Board. In August 2013, the Board adopted a Board Diversity Policy which was updated in January 2019.

The Company believes that diversity of the Board can be achieved through consideration of a number of factors when deciding on appointments of Directors, including but not limited to skills, regional and industrial experience, cultural and educational background, race, gender, age, length of service and any other factors that the Board deems appropriate from time to time. In implementing its perspectives on Board diversity, the Company will also take into account factors based on its own business model and specific needs from time to time.

The composition, experience and balance of skills in the Board are regularly reviewed to ensure that the Board retains a core of members with longstanding knowledge of the Group alongside new Director(s) appointed from time to time who bring(s) fresh perspectives and diverse experiences to the Board. The Nomination Committee has the primary responsibility for identifying suitably qualified candidates to become members of the Board and, in carrying out such responsibility, will give adequate consideration to the Board Diversity Policy. The Nomination Committee believes that the current composition of the Board is based on the history and actual conditions of the Company and it reflects an achievement of full consideration of factors of Board diversity.

The Board will review the Board Diversity Policy on a regular basis to ensure its continued effectiveness.

董事會連同提名委員會整體上負責審核董事會的組成、確立及制訂提名及委任董事的有關程序、監察董事的委任及繼任計劃，並評估獨立非執行董事的獨立性。董事會會定期檢討其本身架構、成員人數及組成，確保其具備適合本公司業務需求的專業知識、技能及經驗。

根據本公司的章程細則，本公司三分之一董事每年均須輪流退任，而獲委任填補臨時空缺或新增董事會職位的任何董事，僅留任至本公司下屆股東週年大會為止，屆時彼等將符合資格於該大會上膺選連任。

董事會建議被重新委任的董事將於本公司應屆股東週年大會上接受重選。刊發予股東的本公司應屆股東週年大會通函將載有接受重選董事的詳細資料。

所有獨立非執行董事獲委任的固定任期均將於二零一九年六月三十日屆滿。

### 董事會多元化政策

本公司一直務求提升董事會效率及維持最高水平之企業管治，認同並確信董事會成員多元化之好處。於二零一三年八月，董事會採納董事會多元化政策，並於二零一九年一月更新。

在決定任命董事時，本公司相信要獲得董事會多元化，可以從多方面的因素考慮，包括（但不限於）技能、地區與行業經驗、文化與教育背景、種族、性別、年齡、服務任期及董事會不時認為適用的其他因素。在實行董事會多元化方面，本公司亦將根據本身的業務模式及不時之特定需要考慮各種因素。

董事會定期檢討其組合、經驗及技能平衡，確保董事會保留一組對本集團有長期認識之核心成員，同時不時委任之新董事可為董事會帶來新觀點及多元化經驗。提名委員會負有物色具備合適資格人選成為董事會成員的主要責任，且在履行該職責時將充分考慮董事會多元化政策。提名委員會認為現時董事會的組成乃結合本公司的歷史及實際情況，並反映董事會多元化的因素已經獲得充份的考慮。

董事會將定期檢討董事會多元化政策，以確保其持續有效。



## Board Meetings

### Number of Meetings and Directors' Attendance

Regular Board meetings are held at least four times a year at approximately quarterly intervals for reviewing and approving the Group's financial and operating performance, discussing annual and interim results and considering and approving the overall strategies of the Company.

During the Year, four Board meetings were held.

The individual attendance record of each Director at the Board meetings held during the Year is set out below:

### Name of Directors

#### 董事姓名

Name of Directors 董事姓名	Number of Attendance/ Number of Board Meetings Held 出席次數／舉行 董事會議次數
ZHANG Bin 張 斌	4/4
WANG Tianlin 王天霖	3/4
CHANG Qing 常 清	4/4
LEE Man Chun, Tony 李萬全	4/4
HE Jia 何 佳	4/4
YUAN Shaoli ( <i>resigned with effect from 1 December 2018</i> ) 袁紹理 (自二零一八年十二月一日起辭任)	4/4

### Practices and Conduct of Meetings

Meeting schedules and agenda of each meeting are normally made available to the Directors in advance. Notices of regular Board meetings are served to all Directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notice is generally given.

Board papers together with all appropriate, complete and reliable information are sent to all Directors in a timely manner before each Board meeting or committee meeting to keep the Directors apprised of the latest development and financial position of the Company and to enable them to make informed decisions. The Board and each Director also have separate and independent access to the senior management whenever necessary.

## 董事會會議

### 會議及董事出席次數

本公司每年至少舉行四次董事會例行會議，約為每季度舉行一次，以審議及批准集團的財務及經營表現，商討全年及中期業績以及審批本公司的整體策略。

於本年度，本公司共舉行四次董事會會議。

各董事於本年度內於董事會會議之個別出席記錄載列如下：

Number of Attendance/ Number of Board Meetings Held 出席次數／舉行 董事會議次數
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### 會議常規及方式

會議時間表及每次會議的會議議程通常會預先提供予董事。董事會例行會議通知會於會議舉行前至少14天送呈所有董事。至於其他董事會及委員會會議，一般會發出合理通知。

董事會文件連同一切適當、完備及可靠的資料，會於各董事會會議或委員會會議舉行前及時送交所有董事，使董事得知本公司的最新發展及財政狀況，讓彼等可作出知情的決定。董事會及每名董事亦可於有需要時自行以獨立途徑接觸高級管理層。

# Corporate Governance Report

## 企業管治報告

The company secretary of the Company assists the Chairman of the Board to prepare the agenda for the Board meetings and ensures that all applicable rules and regulations are followed in each meeting. Draft agenda is sent to all Directors in advance to allow Directors to include any matter they would like to discuss in the meeting. Draft minutes are circulated to all Directors for review and amendment as soon as practicable after the meeting is held. All Board members will be given a copy of the finalised minutes approved by Directors who attended the meeting.

Should a Director have any conflict of interest in any proposed transactions, the Director concerned will not participate in the discussion and will abstain from voting on related resolutions. Directors without any conflict of interest will be present at meetings to vote and resolve on such issues.

### Chairman and Managing Director

The Chairman of the Board provides leadership and is responsible for ensuring that relevant duties and responsibilities have been fully and appropriately executed by the Directors in accordance with good corporate governance practice. With the support of the senior management, the Chairman of the Board is also responsible for ensuring that each of the Directors can timely receive adequate, complete and reliable information and appropriate briefing on issues arising at Board meetings.

The Managing Director is responsible for leading the management to implement policies, strategies as well as all goals and plans adopted and approved by the Board, and is in charge of the Company's day-to-day operations.

During the Year, Mr. Yuan Shaoli served as the Chairman of the Board until his resignation which took effect on 1 December 2018. Mr. Zhang Bin has been serving as the Managing Director during the Year. Following the resignation of Mr. Yuan Shaoli, Mr. Zhang Bin also serves as the acting Chairman of the Board.

## BOARD COMMITTEES

The Board has established four committees, namely, the executive committee ("**Executive Committee**"), audit committee ("**Audit Committee**"), remuneration committee ("**Remuneration Committee**") and Nomination Committee, each overseeing and being responsible for affairs in different aspects of the Company. All Board committees of the Company are established with defined written terms of reference.

All 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.

本公司公司秘書協助董事會主席準備董事會會議議程，及確保每次會議均按照所有適用規則及法規進行。議程草稿會提前送交給全體董事，以便將董事提出有意討論的事項列入會議內。會議記錄初稿將於會後在切實可行的情況下盡快分發給全體董事以供彼等審閱及修改，經與會董事批准的會議記錄的定稿將分發予全體董事會成員。

如有董事於任何建議的交易項目中涉及任何利益衝突，有關董事則不參與討論及就有關決議案的表決放棄投票，並由其他沒有涉及任何利益衝突的董事進行表決及決議。

### 主席及董事總經理

董事會主席負責領導工作，並負責按照良好企業管治常規確保全體董事充分、恰當地行使相關職責。在高級管理層之支持下，董事會主席亦負責確保各董事可及時獲取充份、完備及可靠的資料，並就董事會會議上提呈之事宜得到適當介紹。

董事總經理負責領導管理層執行經董事會採納及批准的政策、策略和所有目標和計劃，並負責本公司的日常營運。

於本年度內，袁紹理先生擔任董事會主席，直至其於二零一八年十二月一日辭任。張斌先生於本年度一直擔任董事總經理。於袁紹理先生辭職後，張斌先生同時擔任董事會代理主席。

## 董事委員會

董事會已設立四個委員會，即執行委員會（「**執行委員會**」）、審核委員會（「**審核委員會**」）、薪酬委員會（「**薪酬委員會**」）及提名委員會，分別監察及負責本公司不同範疇的事務。本公司所有董事委員會均按書面界定的職權範圍履行工作。

所有董事委員會均獲提供足夠資源履行其職務，如提出的要求合理，可於適當情況下尋求獨立專業意見，費用概由本公司負責。

## Executive Committee

The Executive Committee comprises all executive Directors. The Executive Committee is responsible for the daily business operation and management of the Company, the execution of decisions and strategies of the Board within the scope of authorization granted by the Board. The Executive Committee regularly reports to the Board regarding the Group's business operation and seeks its advice and approval on matters involving material decision-making.

As at the date of this report, the Executive Committee comprised Mr. Zhang Bin (chairman of the Executive Committee) and Mr. Wang Tianlin. Mr. Yuan Shaoli was a member of the Executive Committee during the Year until his resignation as an executive Director with effect from 1 December 2018.

## Audit Committee

During the Year, the Audit Committee comprised three independent non-executive Directors, namely, Mr. Lee Man Chun, Tony (chairman of the Audit Committee), Professor Chang Qing and Professor He Jia. Mr. Lee Man Chun, Tony is an independent non-executive Director who possesses the appropriate professional accounting qualifications and financial management expertise. None of the members of the Audit Committee is a former partner of the Company's existing external auditor.

The main duties of the Audit Committee include the following:

- (a) to review the financial statements and reports and consider any significant or unusual items raised by the internal auditor or external auditor before submission to the Board;
- (b) to review the relationship with the external auditor by reference to the work performed by the auditor, its fees and terms of engagement, and make recommendation to the Board on the appointment, re-appointment and removal of external auditor; and
- (c) to review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures.

The Audit Committee has held three meetings during the Year to review the financial results and reports, capital management system, internal control system and the re-appointment of the external auditor.

During the Year, there were no material uncertainties or events or conditions that might cast significant doubt on the Company's ability to continue as a going concern.

There was no disagreement between the Audit Committee and the Directors in respect of matters about selection, appointment, resignation or dismissal of an external auditor.

During the Year, the Company's annual results for the year ended 31 December 2017 and the interim results for the six months ended 30 June 2018 have been reviewed by the Audit Committee.

## 執行委員會

執行委員會由所有執行董事組成。執行委員會在董事會批准的權限下負責本公司的日常業務營運及管理，並負責執行董事會的決策和策略。執行委員會向董事會定期報告本集團的業務運營狀況，並會在重大決策上，尋求董事會的意見及批准。

於本報告日期，執行委員會包括張斌先生（執行委員會主席）及王天霖先生。於本年度內，袁紹理先生曾出任執行委員會成員，直至彼自二零一八年十二月一日起辭任執行董事為止。

## 審核委員會

本年度，審核委員會包括三名獨立非執行董事，分別為李萬全先生（審核委員會主席）、常清教授及何佳教授。李萬全先生為具備合適專業會計資格及財務管理專業知識的獨立非執行董事。並無審核委員會的成員為本公司現任外聘核數師的前合夥人。

審核委員會的主要職務包括以下各項：

- (a) 審閱財務報表及報告，並於向董事會提交有關文件前，考慮內部核數師或外聘核數師所提出的任何重大或不尋常項目；
- (b) 按照核數師履行的工作、彼等的收費及聘用條款檢討與外聘核數師的關係，並就委聘、續聘及撤換外聘核數師向董事會提出推薦建議；及
- (c) 檢討本公司的財務匯報制度、內部監控制度、風險管理制度及與其相關的程序是否足夠及有效。

於本年度審核委員會共舉行三次會議，以審閱財務業績及報告、資金管理制度、內部監控制度以及續聘外聘核數師。

於本年度內，概無存在任何重大不明朗因素或可導致嚴重質疑本公司持續經營能力的事件或情況。

審核委員會於遴選、委聘、辭任或罷免外聘核數師的事宜上，與董事並無意見分歧。

於本年度內，審核委員會已審閱本公司截至二零一七年十二月三十一日止年度的全年業績及截至二零一八年六月三十日止六個月的中期業績。



# Corporate Governance Report

## 企業管治報告

### Remuneration Committee

As at the date of this report, the Remuneration Committee comprised two independent non-executive Directors, namely Professor He Jia (chairman of the Remuneration Committee), Mr. Lee Man Chun, Tony and an executive Director, namely Mr. Zhang Bin.

The primary duties of the Remuneration Committee include making recommendations to the Board on the remuneration policy and structure of the Company as well as the remuneration packages of the Directors and the senior management. The human resources department of the Group is responsible for collection and administration of the human resources data and making recommendations to the Remuneration Committee for consideration. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his associates will participate in deciding on his own remuneration. The remuneration of the Directors and the senior management will be determined by reference to the performance of the individual and the Company as well as market conditions.

The Remuneration Committee held one meeting during the Year to review the remuneration policy and structure of the Company and remuneration packages of the Directors and the senior management.

### Nomination Committee

As at the date of this report, the Nomination Committee comprised two independent non-executive Directors, namely Professor Chang Qing (chairman of the Nomination Committee) and Mr. Lee Man Chun, Tony, and an executive Director, namely Mr. Zhang Bin. Mr. Yuan Shaoli was a member of the Nomination Committee until his resignation as an executive Director with effect from 1 December 2018. Mr. Zhang Bin was then appointed as a member of the Nomination Committee in place of Mr. Yuan Shaoli on 1 December 2018.

The Nomination Committee is responsible for nominating candidates for directorship appointment and succession, reviewing the composition and structure of the Board from time to time and making recommendations to the Board in order to ensure the balance of expertise, skills and experience among the members of the Board.

### 薪酬委員會

於本報告日期，薪酬委員會包括兩名獨立非執行董事，分別為何佳教授（薪酬委員會主席）、李萬全先生及一名執行董事張斌先生。

薪酬委員會的主要職責包括就本公司的薪酬政策及架構，以及董事及高級管理層的薪酬組合向董事會作出建議。本集團人力資源部負責收集及管理人力資源資料，並提出推薦建議供薪酬委員會考慮。薪酬委員會亦負責設立具有高透明度的程序，以制定該薪酬政策及架構，從而確保董事或其任何聯繫人概無參與釐定其本身薪酬的決策過程。董事及高級管理層的薪酬將參考個人表現、本公司業績表現及市況釐定。

本年度內，薪酬委員會召開了一次會議，以討論本公司的薪酬政策與架構，及董事與高級管理層的薪酬組合。

### 提名委員會

於本報告日期，提名委員會成員包括兩名獨立非執行董事，分別為常清教授（提名委員會主席）及李萬全先生，及執行董事張斌先生。袁紹理先生曾出任提名委員會成員，直至彼自二零一八年十二月一日起辭任執行董事為止。張斌先生其後替代袁紹理先生於二零一八年十二月一日獲委任為提名委員會成員。

提名委員會負責為董事的委任與繼任提名候選人，同時還不時檢討董事會之組成及架構，向董事會提出建議，確保董事會成員之專長、技能與經驗得以均衡。



According to the Nomination Policy adopted by the Company, appointments of Board members will be made on a merit basis and candidates will be considered against objective criteria. The selection criteria used in assessing the suitability of a candidate include:

- the candidate's academic background and qualifications (including professional qualifications, skills and knowledge which are relevant to the Company's business and corporate strategy);
  - the candidate's relevant experience in the industry;
  - the candidate's character and integrity;
  - the candidate's willingness and capacity to devote adequate time in discharge of a director's duties;
  - whether the candidate can contribute to the Board a diversity of perspectives, including but not limited to gender, age, race, cultural and educational background, professional experience, skills, knowledge and length of service;
  - (where the candidate is proposed to be appointed as an independent non-executive Director) whether the candidate is in compliance with the criteria of independence under the Listing Rules; and
  - any other factors as may be determined by the Board from time to time.
- 候選人的學歷背景及資格（包括與本公司業務及企業策略有關之專業資格、技能及知識）；
  - 候選人的與行業有關之經驗；
  - 候選人的品格及誠信；
  - 候選人是否願意及能夠投入足夠時間以履行董事之職責；
  - 候選人是否能為董事會貢獻不同方面之多樣性，包括但不限於性別、年齡、種族、文化及教育背景、專業經驗、技能、知識及服務任期；
  - （若候選人被建議委任為獨立非執行董事）其是否符合上市規則下相關之獨立準則；及
  - 由董事會不時訂定的任何其他條件。

In terms of nomination procedures, any Board member may nominate or invite a candidate for appointment as a Director to be considered by the Nomination Committee. The Nomination Committee will then evaluate the personal profile of the candidate based on the selection criteria set out above, undertake due diligence in respect of such candidate and make recommendation for the Board's consideration and approval. For nomination of independent non-executive Director, the Nomination Committee will also assess the candidate's independence in accordance with the CG Code and the Listing Rules. For re-appointment of retiring Directors, the Nomination Committee will review the candidate's overall contribution and performance (including the candidate's attendance at Board committee meetings, Board meetings and general meetings, his/her level of participation and performance on the Board), and make recommendations to the Board and shareholders for re-election at general meetings.

During the Year, the Nomination Committee held one meeting to discuss the re-election of the Directors. The Nomination Committee has also discussed about the resignation of Mr. Yuan Shaoli as the Chairman of the Board during the Year and the succession planning of the Board. While Mr. Zhang Bin, the Managing Director, was appointed as the acting Chairman of the Board, the Nomination Committee will continue to identify suitable candidate for the relevant position in order to re-comply with Code Provision A.2.1 of the CG Code which requires that the role of chairman and chief executive be performed by different individuals.

根據本公司採納的提名政策，董事會成員的委任將以用人唯賢的準則，根據客觀標準考慮可擔任董事會成員的人選。用以評估候選人的甄選準則包括：

- 候選人的學歷背景及資格（包括與本公司業務及企業策略有關之專業資格、技能及知識）；
- 候選人的與行業有關之經驗；
- 候選人的品格及誠信；
- 候選人是否願意及能夠投入足夠時間以履行董事之職責；
- 候選人是否能為董事會貢獻不同方面之多樣性，包括但不限於性別、年齡、種族、文化及教育背景、專業經驗、技能、知識及服務任期；
- （若候選人被建議委任為獨立非執行董事）其是否符合上市規則下相關之獨立準則；及
- 由董事會不時訂定的任何其他條件。

就提名程序而言，任何董事會成員可提名或邀請候選人擔任董事，以供提名委員會審議。提名委員會將根據上述甄選標準評估候選人的個人資料，對該候選人進行盡職調查，並提出董事會審議和批准的建議。就提名獨立非執行董事而言，提名委員會亦將根據企業管治守則及上市規則評估候選人的獨立性。就重新委任退任董事而言，提名委員會將檢討候選人的整體貢獻及表現（包括候選人出席董事會委員會會議，董事會會議及股東大會，他／她的參與程度及董事會表現），以及建議董事會及股東於股東大會上重選連任。

本年度內，提名委員會曾召開一次會議以討論重選董事。提名委員會亦討論袁紹理先生於本年度內辭任董事會主席及董事會繼任計劃。雖然董事總經理張斌先生獲委任為董事會代理主席，但提名委員會將就相關職位繼續物色合適人選，以重新符合企業管治守則的守則條文第A.2.1條，要求主席和行政總裁的角色需由不同的個人擔任。

# Corporate Governance Report 企業管治報告

## Board Committee Meetings

### Number of Meetings and Directors' Attendance

The individual attendance record of each Director at the meetings of the Audit Committee, Remuneration Committee and Nomination Committee held during the Year is set out below:

## 董事委員會會議

### 會議次數及董事出席次數

各董事於本年度內於審核委員會、薪酬委員會及提名委員會會議之個別出席記錄載列如下：

Name of Directors 董事姓名	Number of Attendance/Number of Board Committee Meetings Held 出席次數 / 舉行董事委員會會議次數		
	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
ZHANG Bin <sup>(Note)</sup> 張斌 <sup>(附註)</sup>	Not applicable 不適用	1/1	0/0
CHANG Qing 常清	3/3	Not applicable 不適用	1/1
LEE Man Chun, Tony 李萬全	3/3	1/1	1/1
HE Jia 何佳	3/3	1/1	Not applicable 不適用
YUAN Shaoli <sup>(Note)</sup> 袁紹理 <sup>(附註)</sup>	Not applicable 不適用	Not applicable 不適用	1/1

Note: Mr. Yuan Shaoli ceased to be a member of the Nomination Committee with effect from 1 December 2018. Mr. Zhang Bin was appointed as a member of the Nomination Committee on 1 December 2018. All meetings of the Nomination Committee during the Year were held prior to 1 December 2018.

附註：袁紹理先生自二零一八年十二月一日起辭任提名委員會成員。張斌先生於二零一八年十二月一日獲委任為提名委員會成員。於本年度所有提名委員會會議均於二零一八年十二月一日前舉行。

## MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct regarding Directors' securities transactions (the "**Code of Conduct**") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules. Specific enquiry has been made of all the Directors and the Directors have confirmed that they had complied with the requirements of the Code of Conduct and the Model Code during the Year. No incident of non-compliance of the Code of Conduct or the Model Code by the Directors was noted by the Board during the Year.

The Company has also set out written guidelines on terms no less exacting than the Model Code for securities transactions by the employees who are likely to be in possession of unpublished inside information of the Company due to their responsibilities and duties. No incident of non-compliance of the written guidelines by the employees was noted by the Board during the Year.

## CORPORATE GOVERNANCE FUNCTIONS

The Board has not established a corporate governance committee. Instead, the full Board is responsible for performing the corporate governance functions such as developing and reviewing the Company's policies and practices on corporate governance, reviewing and monitoring the training and continuous professional development of the Directors and senior management, reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements, etc. The Board is also responsible for reviewing and has during the Year reviewed the Company's compliance with the CG Code and disclosure in this corporate governance report.

Every Board member has full access to the advice and services of the company secretary of the Company with a view to ensuring that the Board procedures, and all applicable rules and regulations are followed. They are also entitled to have full access to Board papers and related materials so that they are able to make an informed decision and to discharge their duties and responsibilities.

## 進行證券交易的標準守則

本公司已採納本身有關董事進行證券交易的操守守則（「**操守守則**」），其條款的嚴謹程度不低於上市規則附錄10所載《上市發行人董事進行證券交易的標準守則》（「**標準守則**」）所規定的標準。經向所有董事作出特定查詢後，董事已確認，彼等於本年度內，一直遵守操守守則及標準守則所載的規定。董事會於本年度內並無知悉董事有任何違反操守守則或標準守則之事項。

本公司亦對由於職責需要而可能會擁有本公司未公開內幕資料的僱員設立了買賣公司證券的書面指引，而有關指引不比標準守則寬鬆。本年度內，董事會並不知悉有關僱員違反書面指引的事宜。

## 企業管治職能

董事會並未設立企業管治委員會，而是由全體董事會負責履行企業管治職能，例如制定及檢討本公司的企業管治政策及常規、審查及監督董事及高級管理層的培訓及持續專業發展、審查及監督本公司在遵守法律及監管規定方面的政策及常規等。董事會亦負責審視並已於本年度內審視本公司遵守企業管治守則之情況及於本企業管治報告所作出之披露。

董事會各成員均可自由接觸本公司公司秘書獲取意見及服務，以確保遵守董事會程序，及所有適用法律及規例。彼等亦有權自由取閱董事會文件及相關資料，以便能夠作出知情決定及履行彼等之職責及責任。

# Corporate Governance Report 企業管治報告

## SUPPORT AND PROFESSIONAL DEVELOPMENT OF DIRECTORS

All Directors have been given relevant guideline materials regarding the duties and responsibilities of being a director, the relevant laws and regulations applicable to directors, duty of disclosure of interest and business of the Group and the Directors have been updated by the Company on the latest development regarding the Listing Rules and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices. There is a procedure agreed by the Board to ensure that the Directors, upon reasonable request, are able to seek independent professional advice in appropriate circumstance, at the Company's expenses.

According to the training records provided by the Directors to the Company, each of the existing and former Directors has participated in continuous professional development during the Year by attending seminars/in-house briefing/reading materials on the following topics to develop and refresh their knowledge and skills:

## 董事支援及專業發展

全體董事均獲提供有關擔任董事之職責及責任、適用於董事之相關法例及規例、權益披露之責任及本集團業務之相關指引資料。本公司已向全體董事匯報有關上市規則及其他適用監管規定之最新發展情況，以確保彼等遵從及知悉良好的企業管治常規。董事會已商定程序，讓董事可於提出合理要求後，在適當的情況下尋求獨立專業意見，費用由本公司支付。

根據董事向本公司提供之培訓記錄，各現任及前任董事已確認，於本年度內已通過出席有關下列主題之座談會／內部簡報／閱讀材料等方式參與持續專業發展，以發展及更新彼等之知識及技能：

Name of Directors 董事姓名	Topics on training covered 所涵蓋之培訓主題 (Note) (附註)
ZHANG Bin 張 斌	a, b, c
WANG Tianlin 王天霖	a, b, c
CHANG Qing 常 清	a, b, c
LEE Man Chun, Tony 李萬全	a, b, c, d
HE Jia 何 佳	a, b, c
YUAN Shaoli ( <i>resigned with effect from 1 December 2018</i> ) 袁紹理 (自二零一八年十二月一日起辭任)	a, b, c

### Notes:

- (a) Corporate governance and regulatory matters for listed companies
- (b) Corporate finance
- (c) Finance and accounting
- (d) Investment management

### 附註：

- (a) 上市公司的企業管治及監管事宜
- (b) 企業融資
- (c) 財務及會計
- (d) 投資管理



## RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF THE FINANCIAL STATEMENTS AND AUDITOR'S REMUNERATION

The Board is responsible for presenting a fair, true and clear annual and interim reports, inside information announcements and other disclosures required under the Listing Rules and other regulatory requirements. The Directors acknowledge their responsibility for preparing the financial statements of the Company for the Year.

The statement of the external auditor of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 85 to 89 of this annual report.

The remuneration of the external auditor of the Company in respect of audit services and non-audit services for the Year amounted to approximately HK\$1,070,000 and HK\$180,000 respectively. An analysis of the remuneration of the external auditor of the Company is set out below:

## 對編製財務報告承擔的責任及核數師 薪酬

董事會負責根據上市規則及其他監管規定編製公平、真實及清楚的年度及中期報告、內幕消息公告及其他須予披露資料。董事知悉其須編製本公司本年度的財務報告的職責。

有關本公司外聘核數師對於其就財務報表申報職責所作的聲明載於本年度報告第85頁至89頁「獨立核數師報告」。

本公司已就外聘核數師於本年度提供審核服務及非審核服務，向其支付酬金分別約為港幣1,070,000元及港幣180,000元。本公司外聘核數師的酬金分析載列如下：

		<b>Amount of Fee 費用</b> (HK\$'000) (港幣千元)
Audit services	審核服務	1,070
Review on interim financial information	審閱中期財務資料	180
Total	總計	<u>1,250</u>

## RISK MANAGEMENT AND INTERNAL CONTROL

The organization structure of the Company has defined lines of responsibilities and appropriate responsibilities and authority were delegated to senior management. The Board is responsible for the establishment and effective operation of the risk management and internal control system. The Company has also established a risk management department, of which one of the executive Directors serves as the general manager, to be responsible for the internal audit function and to assist the Board to review the risk management and internal control system of the Group on an ongoing basis. However, such system aims at limiting the risks of the Group to an acceptable level but not at eliminating all risks. Hence, such system can only provide reasonable assurance that there will not be any error in financial information and record, and there will not be any fraud. The system can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board has established effective and operational procedures to identify, assess and manage major risks faced by the Group. Such procedures will be updated from time to time to reflect the changes in rules and regulations, and serve as a guideline for updating the risk management and internal control system in a timely manner. The Board considers that as at the date of this annual report, the risk management and internal control system is adequate and effective in safeguarding the assets of the Group and protecting the interests of shareholders, customers and employees of the Group.

The Executive Committee is responsible for implementing the procedures approved by the Board to identify, assess and manage major risks faced by the Group. Such procedures include the design, operation and supervision of suitable risk management and internal control system to mitigate and control risks. Major procedures established for reviewing the suitability and compliance of the risk management and internal control system are as follows:

- the Board is responsible for the supervision of all business activities of the Group and the implementation of strategic plans and policy. The Executive Committee is responsible for the effective daily operation of the Group and for ensuring that the Group operates in accordance with the objectives, strategy and budget of the Group;
- the Audit Committee periodically reviews the work of the risk management department, external auditor, regulatory bodies and the Executive Committee in respect of the risk management and internal control system, and assesses the feasibility and effectiveness of the risk management and internal control system; and

## 風險管理及內部監控

本公司的組織架構具備明確責任之分，高級管理層均獲授適當的責任及授權，董事會負責風險管理及內部監控系統之建立及其有效運作，本公司亦已設立風險管理部門，由其中一名執行董事擔任部門總經理，負責內部審核功能及協助董事會持續檢討本集團的風險管理及內部監控系統的成效。然而，該系統旨在限制本集團之風險到可接受水平但並不能消除所有風險。因此，該系統僅提供合理保證財務資料及記錄上不出現錯誤及舞弊，並只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

董事會已建立確認、評估及管理本集團面臨的主要風險的有效及可運作程序。該程序須不時更新，以反映當時規則與規例的更改，並用作及時更新風險管理及內部監控系統之指引。董事會認為於本年度報告日期，風險管理及內部監控系統充份及有效地維護本集團的資產及保障股東、本集團客戶及僱員的利益。

執行委員會負責執行由董事會批准的程序以確認、評估及管理本集團面臨的主要風險。該程序包括設計、運作及監察適當風險管理及內部監控系統以減輕及控制風險。檢討風險管理及內部監控系統的適合性及合規情況的主要程序如下：

- 董事會負責監管本集團的所有業務活動及策略性計劃及政策的執行。執行委員會負責本集團日常業務的有效運作及確保按本集團的目標、策略及預算運作；
- 審核委員會定期檢討風險管理部門、外聘核數師、規管機構及執行委員會就有關風險管理及內部監控系統的工作，評估風險管理及內部監控系統的可行性及效能；及

- the risk management department also formulates the annual internal audit plan and procedures, conducts periodic independent reviews on the operations of individual divisions and subsidiaries to identify any irregularities and risks, develops action plans and makes recommendations to address the identified risks, and reports to the Audit Committee on any key findings and progress of the internal audit process. The Audit Committee, in turn, reports to the Board on any material issues and makes recommendations to the Board.

In strict compliance with the requirements of Code Provision C.2.1 of the CG Code, the Board conducts a comprehensive review of the risk management and internal control system on an annual basis. The review includes an assessment of the prevailing internal control and risk management practices of the Group and covers various aspects including financial control, operational control, compliance control and risk management.

During the Year, the Board has reviewed the review report of the risk management department in respect of the Group's resources, staff qualifications and experience in accounting, internal audit and financial reporting functions as well as training courses and budgets, and had conducted a comprehensive review of the risk management and internal control system of the Company covering the period from 1 January 2018 to 31 December 2018. Compared with 2017, there has been no significant or major change in the nature and extent of the risks faced by the Group as well as the ability of the Company to cope with the changes in business and external environment. The Board considered that the internal control and risk management system of the Company is adequate and effective and the Company has complied with the code provisions on internal control and risk management of the CG Code.

In addition, the Company has formulated policies on information disclosure and regularly reminded Directors and employees to properly comply with relevant policies on inside information while notifying the Directors, senior management and employees the latest guidance announced by the regulatory body on such information disclosure from time to time to keep all of them abreast of the latest information.

### COMPANY SECRETARY

During the Year, Ms. Tse Ching Wah, who is an employee of the Company, acted as the company secretary of the Company. In delivering her service as company secretary of the Company, Ms. Tse has direct contact with the Chairman of the Board, the Managing Director and other senior management of the Company to ensure that good information flows among the Directors and that Board policy, procedures and all applicable laws, rules and regulations are followed. She is also responsible for facilitating professional development training of the Directors.

Ms. Tse has confirmed that during the Year, she had taken no less than 15 hours of relevant professional training.

- 風險管理部門制定年度內部審核計劃及程序，對個別部門及附屬公司進行定期獨立檢討以確定任何不規則事宜及風險，開展行動計劃及就處理已確定的風險作出建議，並將內部審核過程中的重大發現及進展向審核委員會報告。審核委員會則向董事會匯報任何重大事宜，並向董事會提出建議。

董事會嚴格遵守企業管治守則守則條文C.2.1條的規定每年對風險管理及內部監控系統進行全面檢討。有關檢討包括對本集團內部監控及風險管理現狀進行的評估，涵蓋財務、營運、合規監控及風險管理等方面。

於本年度內，董事會已審閱風險管理部門就本集團在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及培訓課程及預算等方面的檢討報告，並對本公司的風險管理及內部監控系統進行全面檢討，涵蓋期間由二零一八年一月一日至二零一八年十二月三十一日。與二零一七年度相比，本集團所面對的風險性質和程度、以及本公司在應對業務及外在環境轉變的能力，並沒有發生顯著或重大的變化。董事會認為本公司的內部監控及風險管理制度乃充足及有效，而本公司亦已遵守企業管治守則有關內部監控及風險管理的守則條文。

此外，本公司已制定信息披露政策，並定期提醒董事及員工妥善遵守所有有關內幕消息的政策。同時，本公司不時向董事、高級管理層及員工傳達監管機構就有關信息披露發佈的最新指引，讓各位董事、高級管理層及員工掌握最新信息。

### 公司秘書

於本年度內，謝靜華女士（本公司僱員）為本公司之公司秘書。於作為本公司之公司秘書提供服務時，謝女士直接與本公司董事會主席及董事總經理以及其他高級管理層接觸，以確保各董事之間資訊傳達通暢以及董事會政策、程序及所有適用法律、規則及規例獲妥為遵從，謝女士也負責協助各董事的專業發展培訓。

謝女士已確認，於本年度，彼已經參加不少於15小時之相關專業培訓。

# Corporate Governance Report 企業管治報告

## INVESTOR RELATIONS

Pursuant to the Listing Rules, all the resolutions of general meetings are conducted by way of poll.

Poll results will be posted on the websites of the Stock Exchange and the Company on the day of the relevant general meeting.

The general meetings of the Company provide a forum for communication between the shareholders and the Board. The Chairman of the Board as well as the chairman of each of the Audit Committee, the Remuneration Committee and Nomination Committee or in their absence, other members of the Board or the respective committees, and where applicable, the independent Board committee, are available to answer questions at the general meetings.

During the Year, the Company had held one general meeting (being the annual general meeting held on 22 June 2018). The attendance record of the Directors in such general meeting is as follows:

### Name of Directors 董事姓名

### Attendance 出席

ZHANG Bin 張 斌	1/1
WANG Tianlin 王天霖	1/1
CHANG Qing 常 清	1/1
LEE Man Chun, Tony 李萬全	1/1
HE Jia 何 佳	1/1
YUAN Shaoli ( <i>resigned with effect from 1 December 2018</i> ) 袁紹理 (自二零一八年十二月一日起辭任)	1/1

The Company will continue to enhance communications and relationships with its shareholders and investors to keep them abreast of the Company's developments. Enquiries from investors are dealt with timely.

Currently, investors can access the Company's information through the website of the Stock Exchange and the Company's website at [www.irasia.com/listco/hk/chengtong](http://www.irasia.com/listco/hk/chengtong).

## 投資者關係

根據上市規則，所有股東大會的決議案均以票選形式進行。

投票之結果會在相關股東大會舉行當天登載於聯交所及本公司網站。

本公司股東大會為股東與董事會提供了一個溝通的平台。董事會主席、審核委員會主席、薪酬委員會主席及提名委員會主席均會出席股東大會，如彼等缺席，則由董事會或個別委員會及（倘適用）獨立董事委員會之其他成員在股東大會上解答提問。

於本年度內，本公司共舉行了一次股東大會（於二零一八年六月二十二日舉行的股東週年大會）。董事於股東大會之出席情況如下：

本公司會繼續加強與股東及投資者之間的溝通和關係，以使他們得悉本公司之最新發展。投資者之查詢亦會得到儘快解答。

目前，投資者可以透過聯交所網站及本公司網站 [www.irasia.com/listco/hk/chengtong](http://www.irasia.com/listco/hk/chengtong) 閱覽本公司之資料。



## SHAREHOLDERS' RIGHTS

### (1) Procedures for shareholders to convene an extraordinary general meeting ("EGM")

In accordance with sections 566 to 568 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) ("**Companies Ordinance**"), shareholder(s) of the Company representing at least 5% of the total voting rights of all the shareholders having a right to vote at general meetings of the Company may require the Directors to convene an EGM. The written requisition must state the general nature of the business to be dealt with at the EGM and must be signed by the shareholder(s) concerned and deposited at the principal office of the Company for the attention of the company secretary in hard copy form or sent to the Company in electronic form. The requisition may consist of several documents in like form, each signed by one or more of the shareholders concerned.

If the Directors do not, within 21 days after the date on which the written requisition is received by the Company, proceed duly to convene an EGM on a date not more than 28 days after the date of the notice convening the EGM, the shareholder(s) who requested the meeting, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene an EGM, provided that the EGM so convened shall not be held after the expiration of 3 months from the said date.

The EGM convened by shareholders shall be convened in the same manner, as nearly as possible, as that in which general meetings are to be convened by the Directors.

### (2) Shareholders' enquiries

Shareholders' enquiries about their shareholdings can be directed to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited. Other shareholders' enquiries can be directed to the Company Secretarial Department of the Company or the company secretary of the Company by post to the principal office of the Company at Suite 6406, 64/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong or by e-mail to public@hk217.com.

## 股東權利

### (1) 股東召開股東特別大會（「股東特別大會」）的程序

根據香港法例第622章《公司條例》（「《公司條例》」）第566至第568條，在全體有權於本公司股東大會上表決的股東的總表決權中佔至少5%的本公司股東，可要求本公司的董事安排召開股東特別大會。該書面請求必須述明於股東特別大會上將予處理事項的一般性質，並由有關的股東簽署，以印刷文本方式存放於本公司的主要辦事處，並註明致公司秘書，或以電子形式發送至本公司。請求書可包含數份同樣格式的文件，而每份文件均由一名或多於一名有關的股東簽署。

如董事在本公司收到該請求書當日後21天內，未有妥為安排在股東特別大會通知書發出日期後28天內召開股東特別大會，則要求召開該大會的股東或佔該等全體股東的總表決權過半數的股東，可自行召開股東特別大會，但如此召開的股東特別大會不得在上述日期起計三個月屆滿後舉行。

由股東召開的股東特別大會，須盡可能以接近董事召開股東大會的方式召開。

### (2) 股東查詢

股東可向本公司香港股份過戶登記分處香港中央證券登記有限公司查詢其股權資料。股東如有其他查詢可將信件寄至本公司在香港的主要辦事處香港灣仔港灣道18號中環廣場64樓6406室或發送電子郵件至 public@hk217.com，聯繫本公司公司秘書部或公司秘書。

# Corporate Governance Report

## 企業管治報告

### (3) Procedures for putting forward resolutions at general meetings

Shareholders are requested to follow sections 615 and 616 of the Companies Ordinance for including a resolution at an annual general meeting ("AGM"). The requirements and procedures are set out below:

- (i) Any number of shareholders representing at least 2.5% of the total voting rights of all shareholders having a right to vote on the resolution at an AGM to which the requisition relates, or at least 50 shareholders having a right to vote on the resolution at an AGM to which the requisition relates, may submit a requisition in writing to put forward a resolution which may properly be moved and is intended to be moved at an AGM.
- (ii) The Company shall not be bound by the Companies Ordinance to give notice of the proposed resolution or to circulate a statement of not more than 1,000 words with respect to the matter referred to in the proposed resolution to shareholders of the Company entitled to receive notice of an AGM unless a copy of the requisition specifying the resolution of which notice is to be given and signed by the shareholders concerned (or 2 or more copies which contain the signatures of all the shareholders concerned) is deposited at the principal office of the Company for the attention of the company secretary in hard copy form or is sent to the Company in electronic form not later than (i) 6 weeks before an AGM to which the requisition relates; or (ii) if later, the time at which notice is given of that AGM.

## CONSTITUTIONAL DOCUMENTS

The Company has not amended its constitutional documents during the Year.

### (3) 在股東大會上提出議案的程序

當股東擬於股東週年大會（「股東週年大會」）上提呈一項決議，須依照《公司條例》第615及第616條，其要求及程序如下：

- (i) 任何在全體有權在該請求所關乎的股東週年大會上就該決議表決的股東的總表決權佔至少2.5%的股東人數，或至少50名有權在該請求所關乎的股東週年大會上就該決議表決的股東，可提交一份書面請求，以便於股東週年大會上恰當地動議一項建議決議。
- (ii) 本公司不須根據《公司條例》發出任何建議決議的通知或傳閱一份字數不多於1,000字的陳述書，內容有關在任何建議決議內所提述的事宜向有權接收股東週年大會通知書的本公司的股東發出通知書，除非(i)在有關決議所關乎的股東週年大會舉行前不少於六個星期；或(ii)（倘為較遲者）就該股東週年大會發出通知書當日，有關股東將一份註明有關通知書所涉及的決議且由有關股東簽署的請求書（或兩份或多於兩份載有全體有關股東簽署的請求書）以印刷文本方式存放於本公司的主要辦事處及註明致公司秘書，或以電子形式發送至本公司則除外。

## 憲章文件

於本年度內，本公司並無修訂其憲章文件。

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

## 1 ABOUT THIS REPORT

### 1.1 Reporting Guidelines

This environmental, social and governance report (“**ESG Report**”) aims to provide information on the performance in the environmental and social aspects of the Group during the period from 1 January 2018 to 31 December 2018 (“**Reporting Period**”), which focuses on the environmental and social issues which the stakeholders concerned and those related to the sustainable development of the Group, aiming to enable the stakeholders to better understand the philosophy, measures and relevant performances in relation to the sustainable development of the Group. This ESG Report should be read in conjunction with the section headed “Corporate Governance Report” in pages 24 to 40 of this annual report in order to have a full understanding on the Group’s relevant performances.

### 1.2 Scope of This ESG Report

Unless otherwise indicated, the reporting scope of this ESG Report covers the principal businesses of the Group, including property development and investment, finance leasing, bulk commodity trade and hotel and marine travelling services, which were managed and/or operated by the Group’s headquarter in Hong Kong and the Company’s subsidiaries, including:

- (i) 諸城鳳凰置地有限公司 (unofficial English translation being Zhucheng Phoenix Landmark Company Limited) (“**Zhucheng Phoenix**”);
- (ii) 大豐開發 (unofficial English translation being Dafeng Development);
- (iii) 誠通發展貿易有限公司 (unofficial English translation being Chengtong Development Trading Company Limited) (“**Chengtong Development Trading**”);
- (iv) 誠通能源廣東有限公司 (unofficial English translation being Chengtong Energy Guangdong Company Limited) (“**Chengtong Energy**”);
- (v) 海南寰島酒店旅游投資有限公司 (unofficial English translation being Hainan Huandao Hotel and Travel Investment Co., Limited) (“**Huandao Hotel Investment**”) and its subsidiaries; and
- (vi) 誠通融資租賃有限公司 (unofficial English translation being Chengtong Financial Leasing Company Limited) (“**Chengtong Financial Leasing**”).

## 1 關於本報告

### 1.1 報告指南

本環境、社會及管治報告(「**環境、社會及管治報告**」)旨在提供本集團於二零一八年一月一日至二零一八年十二月三十一日(「**報告期**」)的環境表現和社會表現,主要包括權益人所關注並與本集團可持續發展有關的環境及社會議題,以便各主要權益人更加了解本集團可持續發展的理念、措施及相關表現等。本環境、社會及管治報告應與本年度報告第24頁至40頁「**企業管治報告**」章節一併閱覽,以便全面了解本公司的相關表現。

### 1.2 本環境、社會及管治報告範圍

除非另有說明,本環境、社會及管治報告範圍涵蓋本集團的主營業務,包括物業發展及投資、融資租賃、大宗商品貿易及酒店和海上旅遊服務,該等業務由本集團香港總部及本公司附屬公司管理及/或經營,包括:

- (i) 諸城鳳凰置地有限公司(「**諸城鳳凰**」);
- (ii) 大豐開發;
- (iii) 誠通發展貿易有限公司(「**誠通發展貿易**」);
- (iv) 誠通能源廣東有限公司(「**誠通能源**」);
- (v) 海南寰島酒店旅游投資有限公司(「**寰島酒店投資**」)及其附屬公司;及
- (vi) 誠通融資租賃有限公司(「**誠通融資**」)。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 1.3 Basis of Preparation

This ESG Report is prepared by the Company in accordance with the Environment, Social and Governance Reporting Guide (“ESG Guide”) under Appendix 27 to the Listing Rules. The Group’s management approaches, strategies, relevant significance and targets of environmental and social aspects are disclosed in respective sections of this ESG Report.

### 1.4 Declaration on Reporting

This ESG Report is prepared in accordance with the four reporting principles of the ESG Guide, including disclosing content in compliance with the principles of materiality, quantitative, balance and consistency. The Group determines the key disclosures of this ESG Report through an analysis of materiality and discloses quantifiable environmental and social performance in an identical statistical approach as applied in the Group’s 2017 ESG Report. Furthermore, the Group has disclosed information in this Report in compliance with the “comply or explain” provisions in the ESG Guide.

### 1.5 Feedback to This ESG Report

Should you have any comments concerning the content of the ESG Report of the Group, please feel free to contact the Secretarial Department or the company secretary of the Company by post to the principal office of the Company in Hong Kong at Suite 6406, 64/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong or by e-mail to public@hk217.com.

## 2 LISTEN TO OPINIONS OF STAKEHOLDERS

Through this ESG Report, the Group expects to respond to the concerns of different stakeholders on our performance of environmental and social responsibilities and to consider opinions of stakeholders in its corporate sustainability management work. During the Reporting Period, the Group conducted materiality analyses with regard to different environmental and social issues, and conducted a survey of stakeholders in the form of questionnaire to understand their opinions on the sustainable development work of the Group.

The Group considers issues at the environmental and social levels in a comprehensive manner and demonstrates the materiality of different issues to stakeholders and the Group in a matrix diagram. In particular, issues in the blue box are of the highest materiality. The materiality of each issue has been ranked with number 1 to 14, with the material issues ranked the top seven being highlighted in subsequent chapters in response to the expectations and concerns of stakeholders. In addition to its application in the preparation of this ESG Report, results of the materiality analyses are also referred by the Group to the sustainable development planning work, with a view to addressing issues that are most material to both stakeholders and the Group and effectively promoting the sustainable development of the Company.

### 1.3 編制基準

本公司按照上市規則附錄二十七《環境、社會及管治報告指引》（「**環境、社會及管治指引**」）編制本環境、社會及管治報告。本集團的環境及社會管理方針、策略、相關重要性及目標將在本環境、社會及管治報告的各章節作出披露。

### 1.4 報告聲明

本環境、社會及管治報告乃按照環境、社會及管治指引的四項匯報原則進行編制，包括遵從重要性、量化、平衡及一致性作內容披露。本集團透過重要性分析確定本環境、社會及管治報告的重點披露內容，並使用與本集團二零一七年度之環境、社會及管治報告相同的統計方法將可量化的環境及社會績效作出披露。另外，本集團已就環境、社會及管治報告指引中所有「不遵守就解釋」條文於本報告作信息披露。

### 1.5 對本環境、社會及管治報告的回應

如讀者對本集團的環境、社會及管治報告內容有任何意見，歡迎將信件寄至本公司香港主要辦事處：香港灣仔港灣道18號中環廣場64樓6406室，或發送電子郵件至：public@hk217.com，聯繫本公司秘書部或公司秘書。

## 2 聆聽權益人意見

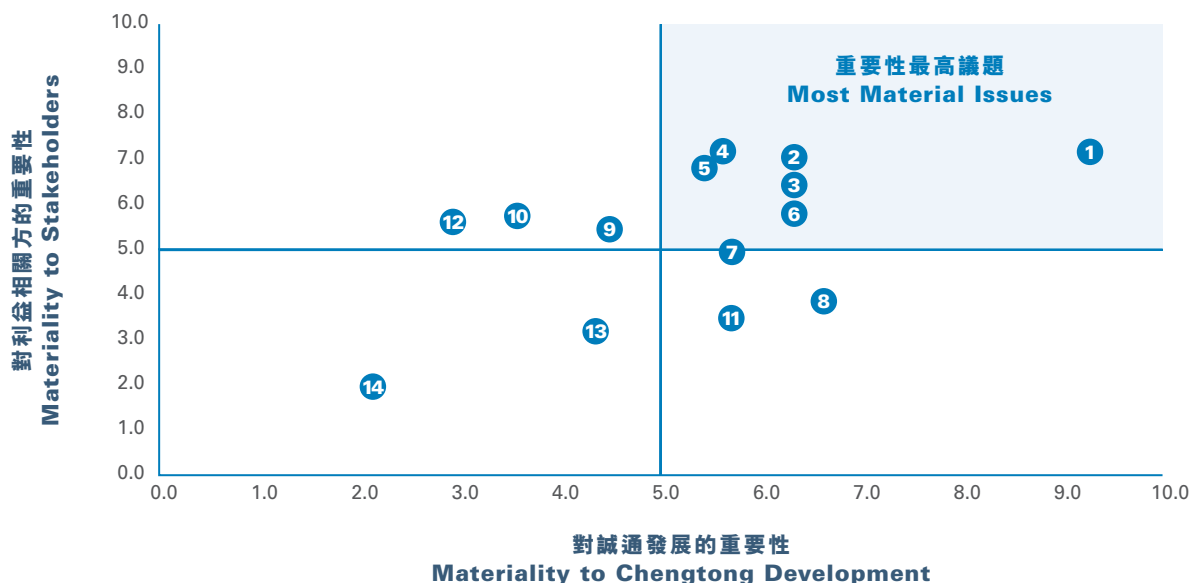
本集團期望透過本環境、社會及管治報告回應不同權益人對我們履行環境和社會責任的關注，並將各種權益人意見納入企業可持續發展管理工作當中。於本報告期，本集團針對不同環境及社會議題展開了重要性分析，以問卷形式向權益人進行調查，了解他們對本集團可持續發展工作的意見。

本集團綜合考慮環境和社會層面下的議題，以矩陣圖展示不同議題對權益人和對本集團的重要程度。其中，以藍色框內的議題為重要性最高。各議題的重要性已按照數字從1至14進行排序，其中排序最高的七項重要議題亦已於隨後各章節內進行重點披露，以回應各種權益人的期望與關注。重要性分析結果除了用於本環境、社會及管治報告編制之外，亦用於規劃本集團的可持續發展工作，針對性地處理對權益人和本集團均最重要的相關議題，有效推進企業可持續發展。



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

誠通發展可持續發展議題重要性分析  
Materiality Analysis of the Sustainable Development Issues of Chengtong Development



- |   |  |   |
|---|--|---|
| ① Operation Compliance<br>經營合規性             | ② Employment and Interests of the Employees<br>僱傭與員工權益 | ③ Occupational Health and Safety<br>職業健康與安全   |
| ④ Staff Development and Training<br>員工發展與培訓 | ⑤ Employee Benefits<br>員工福利                            | ⑥ Ecological Environment Protection<br>生態環境保護 |
| ⑦ Labour Standards<br>勞工準則                  | ⑧ Anti-Corruption<br>反貪污                               | ⑨ Pollutants<br>污染物                           |
| ⑩ Green Office Management<br>綠色辦公室管理        | ⑪ Product Liability<br>產品責任                            | ⑫ Resource Utilisation<br>資源利用                |
| ⑬ Supply Chain Management<br>供應鏈管理          | ⑭ Community Involvement and Contribution<br>社區參與及貢獻    |   |

**Material issues (ranked by materiality, from the highest to the lowest)**  
重要議題 (重要性按高至低排序)

**Responding chapters**  
回應章節

- |   |  |
|---|--|
| ① Operation Compliance 經營合規性                        | Caring for Employees 關愛員工<br>Environmental Protection 環境保護                             |
| ② Employment and Interests of the Employees 僱傭與員工權益 | Fulfilling Social Responsibility 踐行社會責任<br>Talent Selection 挑選人才<br>Labour Rights 勞工權益 |
| ③ Occupational Health and Safety 職業健康與安全            | Safety First 安全至上  |
| ④ Staff Development and Training 員工發展與培訓            | Employee Development 員工發展<br>Nurturing Talents 培養人才                                    |
| ⑤ Employee Benefits 員工福利                            | Talent Selection 挑選人才  |
| ⑥ Ecological Environment Protection 生態環境保護          | Environmental Protection 環境保護  |
| ⑦ Labour Standards 勞工準則                             | Labour Rights 勞工權益   |

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

## 3 CARING FOR EMPLOYEES

Employees are important assets to the Group. A sophisticated human resources management facilitates to attract and retain outstanding talents. The Group has established a series of standardised human resources management policies to systematically manage human resources, laying a critical foundation for the Company's sustainable growth.

### 3.1 Talent Selection

The Group complies in all material respects with national and regional laws and regulations of Hong Kong and Mainland China such as the Labour Contract Law of The People's Republic of China (《中華人民共和國勞動合同法》), the Employment Ordinance (《僱傭條例》) of Hong Kong, and adopts a fair and open employment management policy. Due to the nature of its business and the locations of its operations, the Company has adopted the "Human Resources Management System" and the "Employees' Code of Conduct", which regulate the Group's employment policies. Each of the Company's subsidiaries has also formulated employment policies applicable to their operations. The employment policies contain clear recruitment and dismissal practices, remuneration and benefit system, leave system, attendance system, performance management and appraisal systems and code of conduct, etc.

As to staff recruitment, the Group has established a set of highly transparent recruitment procedures. After preliminary screenings conducted by the human resources department, candidates will then be invited to attend written tests, interviews and personality tests. Thereafter, candidates will be invited to attend professional tests conducted by relevant departments and the suitable candidate will eventually be selected after being interviewed by the Company's management.

The Group treats people of different ages, genders, races, nations, religions, or with physical disabilities equally and offers them equal job opportunities with respect. The Group offers paid leaves to the staff pursuant to the national and regional laws and regulations of Hong Kong and Mainland China, including casual leaves, sick leaves, marriage leaves and maternity leaves. The application procedures and arrangements of different types of leaves are clearly stated in the employment policies. For termination of employee contracts, the Group has stipulated detailed provisions regarding the establishment, termination and compensation of contracts in the labour contracts signed with employees.

## 3 關愛員工

員工作為本集團的重要資產，完善的人力資源管理有助吸納和保留優秀人才。本集團制定一系列規範的人事管理制度，系統性地管理人力資源工作，為公司持續增長打下重要基礎。

### 3.1 挑選人才

本集團一直於所有重大方面遵守《中華人民共和國勞動合同法》、香港《僱傭條例》等香港及中國內地國家及地區法律法規，採取公平、公開的僱傭管理政策。由於業務性質和營運地點的不同，本公司已採納《人事管理制度》和《員工守則》，對本集團僱傭政策進行規範。本公司各附屬公司亦均設有適用於其運作的僱傭政策。僱傭政策包含清晰的招聘及解僱政策、薪酬福利制度、假期制度、考勤制度及績效管理考核制度和行為守則等。

在人員招聘方面，本集團設有高透明度的招聘程序，應徵者經人力資源部初步篩選後，將參加筆試、面試及性格測試，再經相關部門進行專業測試，最後由本公司管理層進行面試，並選出適當人選。

本集團平等對待不同年齡、性別、種族、民族、宗教，或身體是否有缺陷的人士，保障平等就業機會，讓所有員工都能獲得尊重。本集團亦按香港及中國內地國家及地區法律法規提供有薪假期給員工，包括事假、病假、婚假和產假等，並在僱傭政策中清晰列明各類假期的申請程序及安排。針對解除員工合約事宜，本集團在與員工簽訂的勞動合同中，對合同的訂立、解除、賠償進行了詳細的規定。

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

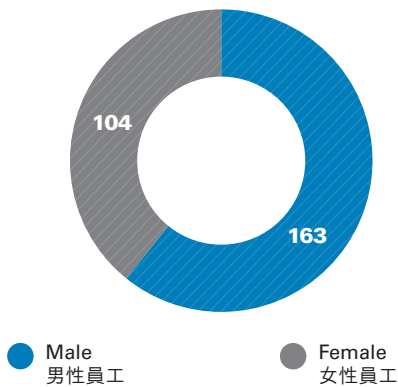
In order to attract and retain talents, the Group provides competitive remuneration packages with reference to market benchmarks. The employee's remuneration is reasonably determined with reference to their duties, performance and individual conditions and characteristics by the human resources department. Furthermore, the Group also provides comprehensive benefits, including social insurance, medical insurance, Mandatory Provident Fund, study allowances and transportation subsidies. The Group advocates work-life balance. Working hours of the employees are determined according to the nature of their jobs. Five-day week with an average of eight working hours per day is generally implemented.

為吸納和挽留人才，本集團提供具有市場競爭力的薪酬待遇。人力資源部門按照員工的工作職責內容、工作績效表現、個人條件特性等合理地釐定員工薪酬。此外，本集團亦提供完善的員工福利，包括社會保險、醫療保險、強積金、進修津貼、交通補貼等福利。本集團提倡工作與生活的平衡，員工的工作時間是根據其工作性質而定，一般實行五天工作制，每天平均工作八小時。

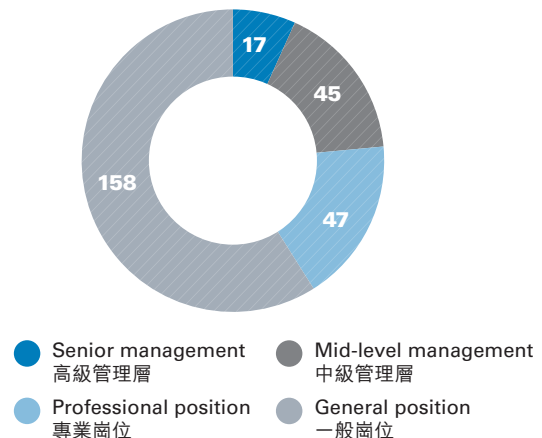
At the end of the Reporting Period, the Group had a total of 267 employees. The following shows the employee structure by gender, employment type, age group and region:

於本報告期末，本集團共有267名員工。以下展示以性別、僱傭類型、年齡組別及地區劃分的員工結構：

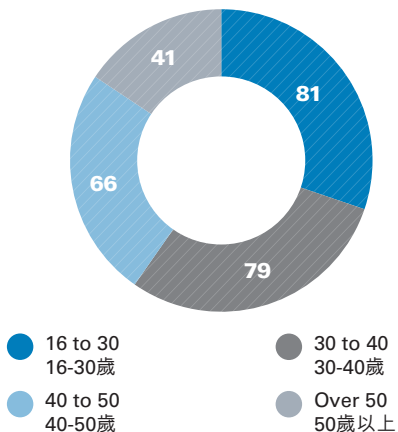
**Number of employees (by gender)**  
員工人數 (按性別劃分)



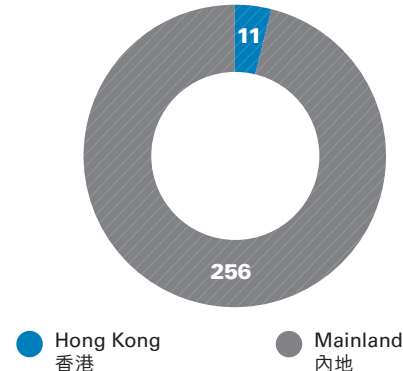
**Number of employees (by employment type)**  
員工人數 (按僱傭類型劃分)



**Number of employees (by age group)**  
員工人數 (按年齡組別劃分)



**Number of employees (by region)**  
員工人數 (按地區劃分)



# Environmental, Social and Governance Report

## 環境、社會及管治報告

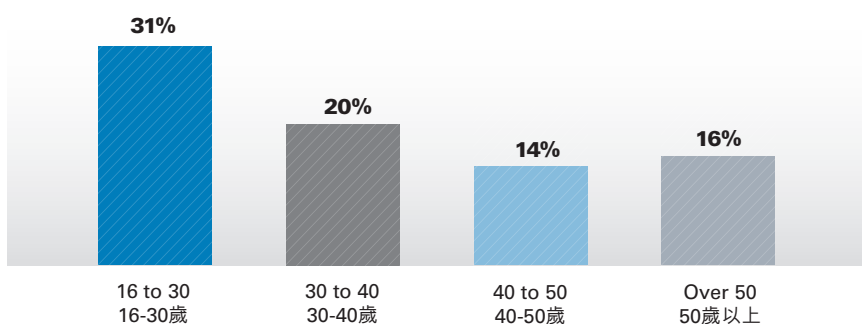
During the Reporting Period, the Group had a total of 76 departing employees, with a total employee turnover percentage of approximately 22%. The following shows the statistics of employee turnover percentages by gender, age group, and region.

於本報告期內，本集團的離職員工共76人，總員工流失比率約為22%。以下展示按性別、年齡組別及地區劃分的員工流失比率統計。

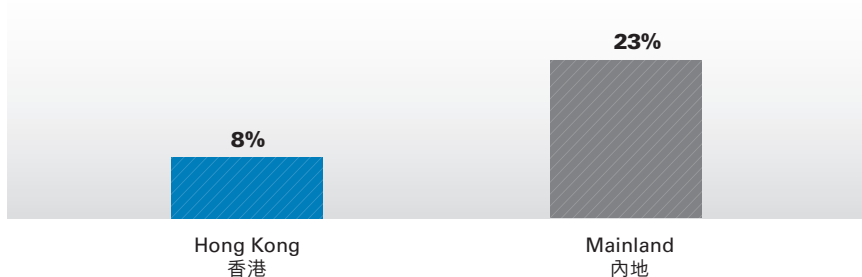
### Approximate employee turnover percentage in the relevant gender group 在相關性別組別的員工流失概約比率



### Approximate employee turnover percentage in the relevant age group 在相關年齡組別的員工流失概約比率



### Approximate employee turnover percentage in the relevant region 在相關地區的員工流失概約比率





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

## 3.2 Safety First

The Group has always placed high importance on health and safety of our employees, and is committed to provide employees with a safe working environment and strives to eliminate occupational hazards. The Group's production safety and management committee is responsible for monitoring all production safety matters of the Group and effectively protecting the safety and health of our employees. The Group also provides relevant accident insurance for its employees in accordance with the requirements of laws and regulations of Hong Kong and Mainland China such as the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), the Regulations of Insurance for Employment Injury (《工傷保險條例》) and the Occupational Safety and Health Ordinance of the laws of Hong Kong (《職業安全及健康條例》), in all material respects so that employees can work at ease. During the Reporting Period, the Group strictly observed the relevant national and regional laws and regulations in all materials respects and did not report any death or work-related injuries resulting from safety accidents or major accidents.

On the other hand, the Group has formulated "Production Safety Management Measures" and "General Contingency Plans in respect of Production Safety Incidents" with reference to relevant laws and regulations, setting out the requirements in six aspects, namely education and training, troubleshooting, cost management, emergency rescue, information delivery, and incident investigation and handling, which apply to all subsidiaries of the Group. Furthermore, safety management is included in the annual performance appraisals of the general managers of each subsidiary and is linked to their performance bonus to ensure the implementation of various rules and regulations. These systems have also clearly defined the structure of the Company's safety management organisation, the duties of the safety management units, the organisation of meetings and trainings on safety, safety management inspections, safety measures for production sites and equipment, protective measures for construction safety and hygiene, casualty management, and other aspects, ensuring the health and safety of employees being safeguarded in multiple areas.

## 3.2 安全至上

本集團一向高度重視員工的健康與安全，致力為員工提供安全的工作環境，避免他們受到職業性危害。本集團的安全生產管理委員會負責監察本集團內的各項安全生產事宜，有效地保障員工的安全和健康。本集團一直於所有重大方面遵守《中華人民共和國勞動法》、《工傷保險條例》、香港法例《職業安全及健康條例》等香港及中國內地法律法規，為員工提供相關意外保障，使員工工作更安心。於本報告期內，本集團一直於所有重大方面遵守相關國家或地區法規，未發生任何關於安全的事故或重大事故而導致死亡或工傷的報告。

另一方面，本集團參考相關法律法規制定了《安全生產管理辦法》和《安全生產事故總體應急預案》，從教育培訓、隱患排查、費用管理、應急救援、信息報送、事故調查和處理六方面定明適用於本集團全部附屬公司的要求，並將安全管理工作納入各附屬公司總經理的年度績效評核中，與其績效獎金因素掛鉤，以確保各規章制度得以落實。該等制度亦明確了公司的安全管理組織架構、安全管理崗位職責、安全會議及培訓的舉行、安全管理檢查、營運場所及設備安全措施、施工安全衛生保護措施以及傷亡事故管理等範疇，使員工的健康與安全在多個環節得到保障。

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For fire safety, Zhucheng Phoenix, a subsidiary of the Company, has formulated a “Fire-fighting and Evacuation Emergency Drill Plan” to provide clear guidelines on its fire drill procedures. Its employees carry out fire drill and training regularly in accordance with the plan to promote fire safety awareness and self-help skills, which in turn minimises harm, loss and impact caused by fire.

With regard to hotel and marine travelling business, the Group arranges various emergency rescue drills, including marine rescue and rescue in scenic areas, at least twice a year for its employees who worked in hotels and/or marine travelling facilities. During the Year, 海南寰島海底世界酒店有限公司 (unofficial English translation being Hainan Huandao Underwater World Hotel Limited), a subsidiary of the Group, organised a safety management training and convened a kick off meeting regarding safety management for all employees and staff of outsourced entities. The meeting focused on safety training regarding marine travelling business in relation to operation, shipping and security for the purpose of ensuring the safety of its employees and tourists.

During the Reporting Period, the Group arranged a number of occupational health and safety training with a total of 231 employees participated in.

針對消防安全，本集團附屬公司諸城鳳凰制定了《消防滅火和疏散應急演練方案》，為公司的消防演練程序作出明確指引。公司員工根據該方案定期進行消防演習和培訓，以提高員工的消防安全意識和自救能力，將火災造成的危害、損失和影響降至最低程度。

在酒店和海上旅遊業務方面，本集團每年安排至少兩次酒店員工及／或營運海上旅遊設施的員工參與海上救生、遊區救生等各項緊急救援演習。於本年度，本集團附屬公司海南寰島海底世界酒店有限公司召開全體員工及外包單位人員安全管理培訓及安全管理工作動員大會，該大會針對海上旅遊業務於經營、船務和保衛有關的安全培訓，保障員工和遊客的安全。

於本報告期內，本集團組織了一共達231人次員工參與的多項職業健康與安全培訓。

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

## 3.3 Employee Development

The Group has established a broad career development platform for its employees and provided diverse development opportunities. The Group optimises employees' career development based on the characteristics of different positions. With regard to promotion and position development opportunities, the Group provides optimised ranking solutions to achieve same remuneration for same rank, and refines the duties and qualification requirements. Employees can pursue a managerial or professional career at their own decisions. Annual performance appraisals are conducted to learn the daily work performance of employees and expectations of both parties of the employment, and is one of the effective ways to select competent employees so as to grant promotion.

The Group implements a systematic employee promotion system. The "Employee's Code of Conduct" of the Group has regulates the employee promotion systems and the procedures:

## 3.3 員工發展

本集團為員工建立廣闊的事業發展平台，提供多元的發展機會，針對不同職位特點以優化員工事業發展路徑。關於晉升及職位發展機會，本集團提供職位體系優化方案，實現同崗同酬，並對職責及任職資格要求進行了細化，員工可自行選擇往管理或專業路線發展。員工每年會進行績效評核，以了解他們的日常工作表現及僱傭雙方的期望，並作為甄選有能力的員工予以晉升的有效方法之一。

本集團執行系統性的員工晉升制度。本集團的《員工守則》內對員工晉升制度及流程進行了規範：



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### 3.4 Nurturing Talents

In order to facilitate new employees to adapt to the working environment of the Group, the human resources department of the Group will provide them with an orientation training course, introducing them to the background, structure, philosophy and goals of the Group.

The Group's "Human Resources Management System" regulates the employee training policies and continuously offers internal and external trainings for employees. The internal training aims at strengthening the flexibility of human resources allocation of the Group and learning more about the inter-departmental collaboration and interface. Various departments of the Group formulate training courses according to business needs and updates of relevant laws and regulations, such as, training on the Listing Rules, accounting standards, risk management knowledge, labour regulations and the Employee's Code of Conduct, etc.

The following shows the statistics relating to the employee training of the Group during the Reporting Period:

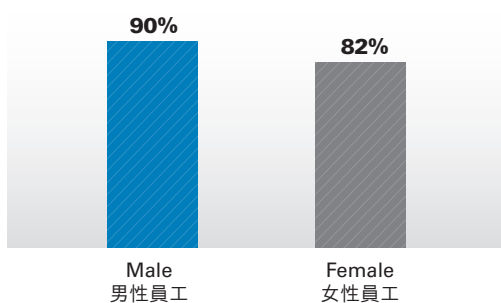
### 3.4 培養人才

為協助新員工盡快熟悉本集團的工作環境，本集團人力資源部會於新員工入職初期為新員工安排入職培訓，培訓內容包括介紹本集團的背景、架構、理念及目標等。

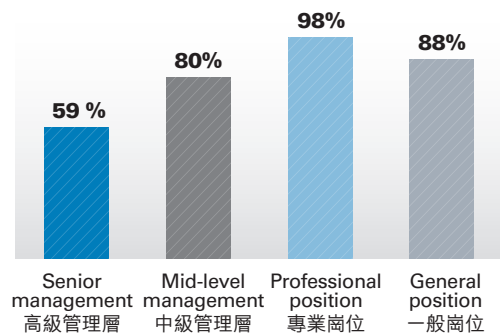
本集團的《人事管理制度》規範了員工培訓政策，持續為員工提供內部和外部培訓。內部培訓之目的為加強集團人力資源配置的靈活性和對部門間工作配合及銜接的了解。本集團各部門根據業務需求及相關法律法規的更新來制定培訓內容，例如，上市規則培訓、會計準則培訓、風險管理專業知識培訓、勞工條例及員工守則培訓等。

以下展示本集團於本報告期內的員工受訓情況數據：

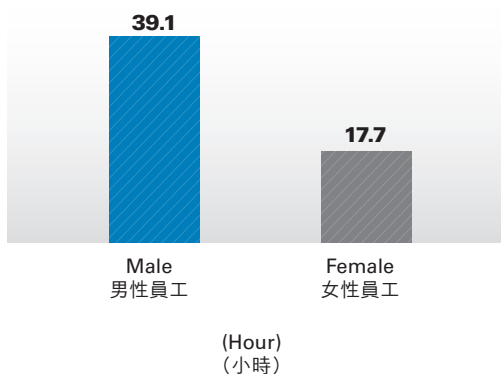
**Approximate percentage to the total number of employees of the relevant gender**  
佔相關性別員工總數的大約比率



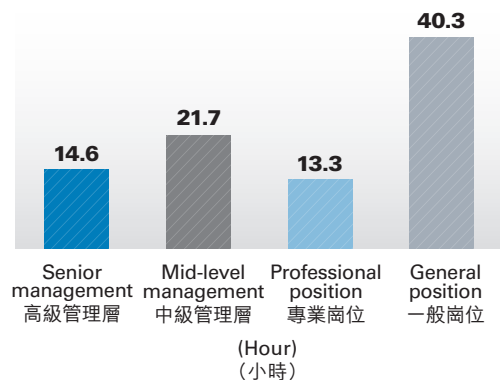
**Approximate percentage to the total number of employees of the relevant type of position**  
佔相關職位類型員工總數的大約比率



**Average hours of employee training (by gender)**  
員工受訓平均時數 (按性別劃分)



**Average hours of employee training (by employment type)**  
員工受訓平均時數 (按僱傭類型劃分)





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## 3.5 Labour Rights

The Group respects and upholds various internationally recognised human rights and consciously resists any actions disregarding human rights. The Group complies in all material respects with national and regional laws and regulations of Hong Kong and Mainland China such as the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), the Law of the People's Republic of China on the Protection of Rights and Interests of Women and Children (《中華人民共和國婦女兒童權益保護法》), the Law of the People's Republic of China on the Protection of Minors (《中華人民共和國未成年人保護法》), the Provisions on Prohibition of Child Labour (《禁止使用童工規定》) and the Employment Ordinance of the laws of Hong Kong (《僱傭條例》). The Group strictly prohibits the use of child labour and forced labour under any circumstances, protects employees' privacy and complies with the national policies over public holidays and paid leaves. Under the comprehensive laws and internal policy, the interests of the employees are safeguarded by the Group. During the Reporting Period, the Group complied in all material respects with relevant national and regional laws and regulations which had significant influence on the Group and no violation of relevant laws and regulations was reported.

## 3.5 勞工權益

本集團尊重和維護國際公認的各項人權，自覺抵制任何漠視人權的行為。本集團一直於所有重大方面遵守《中華人民共和國勞動法》、《中華人民共和國婦女兒童權益保護法》、《中華人民共和國未成年人保護法》、《禁止使用童工規定》和香港法例《僱傭條例》等香港及中國內地國家及地區法律法規，嚴禁在任何情況下使用童工和強制勞工，保護員工私隱以及遵守國家規定的節假日和帶薪休假等制度。本集團在全面的法規和內部制度的保護下，確保員工的權益得到保障。於本報告期內，本集團於所有重大方面均遵守對本集團有重大影響的相關國家及地區法律法規，亦無接獲違反相關法律法規事宜的報告。

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## 4 ENVIRONMENTAL PROTECTION

The Group understands the importance of environmental protection for promoting sustainable development. The Group's business premises are mainly offices, hotels, marine travelling facilities and construction sites, of which the main environmental impacts may potentially include greenhouse gases and air pollutant emissions from the electricity and fuel usage, discharge into water and land during the operations of hotels, vessels and construction sites, solid waste generation as well as electricity and fuel consumption. The Group has formulated targeted environmental management policies for different businesses with reference to national and local environmental laws and regulations, and proactively implemented different environmental measures, endeavoring to reduce the environmental impacts during its operations.

During the Reporting Period, the Group observed in all material respects, the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》), the Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》), the Law of the People's Republic of China on Prevention and Control of Pollution From Environmental Noise (《中華人民共和國環境噪聲污染防治法》), the Law of the People's Republic of China on Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》), the Water Law of the People's Republic of China (《中華人民共和國水法》), the Marine Environmental Protection Law of the People's Republic of China (《中華人民共和國海洋環境保護法》), the Solid Waste Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國固體廢物污染環境防治法》), the Law on Environmental Impact Evaluations of the People's Republic of China (《中華人民共和國環境影響評估法》) and other national and local laws and regulations, managed air pollutants, greenhouse gases, discharge into water and land, hazardous and non-hazardous wastes, construction noises, etc., and no violation of relevant laws and regulations was reported by the Group during the Reporting Period.

### 4.1 Exhaust Gas and Sewage Management

In compliance in all material respects with national and local laws and regulations, such as the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》), the Water Law of the People's Republic of China (《中華人民共和國水法》), the Marine Environmental Protection Law of the People's Republic of China (《中華人民共和國海洋環境保護法》), the Regulations of Beijing Municipality on Prevention and Control of Atmospheric Pollution (《北京市大氣污染防治條例》), the Regulations of Shandong Province on Environmental Protection (《山東省環境保護條例》), etc., and internal environmental protection policy, the Group exerted management and control on air pollutant and sewage.

## 4 環境保護

本集團深明環境保護對推動可持續發展的重要性。本集團的業務場所以辦公室、酒店、海上旅遊設施和建築工地為主，可能產生的主要環境影響包括使用電力和燃料造成的溫室氣體及空氣污染物排放、酒店、船舶和工地營運時向水及土地排污、固體廢棄物產生、電力和燃料消耗等。針對不同業務，本集團參考國家及地區性環保法律法規制定了具針對性的環境管理政策，並積極實施不同的環保措施，努力減少營運過程所帶來的環境影響。

於本報告期內，本集團一直於所有重大方面遵守《中華人民共和國環境保護法》、《中華人民共和國節約能源法》、《中華人民共和國環境噪聲污染防治法》、《中華人民共和國大氣污染防治法》、《中華人民共和國水法》、《中華人民共和國海洋環境保護法》、《中華人民共和國固體廢物污染環境防治法》、《中華人民共和國環境影響評估法》等國家及地區性法律法規，針對空氣污染物、溫室氣體、向水及土地排污、有害及無害廢棄物、施工噪音等作出管理，於本報告期內，本集團並無接獲違反相關法律法規事宜的報告。

### 4.1 廢氣及污水管理

本集團一直於所有重大方面遵守《中華人民共和國環境保護法》、《中華人民共和國大氣污染防治法》、《中華人民共和國水法》、《中華人民共和國海洋環境保護法》、《北京市大氣污染防治條例》和《山東省環境保護條例》等國家及地區法律法規，結合內部制定的環保政策對空氣污染物及污水排放進行管控。

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Vessels are the main offshore facilities for the Group's marine travelling services. In order to minimise air pollutant emission caused by the using of vessels, Huandao Hotel Investment, a subsidiary of the Group, required that engines should be shut down when vessels are at berth and not in use. It also strengthened vessel travelling route planning and shortened vessel berth waiting time to avoid unnecessary fuel consumption and air pollutant emissions. In terms of vessel maintenance and management, Huandao Hotel Investment regularly arrange for body cleaning as well as inspection and maintenance on slipway to reduce the friction between vessel and water during navigation to ensure normal operation, thereby reducing fuel consumption and air pollutant emissions.

In order to minimise air pollutant emissions arising from the using of vehicles by employees during their attendance, the Group's Beijing office has formulated the Administrative Regulations on Business Vehicles (《公務車輛管理規定》) providing that the Group should take into consideration of factors such as emission reduction and energy conservation when purchasing vehicles and that thorough examination and maintenance are required to conduct regularly for all vehicles to keep them in good operation and discharge in compliance with statutory requirements. Meanwhile, the Group's Beijing office strictly controls the frequency of employees' use of vehicles and encourages the sharing of one vehicle among several employees when going out to reduce the impact of vehicle emissions on air quality.

船舶為本集團海上旅遊服務的主要海上設施，為了盡量減少船舶使用造成的空氣污染物排放，本集團附屬公司寰島酒店投資對船舶實施操作及保養管理措施。在操作管理方面，寰島酒店投資規定船舶泊岸及待用時需要關閉引擎，亦加強船舶遊覽路線規劃和縮短船舶泊岸等候時間，盡量避免不必要的燃料消耗和空氣污染物排放。在保養管理方面，寰島酒店投資定期安排船舶上船排進行船身清理及檢查保養，減少船舶航行時與水的摩擦力及確保正常運作，從而減少燃料消耗和空氣污染物排放。

為了盡量減少員工出勤時因使用汽車的空氣污染物排放，本集團北京辦公室制訂了《公務車輛管理規定》，規定於購買車輛時需充分考慮減低排放量及節能等因素，所有車輛需定期進行詳細檢查和保養，以保持車輛運作良好和排放符合法例要求。同時，本集團北京辦公室嚴格控制員工使用車輛的頻率，員工外出時應盡量共用車輛，以減少車輛排放對空氣質素的影響。

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The Group also manages the waste gas and wastewater generated during the construction process. Zhucheng Phoenix and Dafeng Development, subsidiaries of the Group, have established an accountability system on the prevention and control of dust pollution, and have adopted dust prevention measures such as covering, hoarding, totally enclosing, spraying, washing and greening during the construction period pursuant to the local environmental protection regulations of the construction sites, such as the Administrative Measures on the Prevention and Control of Dust Pollution of Shandong Province (《山東省揚塵污染防治管理辦法》) to reduce the impact of dust generated from the construction process on the surrounding air quality. The sewage treatment facilities at the construction sites and the main constructions of the projects of Zhucheng Phoenix and Dafeng Development are designed, constructed and put into use at the same time, and are connected to municipal pipeline to ensure proper treatment of sewage.

The volume of pollutant emission generated by the Group due to the business operation during the Reporting Period, together with the comparative figures for the year ended 31 December 2017, is as follows:

本集團亦對施工過程中所產生的廢氣及廢水進行管理。本集團附屬公司諸城鳳凰及大豐開發建立了揚塵污染防治責任制，並根據施工所在地的環保規例如《山東省揚塵污染防治管理辦法》，於施工期間採取遮蓋、圍擋、密閉、噴灑、沖洗、綠化等防塵措施，減低施工過程產生的揚塵對周邊空氣質素的影響。諸城鳳凰及大豐開發的工地污水處理設施與項目主體工程同時設計、施工及投入使用，並接入市政管道，確保妥善處理污水。

本集團於本報告期內因業務營運而產生的污染物排放量及截至二零一七年十二月三十一日止年度之比較數據如下：

	2018	2017	Unit 單位
<b>Emission of Air Pollutant by Vessels</b>			
<b>船舶空氣污染物排放</b>			
Emission of CO CO排放量	4,686	5,193	Kg 千克
Emission of NO <sub>x</sub> NO <sub>x</sub> 排放量	18,172	14,424	Kg 千克
Emission of SO <sub>x</sub> SO <sub>x</sub> 排放量	449	408	Kg 千克
Emission of PM <sub>2.5</sub> PM <sub>2.5</sub> 排放量	1,328	1,076	Kg 千克
Emission of PM <sub>10</sub> PM <sub>10</sub> 排放量	1,434	1,145	Kg 千克
<b>Emissions of Air Pollutant by Vehicles</b>			
<b>汽車空氣污染物排放</b>			
Emission of CO CO排放量	1,223	921	Kg 千克
Emission of NO <sub>x</sub> NO <sub>x</sub> 排放量	399	344	Kg 千克
Emission of SO <sub>x</sub> SO <sub>x</sub> 排放量	1	1	Kg 千克
Emission of PM <sub>2.5</sub> PM <sub>2.5</sub> 排放量	15	15	Kg 千克
Emission of PM <sub>10</sub> PM <sub>10</sub> 排放量	16	16	Kg 千克
<b>Wastewater Discharge</b>			
<b>廢水排放</b>			
Total Volume of Sewage Discharge 污水排放總量	60,821	72,736	Ton 公噸



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## 4.2 Energy Saving and Consumption Reduction

The major environmental impacts caused during the operation process of the Group's offices are energy, water resource and office supply consumption as well as carbon emission resulted from energy usage. In order to reduce the use of natural resource and lower carbon emission, the Group has formulated and implemented various environmental protection measures targeting daily operation of the offices in accordance with national laws and regulations such as the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》) and the Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》), and encourages its employees to implement those measures. Specific environmental protection measures formulated by the Group's Beijing office are set out below:

### Saving Electricity 節約用電

- Only turn on necessary lighting during day time
- 白天只開啟部分必要照明燈
- Maintain the temperature of air-conditioning to not lower than 26°C during summer time
- 夏天空調控制在不低於攝氏26度
- Replace with LED lighting system and energy-saving light tubes in offices
- 辦公室改用LED照明系統和節能燈管
- Turn off the monitor and power of the computers, or set to energy saving/hibernation mode when it is not in use
- 電腦用品不使用時應關閉顯示器和電源，或設置為節能／休眠模式
- Post labels to remind for energy saving
- 張貼提示標籤，提醒節約能源
- Switch off all the lights, computers, printers, etc. after work and designate persons to confirm
- 下班前關閉所有照明電燈、電腦、打印機等，並由專人確認
- Use office equipment with Grade 1 energy efficiency standard
- 使用一級能源效益辦公設備

### Saving Water 節約用水

- Promote water conservation among employees on their own initiative
- 提倡員工自覺節約用水
- Install water-saving toilets and water tap
- 安裝節水座廁和節水水龍頭
- Use residue water resources to clean and irrigate plants
- 使用剩餘水資源進行清潔和澆灌植物

### Reduce usage of office supplies 節約使用辦公用品

- Achieve paperless office through office automation system
- 通過辦公自動化系統，推行無紙化辦公
- Adopt double-sided printing, reuse used paper, communicate through emails more frequently and minimise paper usage
- 採用雙面打印，廢紙再利用，多用電子郵件，盡量減少紙張使用
- Recycle used paper and conduct garbage sorting and recycling
- 廢紙回收，垃圾分類回收

## 4.2 節能降耗

本集團的辦公室在營運過程中主要會因消耗能源、水資源及辦公用品而對環境造成影響，且因使用能源而造成碳排放。為減少使用天然資源和降低碳排放量，本集團根據《中華人民共和國環境保護法》和《中華人民共和國節約能源法》等國家法律法規，針對辦公室的日常營運制定並實施了多種環保措施，並鼓勵員工執行。以下為本集團北京辦公室制定的具體環保措施內容：

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The Group has also installed video conference system and encouraged subsidiaries to use video conference in substitution of business travelling, which could not only enhance work efficiencies of the Group but also reduce carbon footprint and emission of greenhouse gases.

In addition, Zhucheng Phoenix, a subsidiary of the Group, has introduced various green construction designs in proactive response to the Implementation Opinion on the Promotion of Green Construction of Shandong Provincial People's Government (《山東省人民政府關於大力推進綠色建築行動的實施意見》) promulgated by the local government. For example, in its property development business, it implemented the standards for building energy-saving design of 75% energy-saving for residential construction and 65% energy-saving for public construction, and installed adaptive lighting system for the public areas and aisleway in the buildings. Meanwhile, it also introduced various environmental protection measures, such as setting up light collection wells in basement parking lots and glass curtain walls in public areas to reduce electricity consumption caused by usage of lighting devices.

本集團亦設有視頻會議系統，鼓勵各附屬公司利用視頻會議代替外遊公幹，既可提高本集團的工作效率，也可減少碳足跡、降低溫室氣體排放量。

另外，本集團附屬公司諸城鳳凰積極響應當地政府發佈的《山東省人民政府關於大力推進綠色建築行動的實施意見》，引入多項綠色建築設計。例如，在物業發展業務中執行居住建築節能75%、公共建築節能65%的建築節能設計標準，並在樓宇公共部位及走道安裝感應照明系統。同時，亦引入多項環保措施，如設置地下車庫採光井和安裝公共地方玻璃幕牆，以減低因使用燈具照明造成的電力消耗。

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Since its business does not operate in areas where water resources are scarce, the Group does not involve the issue of access to water. However, the Group strived to implement water conservation measures and its water consumption decreased by approximately 16% during the Reporting Period as compared with 2017.

由於本集團的業務不涉及在水資源短缺的地區營運，因此並不涉及求取使用水源的問題。本集團努力落實節水措施，本集團於本報告期內較二零一七年節水約16%。

The volume of resource consumption and greenhouse gas emission generated by the Group due to the business operation during the Reporting Period is as follows:

本集團於本報告期內因業務營運而產生的資源消耗量及溫室氣體排放量如下：

		<b>Unit</b> <b>單位</b>
<b>Usage of Resource</b>		
<b>資源消耗量</b>		
Total Electric Power Consumption <sup>1</sup> 電力消耗總量 <sup>1</sup>	2,835,607	Kwh 千瓦時
Density of Electric Power Consumption 電力消耗密度	50	Kwh/m <sup>2</sup> of the floor area <sup>2</sup> 千瓦時/平方米建築面積 <sup>2</sup>
Total Gasoline Consumption (Vehicle) 汽油消耗總量 (汽車)	50,205	Liter 升
Density of Gasoline Consumption (Vehicle) 汽油消耗密度 (汽車)	1,859	Liter/vehicle <sup>3</sup> 升/每輛汽車 <sup>3</sup>
Total Diesel Oil Consumption (Vehicle) 柴油消耗總量 (汽車)	5,548	Liter 升
Density of Diesel Oil Consumption (Vehicle) 柴油消耗密度 (汽車)	1,387	Liter/vehicle 升/每輛汽車
Total Gasoline Consumption (Vessel) 汽油消耗總量 (船舶)	38	Ton 公噸
Density of Gasoline Consumption (Vessel) 汽油消耗密度 (船舶)	4	Ton/vessel <sup>4</sup> 公噸/每艘船 <sup>4</sup>
Total Diesel Oil Consumption (Vessel) 柴油消耗總量 (船舶)	154	Ton 公噸
Density of Diesel Oil Consumption (Vessel) 柴油消耗密度 (船舶)	19	Ton/vessel 公噸/每艘船
Total Fuel Consumption (Vessel) 燃料油消耗總量 (船舶)	98	Ton 公噸
Density of Fuel Consumption (Vessel) 燃料油消耗密度 (船舶)	49	Ton/vessel 公噸/每艘船
Total Natural Gas Consumption 天然氣消耗總量	32,211	M <sup>3</sup> 立方米
Density of Natural Gas Consumption 天然氣消耗密度	0.6	M <sup>3</sup> /m <sup>2</sup> of the floor area 立方米/平方米建築面積
Total Purchased Steam Consumption 外購蒸汽熱力消耗總量	29,607	GJ 吉焦
Density of Purchased Steam Consumption 外購蒸汽熱力消耗密度	0.5	GJ/m <sup>2</sup> of the floor area 吉焦/平方米建築面積
Total Water Consumption 總耗水量	69,978	Ton 公噸
Total Density of Water Consumption 總耗水密度	1.2	Ton/m <sup>2</sup> of the floor area 公噸/平方米建築面積

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		<b>Unit</b> <b>單位</b>
<b>Greenhouse Gas Emission (Scope 1 and Scope 2)</b>		
<b>溫室氣體排放 (範圍1和範圍2)</b>		
Emission by Vehicles (Scope 1)	130	Ton
汽車排放 (範圍1)		公噸
Emission by Vessels (Scope 1)	901	Ton
船隻排放 (範圍1)		公噸
Greenhouse Gas Offset by the Group's Owned Trees (Scope 1)	11	Ton
擁有樹木的溫室氣體抵消量 (範圍1)		公噸
Emission by Energy Consumption (Scope 2)	2,346	Ton
電力使用排放 (範圍2)		公噸
Emission by Purchased Steam Consumption (Scope 2)	3,257	Ton
外購蒸汽熱力使用排放 (範圍2)		公噸
Total Emission of Greenhouse Gas	6,623	Ton
總溫室氣體排放量		公噸
Total Density of Emission of Greenhouse Gas	0.1	Ton/m <sup>2</sup> of the floor area
總溫室氣體排放密度		公噸/平方米建築面積

- Notes:*
1. Compared with 2017, the Group's operating locations increased during the Reporting Period, resulting in an increase in electricity consumption.
  2. All environmental data in this ESG Report, with m<sup>2</sup> of the floor area as the denominator for density calculation, includes all the operating locations at reporting levels covered by this ESG Report.
  3. The vehicle fuel consumption density is calculated with the respective number of gasoline and diesel vehicles, i.e. 27 gasoline vehicles and 4 diesel vehicles.
  4. The vessel fuel consumption density is calculated with the respective number of gasoline vessels, diesel vessels and fuel oil vessels, i.e. totally 10 gasoline vessels, 8 diesel vessels and 2 fuel oil vessels.

- 註:*
1. 相較二零一七年度，本集團於本報告期內的營運場所增多，導致耗電量上升。
  2. 本環境、社會及管治報告中所有以平方米建築面積為分母作密度計算的環境數據，其包含本環境、社會及管治報告所覆蓋的報告範圍內的所有營運場所。
  3. 汽車燃料消耗密度以汽油和柴油汽車各自數量分別計算。其中汽油汽車共27輛，柴油汽車共4輛。
  4. 船舶燃料消耗密度以汽油、柴油和燃料油船舶各自數量分別計算。其中汽油船舶共10艘，柴油船舶共8艘，燃料油船舶共2艘。



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## 4.3 Waste Management

The Group attaches great importance to the management of the generation of waste during its operation and hence formulated waste management policies suitable for different businesses, aiming to reduce the emissions of both hazardous and non-hazardous wastes and minimise their impacts on the environment. The Group has been in compliance in all material respects with relevant national and local laws and regulations in relation to waste management, including the Solid Waste Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國固體廢物污染環境防治法》), the Regulation on the Administration of the Recycling and Disposal of Electrical and Electronic Products Waste (《廢棄電器電子產品回收處理管理條例》), the Administrative Measures for the Disposal of Kitchen Wastes of Sanya (《三亞市餐廚垃圾管理辦法》), the Waste Disposal Ordinance of the Laws of Hong Kong, etc., and proactively implemented the requirements of the relevant laws and regulations into every aspect of its operation by establishing internal management policies.

The Group's hotel and marine travelling businesses involve the use of vessels. Improper vessel and employee management may result in risk that pollutants such as oil and solid waste will be dumped into the ocean illegally, which will have a serious impact on the marine ecology. Therefore, the Group has strict regulations on the operation of marine vessels. Huandao Hotel Investment, a subsidiary of the Group, has established Preventive Measures for Pollution from Vessels (《船舶防污染保障措施》), strictly prohibiting the discharge of hazardous wastes and non-hazardous wastes such as solid wastes, sewage and oil into the sea. Meanwhile, the Group educates its crews about ocean protection through launching promotion programmes and staff training, and requires them to conduct sorting and collecting of hazardous and non-hazardous wastes on the ships and then have government-approved waste recycle entities to dispose when vessels are at berth. The Group also stipulates that in the event of a marine traffic accident or a contaminated waters accident, subsidiary shall immediately report to the maritime department and take emergency measures to prevent the damages to the environment from expanding.

## 4.3 廢棄物管理

本集團重視對營運時產生的廢棄物的管理，因此制訂了適合不同業務的廢棄物管理政策，以減少有害廢棄物和無害廢棄物的排放並盡量減低對環境所產生的影響。本集團一直於所有重大方面遵守國家及地區性與廢棄物管理相關的法律法規，包括《中華人民共和國固體廢物污染環境防治法》、《廢棄電器電子產品回收處理管理條例》、《三亞市餐廚垃圾管理辦法》及香港法例《廢物處置條例》等，並通過制定內部管理政策積極將法律法規的要求落實到實處。

本集團的酒店及海上旅遊業務涉及船舶的使用。不當的船舶及員工管理有導致油污及固體廢棄物等污染物非法傾倒至海洋的風險，將會對海洋生態產生嚴重影響。因此，本集團對海上船舶的營運有著嚴格的規定，本集團附屬公司寰島酒店投資特制訂《船舶防污染保障措施》，禁止船上的固體廢棄物、污水和油污等有害及無害廢棄物在海上排放或傾倒。同時，通過宣傳計劃及員工培訓，教育船員海洋保護知識，並要求對船上各類有害及無害廢物進行分類收集，在船舶靠岸時將廢棄物交由政府認可的廢物回收機構進行處理。本集團亦規定附屬公司一旦發生海上交通事故和污染水域事故，應立即向海事部門報告，並採取應急措施，防止對環境的破壞擴大。

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In addition, as to the tourists' visits to the beach under the marine travelling business, Huandao Hotel Investment also formulated the Management Policy for Environmental Hygiene and Cleaning for Coastal Area and Beach (《近海沙灘環境衛生保潔管理制度》) to enhance the quality of environmental hygiene and waste management work in the beach areas under the operation of the Group. In accordance with this policy, the beach areas are divided into several areas, and each area has its designated cleaner to handle the environmental hygiene and cleaning work. The cleaners should properly clean the beach, and dispose all kinds of wastes to designated waste station, where such wastes will be transported to government-designated waste yard by garden companies for further disposal, such that all wastes are disposed on daily basis. For seaweed and waste washed up by the waves on the beach, the Group has established an environmental hygiene leadership team which is responsible for the supervision and administration of the environmental hygiene for the whole beach area and regularly clean up marine litters, so as to achieve four "No", (i.e., No debris, No fruit peels and waste paper, No stink water and No four pests) as well as four "Clean" (i.e. Clean Road, Clean Green Belt, Clean Walls and Clean Public Area).

同時，針對海上旅遊業務的旅客到海灘消閒，寰島酒店投資亦制訂了《近海沙灘環境衛生保潔管理制度》，以進一步提高本集團沙灘經營區域的環境衛生和廢物處理工作質量。根據此政策，海灘各區域劃分為若干個環境衛生清掃保潔責任區，由固定的清潔人員負責不同區域的環境衛生工作。清潔人員需妥善清理海灘上的垃圾，並放置到指定垃圾站內，由園林公司運送到政府指定的垃圾場處理，確保垃圾每天清理。對被海浪沖上沙灘的海草及廢棄物，本集團成立了環境衛生領導小組負責整個沙灘區域環境衛生的監督管理，並定期清理海洋垃圾，以達到四無（無堆積物、無果皮紙屑、無積水惡臭、無四害），做到四淨（路面淨、綠化帶四周淨、牆根淨、公共場地淨）。

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The Group also started from the source by adopting policy of reducing the use of disposable products such as disposable tableware and plastic bottled waters, and implementing measures of reusing and recycling wastes and wastes sorting. Consumable materials of the photocopiers and printers such as ink boxes and toners cartridges, non-reusable waste paper and discarded computers will be sorted with other daily solid wastes and recyclers will be arranged to recycle them. In addition, as its business nature does not involve the use of packaging materials, the Group does not disclose the relevant information.

The volume and density of waste generated by the Group due to the business operation during the Reporting Period is as follows:

本集團亦從源頭做起，採取減少使用即棄用品（如即棄餐具及膠樽裝水）的政策，並推行可再用及可回收廢棄物分類的措施。複印機、打印機使用完的若干耗材（如墨盒及碳粉匣）、不能再重用的廢紙及廢棄的電腦等均與其他日常固體廢棄物進行分類，並安排回收商進行回收。另外，由於本集團的業務性質並不涉及包裝材料的使用，故此沒有就相關信息進行披露。

本集團於本報告期內因業務營運而產生的廢棄物數量及密度如下：

		Unit 單位
<b>Discharge Volume of Hazardous Waste</b> <b>有害廢物產生量</b>		
Fluorescent Tube 熒光燈管	41	Piece(s) 個
Density of Wasted Fluorescent Tube 廢熒光燈管產生密度	0.0007	Piece(s)/m <sup>2</sup> of the floor area 個/平方米建築面積
Used Batteries 廢電池	85	Piece(s) 個
Density of Used Batteries 廢電池產生密度	0.0015	Piece(s)/m <sup>2</sup> of the floor area 個/平方米建築面積
Cartridge 墨盒	78	Piece(s) 個
Density of Wasted Cartridge 廢墨盒產生密度	0.0014	Piece(s)/m <sup>2</sup> of the floor area 個/平方米建築面積
<b>Discharge Volume of Non-hazardous Waste</b> <b>無害廢物產生量</b>		
Wasted Paper 廢棄紙張	202	Kg 千克
Density of Wasted Paper 廢棄紙張產生密度	0.004	Kg/m <sup>2</sup> of the floor area 千克/平方米建築面積
Paper Recycled 紙張回收量	137	Kg 千克

The Group's hazardous and non-hazardous waste generated during the Reporting Period has not changed significantly compared with the relevant data disclosed in the 2017 ESG Report, and maintained at a low level. As the Group's waste management policies were effectively implemented, the waste generated by the Group did not have a significant impact on the environment.

本集團於本報告期內的有害及無害廢棄物產生量與二零一七年的環境、社會及管治報告中所披露的有關數據相比並無明顯變化，依然維持在低水平。由於本集團有效落實其廢棄物的管理政策，本集團所產生的廢棄物並未對環境構成重大影響。

## 5 FULFILLING SOCIAL RESPONSIBILITY

### 5.1 Supply Chain Management

The Group strives to develop and maintain a long-term and close relationship with upstream and downstream customers and suppliers. Each of the Group's subsidiaries has established a bidding management system and supplier evaluation system with standardised tender and bidding procedures to ensure that the process of selection of contractors and suppliers is fair and transparent. According to the supplier evaluation system, apart from the competitiveness of quotation, the Group also evaluates the standard of the products and services provided by the contractors and suppliers on a regular basis and assesses the quality of the relevant products and services to ensure the contractor and/or the supplier are in compliance with the relevant standards. For example, a subsidiary of the Group, Chengtong Development Trading, has formulated the "Management Method of Credit Evaluation on Upstream Suppliers/Downstream Customers", which adopts qualitative indicators to evaluate upstream suppliers and downstream customers. The regular and occasional evaluations are conducted against social, economic and governance risks, mainly with reference to the enterprise qualification, reputation in the industry, financial condition, actual performance of the contract, administrative penalty, litigation involved etc. The above policies aim to enhance the operation quality and overall efficiency of the Group, as well as to ensure fund security, so as to strengthen and improve risk management.

Besides, provisions for environmental protection are incorporated into certain contracts signed by the Group and contractors and/or suppliers, requesting the contractors and/or suppliers to strictly observe the requirements of environmental protection when performing their contractual obligations so as to procure the supply chain to jointly assume the responsibility of sustainable development.

### 5.2 Product Responsibility

The Group is committed to providing customers with quality products and services. It actively expands property investment business and enriches the types of projects in bulk commodity and marine entertainment and improves the quality of its products and services to attract new customers and strengthen relationship with existing customers.

## 5 踐行社會責任

### 5.1 供應鏈管理

本集團致力與上下游客戶及供應商建立及維持長久、緊密的關係。本集團各附屬公司設有招標管理制度和供應商評估制度，通過標準化的招投標流程，確保甄選承包商及供應商的過程公正透明。根據供應商評估制度，本集團除考慮報價的競爭性，還會定期對承包商及供應商的產品標準及服務表現進行評估，評審相關產品及服務的質素，以確保承包商及／或供應商符合標準。例如本集團附屬公司誠通發展貿易制訂了《上游供應商／下游客戶信用評估管理辦法》，對上游供應商和下游客戶採取定性指標評估，主要從企業資質、行業商譽、財務狀況、實際履約情況、行政處罰、涉訴情況等社會、經濟及管治風險方面進行定期和不定期指標評估。以上政策旨在提高本集團經營質量和整體工作效率，同時確保資金安全，以加強和完善風險管理。

此外，本集團亦會於與承包商及／或供應商簽訂的部分合同內附設環保條款，要求承包商及／或供應商在履行合同責任的同時也嚴格遵守相關的環保要求，推動供應鏈共同承擔可持續發展的責任。

### 5.2 產品責任

本集團致力向客戶提供優質的產品及服務，積極拓展物業投資業務、大宗商品及海上遊樂等項目的種類，提升產品及服務的質素，吸引新客戶並強化與現有客戶的關係。



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

In respect of property development business, the Group abides by the national laws and regulations in relation to production safety of construction projects, such as the Measures for Quality Repair of Housing Construction Project (《房屋建築工程質量保修辦法》) in all material respects, regulates construction procedures and technique, and requires those who are in specialised positions and those who operate specialised equipment to possess relevant qualifications and operation certificates. Various tests and inspection are arranged before delivery of products. Timely rectification measures are also carried out when quality problems are found to ensure the safety of the construction work. During the Reporting Period, the Group has no products required to be recalled due to safety and health reasons.

Ensuring the safety of the tourists is the primary task of the Group's hotel and marine travelling business. The Undersea World Hotel of the Group has security staff in charge of inspection of hotel safety, kitchen and firefighting equipment. The hotel also frequently communicates with local police and firefighting departments and update security information of the surrounding area of the hotel. In respect of hotel management on food safety and hygiene, the Group strictly manages and controls food purchase channels, and sets up the food safety and supervisory department to arrange regular inspections for all food processing plants and kitchens. With regards to the safety of entertainment facilities on vessels, comprehensive inspection for all entertainment facilities is conducted every day before setting sail. Fire safety measures are adopted on all operating vessels and crews are required to participate in emergency drills on a regular basis and get a clear picture of the escape routes and locations of the safety device, to ensure that a quick response is prepared in case of incidents.

The Group understands that providing customers with premium services is conducive to business growth in the long run. The Group establishes various communication channels including telephone hotlines, website and social media platform to strengthen its communication with customers. The Group's subsidiary, Huandao Hotel Investment, has established the "System of Handling Complaint from Visitors" to standardise the handling arrangements of various types of complaints from tourists, and to classify and analyse the types of complaints, so as to enable front-line staff to help resolve visitor's dissatisfaction and needs in a more effective manner. During the Reporting Period, the Group has received three complaints in total in respect of the relevant products and services for hotel and marine travelling business. Upon receiving reasonable complaints, the Group has taken remedial measures timely such as offering compensation, issuing letter of apology etc., to treat all of the customers in good faith and offer them the excellent services.

在物業發展業務方面，本集團一直於所有重大方面遵守國家有關建設工程安全生產的法律法規，如《房屋建築工程質量保修辦法》，規範施工流程和工藝，並要求特殊崗位和特種設備操作人員具備相關資格和設備操作證，交付前也安排多項驗收及巡檢，對於發現的質量問題將及時修正，以確保建築的安全性。於本報告期內，本集團並無因安全和健康理由而需要回收的產品。

保障遊客的安全是本集團酒店及海上旅遊業務的首要任務。本集團的海底世界酒店設有安全人員的編制，負責對酒店安全、廚房及消防設備進行檢查，酒店亦時常與當地警方及消防部門保持交流，更新酒店地區附近的保安消息。針對酒店食品安全衛生管理，本集團嚴格管控採購食品進貨渠道，同時設有食品安全監管部門，定期安排巡查各食品製造工場和廚房。針對船上遊樂設施安全，在每日起航前均對所有遊樂設施進行全面檢查。營運船舶均設有消防安全措施，船員需定期參與各項緊急演習，清楚了解逃生路線及安全裝置的位置，以確保在發生事故時能迅速作出應變。

本集團了解到為客戶提供優質的服務有助業務長遠發展，為加強與顧客之間的溝通，本集團設立電話熱線、網站和社交媒體平台等不同的溝通途徑。本集團附屬公司寰島酒店投資針對海上旅遊業務制定了《遊客投訴處理制度》，規範各類遊客投訴的處理安排，對投訴類型進行分類及分析，使前線員工能更有效地協助解決遊客的不滿和需要。於本報告期內，本集團就酒店及海上旅遊業務接獲有關產品及服務的投訴共3宗。在接獲合理投訴後，本集團已立刻採取補救措施，如提供賠償、發出致歉信等，誠意對待每一位客戶，致力提供最優質的服務。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

According to national regulations, ID document-based real-name registration is required when tourists checking in at hotel. The operation of the hotel and marine travelling business therefore involves a large amount of personal privacy information. To safeguard data privacy and intellectual property rights of the Group and its customers, the headquarter in Hong Kong and the subsidiary Huandao Hotel Investment have formulated the "Employee's Code of Conduct" and "File Management System" respectively, requiring its staff to safeguard the confidentiality of information. The Group also incorporates confidentiality provisions in employment contracts to avoid personal information of client leakage and safeguard customers' privacy. In addition, the Group strictly abides by the administrative requirements in its business location which are applicable to the industry and has enhanced the security management of the personal information of the customers. If the employees require access to customers' personal information, they must receive approval from their respective supervisors or managers so as to avoid unauthorised and improper use of customers' personal information. Furthermore, with regards to the protection of intellectual property rights, the Group complies strictly with relevant regulations and insists to purchase and use licenced computer software and respects intellectual property rights.

Laws and regulations of the state and industry on advertising and labeling that have been complied with by the Group include the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》), the Interim Rules on Advertisement for Real Estate (《房地產廣告發布暫行規定》) and the Announcement of the State Administration for Industry and Commerce and Ministry of Construction on Further Strengthening the Administration of Real Estate Advertising (《國家工商行政管理總局、建設部關於進一步加強房地產廣告管理的通知》), etc., and ensures that the advertisements released will comply with the requirements of the government and the industry and will not mislead the general public.

### 5.3 Anti-Corruption

The Group operates in good faith. Any form of bribery, blackmail, fraud and money laundering may damage our brand image and lead to material operational risks. Thus, the Group has no tolerance for corruption. During the Reporting Period, the Group abided in all material respects by the national and local laws and regulations on anti-corruption, including the Criminal Law of the People's Republic of China (《中華人民共和國刑法》), the Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》), the Anti-Money Laundering Law of the People's Republic of China (《中華人民共和國反洗錢法》) and the Regulations on Practice Integrity of Management of the State-owned Enterprises (《國有企業領導人員廉潔從業若干規定》), etc., and has not been involved in any litigation with respect to corruption.

根據國家規定，旅客入住酒店時需以身份證明文件進行實名登記，酒店及海上旅遊業務的營運因而涉及大量個人私隱資料，本集團針對其客戶資料私隱和知識產權的保護，香港總部和附屬公司寰島酒店投資分別制定了《員工守則》和《檔案管理制度》，要求員工做好保密工作，並於僱傭合同中加入有關保密的條款，避免客戶的個人資料泄露，保障客戶私隱。此外，本集團嚴格按照營業所在地的行業適用管理要求，加強客戶個人資料的安全管理，員工若需查閱客戶的個人資料，必須經其各自的主管或經理批准，避免未經授權及不恰當地使用客戶個人資料的情況發生。除此之外，在保護知識產權方面，本集團亦嚴格遵守有關條例，堅持購買並使用正版的電腦軟件，尊重知識產權。

本集團所遵守的有關廣告及標籤的國家及行業法律及規例包括《中華人民共和國廣告法》、《房地產廣告發布暫行規定》和《國家工商行政管理總局、建設部關於進一步加強房地產廣告管理的通知》等，保證所發佈的廣告能符合政府和行業的要求，不對大眾造成誤導。

### 5.3 反貪污

本集團經營業務時以誠信為本，任何形式的賄賂、勒索、欺詐及洗黑錢行為均可損害品牌形象及構成重大營運風險，因此本集團絕不姑息貪污行徑。於本報告期內，本集團一直於所有重大方面遵守國家及地區有關反貪污的法律法規，包括《中華人民共和國刑法》、《中華人民共和國反不正當競爭法》和《中華人民共和國反洗錢法》、《國有企業領導人員廉潔從業若干規定》等，並無涉及任何與貪污訴訟有關的案件。

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

The “Employee’s Code of Conduct” of the Group clearly specifies that staff should have strict integrity and shall not engage in malpractices such as corruption or bribery, secretly accepting any commission and gifts from customers, as well as embezzling of funds. Approvals shall be obtained before dealing with matters beyond the staff authority. All staff of the Group were requested to uphold integrity and behave honestly, and anyone who violates the code of conduct of the Group shall be given a warning, demotion or dismissal. In the event that any staff is suspected of involving in corruption or criminal acts, the Group is obliged to report to the Independent Commission Against Corruption (ICAC) or the relevant government authorities. As to the Group’s internal reporting procedures for corruption, an anti-corruption reporting hotline and email have been set up. Staff may report corruption cases via various channels so as to enhance the efficiency of anti-corruption work.

## 5.4 Community Involvement

In addition to its commitment of pursuing its development, the Group also takes a proactive attitude in practicing corporate social responsibility and promotes positive attitude. During the Reporting Period, the Group mainly provides assistances to the poor in Mainland China and practically supports the development of social charity.

The employees of the Group have actively responded to the donation activities in the past few years. The clothes donated by our employees have helped many people living in poor mountain areas get through many cold winters. During the Reporting Period, the clothes donated by our employees have filled the donation box prepared by the Group in a short time. The Group carefully checked, sorted, packaged and arranged the donated clothing and sent the sorted clothes to the poverty-stricken areas in Miao Autonomous County, Zunyi City, Guizhou Province. The activity was strongly supported by the whole Group, providing love for people in poverty-stricken areas and bringing warmth to people in need.

本集團的《員工守則》清楚列明員工必須嚴謹操守，不得有貪污受賄、私自收受佣金及客戶饋贈、挪用公款等營私舞弊行為。凡超越員工權限事項，須先按規定請示批准，方可辦理。本集團要求所有員工自覺廉潔，如有違犯集團守則，將予以警告、降職或解僱處分。若任何員工懷疑涉及貪污或刑事罪行，本集團有義務向廉政公署或有關政府部門舉報。有關本集團內部的貪污舉報程序，本集團設有反腐倡廉舉報電話和電子郵箱，員工可以透過不同渠道進行舉報，有效提高反貪污工作的成效。

## 5.4 社區參與

本集團在致力自身良好發展的同時，亦積極踐行企業社會責任，宣揚正能量。在本報告期內，本集團主要幫助中國內地貧困人士，身體力行地支持社會公益事業發展。

本集團員工在過去數年積極響應愛心捐贈活動，員工所捐贈的衣物，幫助了不少居住在貧困山區的人們度過了多個寒冷的冬季。於本報告期內，員工捐贈的衣物在短時間裏就堆滿了本集團準備的捐贈箱。本集團對捐贈衣物進行細心檢查、分類、打包並整理妥當，將整理好的衣物送往位於貴州省遵義市苗族自治縣的貧困地區。本次活動得到了本集團上下的大力支持，為貧困地區奉獻愛心，以及為有需要人士帶來溫暖。



# Directors' Report

## 董事會報告

The Directors present the annual report and the audited consolidated financial statements of the Company for the Year.

### PRINCIPAL BUSINESS

The principal business of the Company is investment holding. The principal activities of its principal subsidiaries are set out in note 18 to the financial statements.

### RESULTS AND DIVIDENDS

The results of the Group for the Year are set out in the consolidated income statement on page 90 of this annual report.

The Board did not recommend the declaration of any final dividend for the year ended 31 December 2018 (as at 31 December 2017: nil).

In order to enhance transparency of the Company and facilitate the shareholders of the Company and investors to make informed investment decisions relating to the Company, the Board adopted a dividend policy on 25 February 2019 ("**Dividend Policy**").

According to the Dividend Policy, when determining whether to declare any dividend in the future and the amount of dividend to be declared, the Company shall consider a number of factors, including but not limited to:

- the Group's actual and expected financial results;
- the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Company;
- the Company's business operation strategy, including expected working capital requirements, capital expenditure requirements and future expansion plans;
- the Company's liquidity position;
- retained earnings and distributable profit reserves of the Company;
- the contractual restrictions on the payment of dividends imposed by the Company's lenders and other institutions; and
- any other factors that the Board considers to be applicable from time to time.

The Company does not have any pre-determined dividend distribution proportion or distribution ratio. The declaration, payment and amount of dividends will be subject to the Board's discretion. The Board will review the Dividend Policy on a regular basis.

董事茲提呈本公司本年度之年度報告及經審核綜合財務報表。

### 主要業務

本公司之主要業務為投資控股。其主要附屬公司之主要業務載於財務報表附註18。

### 業績及股息

本集團本年度之業績載於本年度報告第90頁之綜合收益表中。

董事會不建議宣派截至二零一八年十二月三十一日止年度的末期股息（於二零一七年十二月三十一日：無）。

為提升本公司之透明度及促使本公司股東及投資者作出有關本公司之知情投資決定，董事會於二零一九年二月二十五日採納一項股息政策（「**股息政策**」）。

根據股息政策，當未來決定是否宣派任何股息及宣佈股息金額時，本公司將考慮多項因素，包括但不限於：

- 本集團之實際及預期財務業績；
- 可能影響本公司業務或財務表現及財務狀況之整體經濟狀況及其他內在或外在因素；
- 本公司之業務經營策略，包括預期營運資金需求、資本開支需求及未來擴展計劃；
- 本公司之流動資金狀況；
- 本公司之留存收益和可分配利潤儲備；
- 由本公司貸款人及其他機構施加有關派發股息的合約規限；及
- 董事會不時認為適用之任何其他因素。

本公司沒有任何預定的股息分配比例或分配比率。股息之宣派、派付及金額將由董事會酌情決定。董事會將定期檢討股息政策。



## PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in property, plant and equipment and investment properties for the Year are set out in notes 15 and 17 to the financial statements respectively.

## SHARE CAPITAL

Details of share capital of the Company are set out in note 34 to the financial statements.

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

## DISTRIBUTABLE RESERVES

Details of the movements in the reserves of the Group for the Year are set out in the consolidated statement of changes in equity on pages 94 to 95 of this annual report.

Details of the movements in the reserves of the Company for the Year are set out in note 36 to the financial statements.

As at 31 December 2018, the Company had approximately HK\$86,028,000 distributable reserve as calculated under Sections 291, 297 and 299 of the Companies Ordinance (as at 31 December 2017: HK\$96,401,000).

## DONATIONS

The Group did not make any donation for charitable purpose during the Year (2017: HK\$383,000).

## 物業、廠房及設備以及投資物業

物業、廠房及設備以及投資物業於本年度之變動詳情分別載於財務報表附註15及17。

## 股本

本公司股本之詳情載於財務報表附註34。

本公司或其任何附屬公司於本年度內概無購買、出售或贖回本公司任何上市證券。

## 可供分派儲備

本集團於本年度內的儲備變動詳情載於本年度報告第94頁至95頁之綜合權益變動表。

本公司於本年度內的儲備變動詳情載於財務報表附註36。

於二零一八年十二月三十一日，按《公司條例》第291、297及299條計算，本公司可供分派儲備約港幣86,028,000元（於二零一七年十二月三十一日：港幣96,401,000元）。

## 捐款

於本年度內，本集團並無就慈善目的作任何捐款（二零一七年：港幣383,000元）。

## BUSINESS REVIEW

During the Year, the Group is principally engaged in property development and property investment, finance leasing, bulk commodity trade and hotel and marine travelling services within the region in the PRC.

### Major Risks and Uncertainties

The results and business operation of the Group may be affected by various factors. The major risks uncertainties are summarized as follows:

#### I. Property Development and Property Investment

In recent years, China has continued its control over the real estate industry. The property development projects held by the Group, namely CCT-Champs-Elysees and Chengtong International City are situated in the third and fourth-tier cities in the PRC. As the CCT-Champs-Elysees project of the Group has established a positive local brand image, steady sales have been recorded. The sales of Chengtong International City project of the Group was still affected by a number of factors, including a high level of inventory, relatively low foreign population, and downturn in the regional market. The Group will pursue to exit the market of property development business as opportunity arises and plans to dispose of the land in Dafeng City of Jiangsu Province, the PRC. Therefore, the overall risks were controllable.

#### II. Finance Leasing

The finance leasing projects of the Group mainly focus on the lease back of local government infrastructure and public utilities. Business and client types are relatively homogeneous and such concentration of risks will affect the profitability of the Group. In the future, the Group will actively explore a wide range of business models, expand business streams and diversify risks.

#### III. Bulk Commodity Trading

Bulk commodity trading prices are affected by international and domestic markets. Once there is a drop or intense fluctuations in price, the profitability of the Group would easily be affected. In the future, the Group will strengthen the supervision and control on the business model of bulk commodity trade in order to reduce the risks.

## 業務回顧

本年度，本集團主要於中國境內從物業發展及物業投資、融資租賃、大宗商品貿易及酒店和海上旅遊服務。

### 主要風險及不確定因素

本集團的業績及業務營運受多項因素影響，主要風險不確定性概述如下：

#### 一. 物業發展及物業投資

近年中國對房地產行業的調控力度持續，本集團持有的物業發展項目誠通香榭里及誠通國際城均位於中國三、四線城市。本集團的誠通香榭里項目在當地已建立良好品牌形象，銷售穩定。本集團的誠通國際城項目銷售則仍受到庫存高、外來人口少、區域市場低迷等因素影響。本集團將擇機退出物業發展業務的市場並計劃出售中國江蘇省大豐市土地。因此，整體風險可控。

#### 二. 融資租賃

本集團的融資租賃項目主要集中在地方政府基礎設施及公用事業的售後回租，業務及客戶類型較單一，及這種風險集中將對本集團的盈利能力產生影響。未來，本集團將積極探索多種業務模式、拓展業務管道，分散風險。

#### 三. 大宗商品貿易

大宗商品貿易價格受國際及國內市場影響，一旦出現價格下滑或劇烈波動，容易對本集團的盈利能力產生影響。未來，本集團將加強對大宗商品貿易的業務模式的監控，以減低風險。

#### IV. Hotel and Marine Travelling Services

The operation of the marine travelling business is subject to the environmental protection policy and weather condition. Adverse weather condition may affect the number of business days of tourism activities and the profitability. The Group will timely optimize the tourism projects and renew facilities according to the market changes in order to maintain the market competitiveness of its hotel and marine travelling business.

#### V. Economy

The business of the Group focus in the PRC, and therefore, the Group would suffer from the risks arising from foreign currency exchange, mainly due to its holding of assets and liabilities which are denominated in RMB. Furthermore, the increase of loan interests during the year will affect the Group's interest expenses of loans. The fluctuation of exchange rate and the adjustment of loan interests may have an impact on the results of the Group. Although foreign currency and interest rate exposure do not pose significant risks to the Group, and the Group does not currently have any hedging measures against such exchange and interest rate risks, the Group will continue to closely monitor the risks which may arise from such currency and interest rate fluctuation.

#### Compliance with Laws and Regulations

The Group constantly monitored the operation of its core businesses in the PRC to ensure the compliance with the relevant PRC laws and regulations.

#### I. Property Development and Property Investment

Zhucheng Phoenix and Dafeng Development, the subsidiaries of the Company, are principally engaged in property development and property investment businesses. During the Year and up to the date of this directors' report, the Group has been in compliance in all material respects with the laws and regulations in Mainland China that have a significant impact on its property development and property investment businesses, including: the Law on the Administration of Urban Real Estate of the People's Republic of China (Order No. 18 of the President of the People's Republic of China) (《中華人民共和國城市房地產管理法》(中華人民共和國主席令第18號)), the Law on Land Administration of the People's Republic of China (Order No. 28 of the President of the People's Republic of China) (《中華人民共和國土地管理法》(中華人民共和國主席令第28號)), the Law on Urban and Rural Planning of the People's Republic of China (Order No. 23 of the President of the People's Republic of China) (《中華人民共和國城鄉規劃法》(中華人民共和國主席令第23號)), the Administrative Regulations on Development and Operation of Urban Real Estate (Order No. 698 of the State Council of the People's Republic of China) (《城市房地產開發經營管理條例》(中華人民共和國國務院令第698號)), and judicial interpretations, other regulations, local regulations and regulatory documents issued or promulgated according to or in relation to these laws and regulations. These laws and regulations aim to strengthen the management of urban real estate, maintain the order of real estate market, protect the legitimate rights and interests of the parties interested in the real estate, and regulate the construction of infrastructure and housing on the state-owned land within the urban planning area as well as the transfer of real estate development projects or the sale or leasing of commercial housing conducted by real estate development enterprises.

#### 四. 酒店和海上旅遊服務

海上旅遊業務的經營受環保政策及天氣狀況影響，惡劣天氣狀況將可能影響旅遊活動的營運天數及盈利狀況。本集團將根據市場變化及時進行旅遊項目優化及設備更新，以保持其酒店及海上旅遊業務的市場競爭力。

#### 五. 經濟

本集團的業務集中在中國，因此，本集團主要因其持有之人民幣資產及負債而承受外幣兌付風險，此外，年內貸款利息上升將影響本集團的貸款利息支出，匯率波動及貸款利息調整將可能對本集團的業績產生影響。儘管外匯及利率並無使本集團面對重大風險，且本集團現時並無就該等外匯及利率風險採取任何對沖措施，本集團將繼續密切監控有關貨幣及利率波動可能產生的風險。

#### 遵守法律及規例

本集團持續監察其在中國的各主營業務的經營情況，確保其遵守相關的中國法律及法規。

#### 一. 物業發展及物業投資

本公司附屬公司諸城鳳凰及大豐開發主要從事物業發展及物業投資業務。於本年度內及截至本董事會報告日期，本集團已於所有重大方面遵守對其物業發展及物業投資業務具有重大影響的中國內地法律及法規，包括：《中華人民共和國城市房地產管理法》(中華人民共和國主席令第18號)、《中華人民共和國土地管理法》(中華人民共和國主席令第28號)、《中華人民共和國城鄉規劃法》(中華人民共和國主席令第23號)、《城市房地產開發經營管理條例》(中華人民共和國國務院令第698號)以及根據或有關該等法律法規所發出或頒佈的司法解釋、其他規章、地方性法規、規範性文件，該等法律及法規旨在加強對城市房地產的管理，維護房地產市場秩序，保障房地產權利人的合法權益，以及規範房地產開發企業在城市規劃區內有土地上進行基礎設施建設、房屋建設，並轉讓房地產開發項目或者銷售、出租商品房的行為。



## II. Finance Leasing

During the Year and up to the date of this directors' report, the Group has been in compliance in all material respects with the laws and regulations in Mainland China that have a significant impact on its finance leasing business, including: the Contract Law of the People's Republic of China (Order No. 15 of the President of the People's Republic of China) (《中華人民共和國合同法》(中華人民共和國主席令第15號)), the Interpretations of the Supreme People's Court on Issues relating to the Application of Laws in the Trial of Disputes over Finance Lease (Court Interpretation [2014] No. 3) (《最高人民法院關於審理融資租賃合同糾紛案件適用法律問題的解釋》(法釋[2014]3號)), and judicial interpretations, other regulations, local regulations and regulatory documents issued or promulgated according to or in relation to these laws and regulations. These laws and regulations aim to protect the legitimate rights and interests of the contractual parties, maintain social and economic order, guide the business activities of the finance leasing industry, promote the economic development of the finance leasing services, and guide the judicial authorities on hearing the contractual disputes in respect of finance leasing.

## III. Bulk Commodity Trade

During the Year, the bulk commodity trade business of the Group mainly comprises trading of steel, non-ferrous metals and coal. During the Year and up to the date of this directors' report, the Group has been in compliance in all material respects with the laws and regulations in Mainland China that have a significant impact on its bulk commodity trade business, including: the Contract Law of the People's Republic of China (Order No. 15 of the President of the People's Republic of China) (《中華人民共和國合同法》(中華人民共和國主席令第15號)), the Property Right Law of the People's Republic of China (Order No. 62 of the President of the People's Republic of China) (《中華人民共和國物權法》(中華人民共和國主席令第62號)), the Negotiable Instruments Law of the People's Republic of China (Order No. 22 of the President of the People's Republic of China) (《中華人民共和國票據法》(中華人民共和國主席令第22號)), Special Provisions on Trading in Commodities on the Spot Market (for Trial Implementation) (《商品現貨市場交易特別規定(試行)》), and judicial interpretations, other regulations, local regulations and regulatory documents issued or promulgated according to or in relation to those laws and regulations. These laws and regulations are applicable to the production and business activities in relation to steel, non-ferrous metals and coal which are conducted in the territory of the PRC and other sea territory under the jurisdiction of the PRC, as well as to regulate the national and industrial standards of the quality of the above commodities, the supervision and management of the industry and the standards of punishment for violation of relevant laws.

## 二. 融資租賃

於本年度內及截至本董事會報告日期，本集團已於所有重大方面遵守對其融資租賃業務具有重大影響的中國內地法律及法規，包括：《中華人民共和國合同法》（中華人民共和國主席令第15號）、《最高人民法院關於審理融資租賃合同糾紛案件適用法律問題的解釋》（法釋[2014]3號）以及根據或有關該等法律法規所發出或頒佈的司法解釋、其他規章、地方性法規、規範性文件，該等法律及法規旨在保護合同當事人的合法權益，維護社會經濟秩序，指導融資租賃行業的經濟活動，促進融資租賃服務實體經濟發展，以及指引司法機關審理融資租賃合同糾紛。

## 三. 大宗商品貿易

於本年度內，本集團的大宗商品貿易業務主要來自鋼材、有色金屬貿易及煤炭貿易。於本年度內及截至本董事會報告日期，本集團已於所有重大方面遵守對大宗商品貿易業務具有重大影響的中國內地法律及法規，包括：《中華人民共和國合同法》（中華人民共和國主席令第15號）、《中華人民共和國物權法》（中華人民共和國主席令第62號）、《中華人民共和國票據法》（中華人民共和國主席令第22號）、《商品現貨市場交易特別規定（試行）》以及根據或有關該等法律法規所發出或頒佈的司法解釋、其他規章、地方性法規、規範性文件。該等法律及法規適用於中國領域和中國管轄的其他海域從事鋼材、有色金屬及煤炭的生產及經營活動，以及規範上述商品品質之國家、行業標準、行業的監督管理及違反相關法律的處罰標準。



## IV. Hotel and Marine Travelling Services

The Group is also engaged in hotel and marine travelling services business in Hainan Province, the PRC. During the Year and up to the date of this directors' report, the Group has been in compliance in all material respects with the laws and regulations in Mainland China that have a significant impact on its hotel and marine travelling business, including: the Tourism Law of the People's Republic of China (Order No. 57 of the President of the People's Republic of China) (《中華人民共和國旅遊法》(中華人民共和國主席令第57號)), the Law on Maritime Traffic Safety of the People's Republic of China (Order No. 57 of the President of the People's Republic of China) (《中華人民共和國海上交通安全法》(中華人民共和國主席令第57號)), the Administrative Measures for Public Security in the Hotel Industry (Order No. 588 of the State Council of the People's Republic of China) (《旅館業治安管理辦法》(中華人民共和國國務院令第588號)), and judicial interpretations, other regulations, local regulations and regulatory documents issued or promulgated according to or in relation to these laws and regulations. These laws and regulations aim to protect the legitimate rights and interests of the tourists and the operators of the travelling activities, maintain the order of the tourism market, and specify the rules governing operators of the hotel industry, vessels, seamen and operators that sail, berth and operate in coastal area of the PRC, and the relevant supervision and management system and the standards of punishment.

The Group has established various management systems and measures such as internal control and staff training to ensure the compliance with laws and regulations in relation to the Group's business and operation. As at 31 December 2018 and the date of this directors' report, no material breach of laws and regulations that has a material impact on the Group's business and operation was noted by the Group.

### Major Customers and Suppliers

The Group understands that it is important to maintain good relationship with customers and provide them with quality products and services. The Group enhances the relationship through continuous interaction with customers to gain insight on the changing market demand so that the Group can respond proactively.

During the Year, the aggregate amount of turnover attributable to the five largest customers represented approximately 30% of the Group's total turnover. Sales to the largest customer accounted for approximately 9% of the Group's total turnover. The five largest customers come from the bulk commodity trade business and four out of the five largest customers commenced trading with the Group since the year 2017 and the remaining one commenced trading with the Group since the Year. No credit period was granted to customers of bulk commodity trade business (2017: 0 day to 45 days). As at 31 December 2018, trade and bills receivables of the Group was approximately HK\$8.48 million. The Group has not provided for impairment loss on trade receivables as the Directors are of the view that trade receivables can be fully recovered. In addition, the Directors consider that there is no significant risk associated with reliance on major customers. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management.

## 四. 酒店和海上旅遊服務

本集團亦於中國海南省從事酒店和海上旅遊服務。於本年度內及截至本董事會報告日期，本集團已於所有重大方面遵守對其酒店和海上旅遊業務具有重大影響的中國內地法律及法規，包括：《中華人民共和國旅遊法》（中華人民共和國主席令第57號）、《中華人民共和國海上交通安全法》（中華人民共和國主席令第57號）、《旅館業治安管理辦法》（中華人民共和國國務院令第588號）以及根據或有關該等法律法規所發出或頒佈的司法解釋、其他規章、地方性法規、規範性文件，該等法律法規主要旨在保護旅遊者和旅遊活動經營者的合法權益、維護旅遊業市場秩序，並明確說明旅館業的經營人、在中國沿海水域航行、停泊和作業的船舶、人員和經營人須遵守的規則，以及相關監督管理制度和處罰標準。

本集團已建立各項管理制度，同時通過內部監控、員工培訓等多項措施，確保遵守與本集團業務及營運相關的法律及法規。截至二零一八年十二月三十一日及本董事會報告日期，本集團並不知悉任何法律及法規的重大違反事項會對本集團的業務及營運造成重大影響。

### 主要客戶及供應商

本集團明白與客戶維持良好關係，以及向客戶提供優質的產品及服務的重要性。本集團通過與客戶的持續互動，積極了解市場需求，迅速應對市場變化。

於本年度，五大客戶合共所佔之營業額佔本集團營業總額約30%，其中最大客戶之銷售額佔本集團營業總額約9%。該五大客戶主要來自大宗商品貿易業務且其中四位自二零一七年度起與本集團展開貿易，餘下一位本年度起與本集團展開貿易。本集團並無給予大宗商品貿易業務客戶除賬期（二零一七年：0天至45天）。截至二零一八年十二月三十一日，本集團的貿易應收款項為約港幣848萬元。董事認為貿易應收款項可全數收回，因此並無對貿易應收款項計提減值虧損撥備。此外，董事認為本集團沒有依賴主要客戶的相關重大風險。本集團將對未償還應收款項保持嚴格控制，高級管理層亦定期審閱逾期款項。

## Directors' Report 董事會報告

The Group is also dedicated to maintain good relationship with suppliers and contractors as long-term business partners to ensure stability of the Group's business.

During the Year, the aggregate amount of purchases (which means the amount of purchases included in the costs of sale but does not include purchases of items which are of a capital nature) attributable to the five largest suppliers represented approximately 90% of the Group's total purchases. Purchases from the largest supplier accounted for approximately 40% of the Group's total purchases. The five largest suppliers mainly came from the bulk commodity trade business and they have commenced trading with the Group for 1 - 2 years. As at 31 December 2018, trade payables of the Group was approximately HK\$13.03 million, of which approximately HK\$10.11 million will be due within one year. The Group has established a supplier evaluation system with standardized tender and bidding procedures for the selection of suppliers. The Directors consider that there is no significant risk associated with reliance on major suppliers.

None of the Directors, their close associates (as defined in the Listing Rules) and any shareholders which to the best knowledge of the Directors owned more than 5% of the Company's issued share capital had any interest in the Group's five largest customers or suppliers during the Year.

### Human Resources and Emolument Policy

As at 31 December 2018, the Group employed a total of 267 employees (as at 31 December 2017: 304), of which 11 (as at 31 December 2017: 12) were based in Hong Kong and 256 (as at 31 December 2017: 292) were based in the Mainland China. During the Year, the total staff costs of the Group (including directors emoluments and provident funds) were approximately HK\$62.80 million. Employee's remunerations are determined in accordance with their experiences, competence, qualifications, nature of duties, and current market trend. Apart from basic salary, discretionary bonus and other incentives are offered to employees of the Group to reward their performance and contributions. The emoluments of the Directors are determined having regard to the Company's corporate goals and the individual performance of the Directors.

The Company has adopted a share option scheme ("**Share Option Scheme**") under which the Company may grant options to Directors and eligible employees to subscribe for shares of the Company. The Company has also adopted a share award scheme ("**Share Award Scheme**"), under which shares of the Company will be awarded, with the approval of the Board, to selected employees to recognise their contribution and to give them incentives thereto in order to retain them for the continual operation and development of the Group, as well as to attract suitable personnel for the growth and further development of the Group. Details of the Share Option Scheme and the Share Award Scheme of the Company are set out in the section headed "Equity-linked Agreements" in this directors' report.

供應商及承建商作為本集團的長期業務合作夥伴，本集團亦致力與他們維持良好關係，以確保本集團業務的穩定性。

於本年度，五大供應商合共所佔之採購額（指計入銷售成本之採購額，但不包括資本性質之採購項目）佔本集團採購總額約90%。最大供應商之採購額佔本集團採購總額約40%。該五大供應商主要來自大宗商品貿易業務，並已與本集團開展貿易，為期一至兩年。截至二零一八年十二月三十一日，本集團的貿易應付款項為約港幣1,303萬元，其中約港幣1,011萬元將於一年內到期。本集團設有供應商評估制度，以標準化的招標及投標流程甄選供應商。董事認為本集團沒有依賴主要供應商的相關重大風險。

於本年度內概無任何董事、彼等之緊密聯繫人（定義見上市規則）或任何據董事所知擁有本公司已發行股本5%以上的股東於本集團之五大客戶或供應商中擁有任何權益。

### 人力資源及薪酬政策

於二零一八年十二月三十一日，本集團共僱用267名僱員（於二零一七年十二月三十一日：304名），其中11名（於二零一七年十二月三十一日：12名）受僱於香港，256名（於二零一七年十二月三十一日：292名）受僱於中國內地。於本年度，本集團之員工成本總額（包括董事酬金及強積金）約為港幣6,280萬元。員工薪酬乃根據彼等經驗、技能、資格、職責性質及當前市場趨勢釐定。除基本薪酬外，本集團向僱員發放酌情花紅等獎勵以表揚彼等之表現及貢獻。本公司董事之薪酬經參考本公司企業目標及個別董事之表現釐定。

本公司採納一項購股權計劃（「**購股權計劃**」），據此可向董事及合資格僱員授出購股權以認購本公司股份。本公司亦已採納一項股份獎勵計劃（「**股份獎勵計劃**」），據此，經董事會批准，可向經甄選僱員授出本公司股份，作為認同彼等的貢獻並予以獎勵之措施，以留聘彼等為本集團之持續經營及發展以及吸引合適人才為本集團之成長及進一步發展效力。有關本公司購股權計劃及股份獎勵計劃的詳細資料載於本董事會報告標題為「股票掛鈎協議」一節。

Further discussion and analysis of the other aspects of the business review as required by Schedule 5 to the Companies Ordinance, including but not limited to the key relationships of the Group with its employees, customers and suppliers, and the Group's environmental policies and performance, is set out in the ESG Report of the Company on pages 41 to 65 and the section headed "Management Discussion and Analysis" set out on pages 6 to 20 of this annual report. Such discussion forms part of this directors' report.

### DIRECTORS

The Directors during the Year and as at the date of this directors' report are as follows:

#### Executive directors

Mr. ZHANG Bin *(Managing Director and appointed as acting Chairman with effect from 1 December 2018)*  
Mr. WANG Tianlin  
Mr. YUAN Shaoli *(resigned with effect from 1 December 2018)*

#### Independent non-executive directors

Professor CHANG Qing  
Mr. LEE Man Chun, Tony  
Professor HE Jia

The biographies of the Directors are set out on pages 21 to 23 of this annual report.

Detailed information of the Directors standing for re-election at the forthcoming AGM of the Company will be set out in the circular in relation to the forthcoming AGM to be despatched to the shareholders. No Director proposed for re-election at the forthcoming AGM has an unexpired service contract which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

The Company has received from each of the existing independent non-executive Directors an annual confirmation of his independence pursuant to the Listing Rules and considers that each independent non-executive Director is independent of the Company.

Three Directors, namely Mr. Zhang Bin, Mr. Wang Tianlin and Mr. Yuan Shaoli have waived their salaries of approximately HK\$800,000, HK\$496,000 and HK\$949,000 respectively during the Year.

按照《公司條例》附表5要求對業務回顧之其他方面的進一步討論及分析，包括但不限於本集團與僱員、顧客及供應商的重要關係，及本集團的環境政策及表現，載於本年度報告第41頁至65頁本公司的「環境、社會及管治報告」及第6頁至20頁「管理層討論與分析」一節中。該討論為本「董事會報告」的一部分。

### 董事

於本年度期間及截至本董事會報告日期之董事如下：

#### 執行董事

張斌先生 *(董事總經理，及自二零一八年十二月一日起獲委任為代理主席)*  
王天霖先生  
袁紹理先生 *(自二零一八年十二月一日起辭任)*

#### 獨立非執行董事

常清教授  
李萬全先生  
何佳教授

董事履歷載於本年度報告第21頁至23頁。

刊發予股東的本公司應屆股東週年大會通函將載有接受重選董事的詳細資料。概無任何於應屆股東週年大會上接受重選的董事與本公司訂立不可於一年內終止而毋須作出賠償(法定補償除外)的未屆滿服務合約。

本公司已收到現任每位獨立非執行董事根據上市規則就其獨立性作出的年度確認函，並認為各位獨立非執行董事乃獨立於本公司。

於本年度，三位董事，包括張斌先生、王天霖先生及袁紹理先生已放棄其薪金分別約港幣800,000元、港幣496,000元及港幣949,000元。



# Directors' Report 董事會報告

## DIRECTORS OF SUBSIDIARIES

During the Year and up to the date of this directors' report, each of the executive Directors named above holds directorship in certain of the Company's subsidiaries. Other directors of the Company's subsidiaries incorporated in Hong Kong and British Virgin Islands include Li Shufang, Zhang Yongqing and Chan Siu Kay. Other directors of the Company's subsidiaries incorporated in the PRC include Li Yun, Yan Ning, Liu Peihong, Ni Xiangrong, Zhang Yongqing, Jiao Zhonglin, Zheng Haichou, Li Rui, Zhang Chuanyi, Chu Guodong, Li Liangbin and Huang Wenfeng.

## PERMITTED INDEMNITY PROVISION

Subject to the applicable laws, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in the execution of his duties or otherwise in relation thereto pursuant to the Articles of Association of the Company. Such provisions were in force during the course of the Year and remained in force as of the date of this directors' report.

## DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

No transaction, arrangement or contract of significance to which the Company, or any of its holding company, subsidiaries or fellow subsidiaries was a party, and in which a Director or an entity connected with a Director had material interest (whether directly or indirectly), was subsisted at the end of the Year or at any time during the Year.

## COMPETING INTEREST

During the Year, none of the Directors and their respective close associates had any business or interests in business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

## MANAGEMENT CONTRACTS

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

## 附屬公司的董事

於本年度及截至本董事會報告日期，上述提及執行董事各自在部分本公司的附屬公司中擔任董事職務。在香港及英屬維爾京群島註冊成立的本公司附屬公司的其他董事包括李舒放、張永青及陳紹基。在中國註冊成立的本公司附屬公司的其他董事包括李雲、閻寧、劉培鴻、倪向榮、張永青、焦中林、鄭海籌、李銳、張傳義、褚國棟、利良斌及黃文豐。

## 獲准許的彌償條文

在受限於適用法律的前提下，根據本公司的章程細則，每名董事如因執行其職務或其他有關行動而承受或招致任何損失或法律責任，均有權獲得以本公司資產作出的彌償。有關條款於本年度整年有效，截至本董事會報告日期仍然有效。

## 董事之交易、安排及合約權益

本公司、或其任何控股公司、附屬公司或旗下附屬公司並無訂立董事或與董事相關的實體擁有重大權益（不論直接或間接）且於本年度末或本年度期間內任何時間仍然存續之交易、安排或重大合約。

## 競爭權益

於本年度內，概無董事及其各自的緊密聯繫人參與正與或可能與本集團業務直接或間接構成競爭的任何業務或於該業務中擁有權益。

## 管理合約

本年度內概無訂立或存在與本公司全部或任何重大部分業務有關的管理及行政合約。



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

As at 31 December 2018, the Directors and chief executive of the Company who had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code are as follows:

### Long Position

Name of Director 董事姓名	Interest in the Company or its associated corporation 於本公司或其相關法團的權益	Nature of interest 權益性質	Class of shares 股份類別	Number of shares 股份數目	Approximate percentage of issued share capital 約佔已發行股本百分比
Zhang Bin 張斌	The Company 本公司	Beneficial owner 實益擁有人	Ordinary 普通	300,000 (Note) (附註)	0.0052%
Wang Tianlin 王天霖	The Company 本公司	Beneficial owner 實益擁有人	Ordinary 普通	400,000 (Note) (附註)	0.0069%

Note: These are the shares awarded under the previous share award scheme adopted by the Company which expired on 24 April 2017.

## 董事及行政總裁持有股份、相關股份及債券之權益及淡倉

於二零一八年十二月三十一日，本公司各董事及主要行政人員於本公司或其相聯法團之股份、相關股份及債券擁有根據證券及期貨條例第352條須予存置之登記冊記錄；或根據標準守則已另行知會本公司及聯交所之權益或淡倉如下：

### 好倉

附註：該等股份為根據本公司之前採納並已於二零一七年四月二十四日到期的股份獎勵計劃獎勵授予的股份。

Apart from the foregoing, as at 31 December 2018, none of the Directors nor the chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零一八年十二月三十一日，概無本公司董事及主要行政人員於本公司或其任何相聯法團之股份、相關股份及債券中擁有任何須記錄於根據證券及期貨條例第352條須存置之登記冊內之權益或淡倉，或根據標準守則已另行知會本公司及聯交所之權益或淡倉。

## Directors' Report 董事會報告

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

As at 31 December 2018, the following persons, other than a Director or chief executive of the Company, had interests or short positions in the issued shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

#### Long Position

Name of shareholder	Nature of interest	Class of shares	Number of shares	Approximate percentage of issued share capital of the Company 約佔本公司已發行股本百分比
股東名稱	權益性質	股份類別	股份數目	
World Gain Holdings Limited ("World Gain")	Beneficial owner (Note) 實益擁有人 (附註)	Ordinary 普通	3,022,154,119	52.03%
CCHK 誠通香港	Controlled corporation (Note) 受控制法團 (附註)	Ordinary 普通	3,022,154,119	52.03%
CCHG 誠通控股	Controlled corporation (Note) 受控制法團 (附註)	Ordinary 普通	3,022,154,119	52.03%

Note: The entire issued share capital of World Gain is beneficially owned by CCHK, the entire issued share capital of which is beneficially owned by CCHG. Both CCHK and CCHG are deemed to be interested in all the shares held by World Gain under the SFO.

Save as disclosed above, as at 31 December 2018, no other person, other than a Director or chief executive of the Company, had any interest or short position in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

### 主要股東持有股份及相關股份之權益及淡倉

於二零一八年十二月三十一日，根據本公司按照證券及期貨條例第336條或須存置之主要股東登記冊記錄，以下人士（本公司董事或行政總裁除外）於本公司已發行股份或相關股份中擁有權益或淡倉：

#### 好倉

附註：World Gain之全部已發行股本由誠通香港實益擁有，而誠通香港之全部已發行股本則由誠通控股實益擁有。根據證券及期貨條例，誠通香港及誠通控股均被視為於World Gain持有之所有股份中擁有權益。

除上文所披露外，於二零一八年十二月三十一日，概無任何其他人士（本公司董事或行政總裁除外）於本公司的股份或相關股份中擁有記錄於本公司根據證券及期貨條例第336條須存置之登記冊的權益或淡倉。

## EQUITY-LINKED AGREEMENTS

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

### Share Option Scheme

Pursuant to an ordinary resolution passed at the AGM of the Company held on 27 June 2013, the Company has adopted the Share Option Scheme which shall be valid and effective for a period of 10 years commencing on the date it was adopted and will end on 26 June 2023. The purpose of the Share Option Scheme is to provide incentives or rewards to participants thereunder for their contribution to the Group and/or to enable the Group to recruit and retain high-caliber employees and attract human resources that are valuable to the Group and any invested entity.

Eligible participants of the Share Option Scheme include (a) any employee (whether full time or part time, including any executive director but excluding any non-executive director) of, or any individual for the time being seconded to work for, the Company, any subsidiary or any entity in which any member of the Group holds any equity interest (“**Invested Entity**”) or any employee or officer of the controlling shareholder of the Company; (b) any non-executive director (including independent non-executive directors) of the Company, any subsidiary of the Company or any Invested Entity; (c) any suppliers of goods or services to any member of the Group or any Invested Entity; (d) any customer of the Group or any Invested Entity; (e) any person or entity that provides research, development or other technological support to the Group or any Invested Entity; (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued or proposed to be issued by any member of the Group or any Invested Entity; (g) any adviser (professional or otherwise) or consultant to the Group relating to any area of business or business development of any member of the Group or any Invested Entity; and (h) any joint venture or business partner of the Group who have contributed or may contribute to the development and growth of the Group.

Ordinary shares of the Company may be allotted and issued upon the exercise of the options granted under the Share Option Scheme. The total number of shares of the Company which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the shares of the Company in issue as at the date on which the Share Option Scheme was adopted, which was 484,073,477 shares, representing approximately 8.33% of the issued share capital of the Company as at the date of this annual report. The maximum number of shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 30% of the issued share capital of the Company (or the subsidiaries) from time to time.

## 股票掛鈎協議

本公司於本年度內訂立或於本年度末有效的股票掛鈎協議詳情載列如下：

### 購股權計劃

根據二零一三年六月二十七日舉行的本公司股東週年大會上通過的普通決議案，本公司採納了購股權計劃。購股權計劃自其被採納之日起生效，有效期為10年直至二零二三年六月二十三日止。購股權計劃旨在鼓勵或獎賞對本集團作出貢獻之參與者及／或使本集團能招攬及挽留高質素僱員，以及吸納對本集團及任何投資實體而言屬寶貴之人力資源。

購股權計劃的合資格參與者包括：(a)本公司、本集團的任何附屬公司或任何本集團成員持有任何股權的實體（「**投資實體**」）的任何僱員（全職或兼職，包括任何執行董事，但不包括任何非執行董事）或暫時被調派到本公司、本集團的任何附屬公司或投資實體的人士，或任何本公司控股股東的僱員或高級人員；(b)本公司、其附屬公司或任何投資實體的任何非執行董事（包括獨立非執行董事）；(c)本集團任何成員公司或任何投資實體的任何貨物或服務供應商；(d)本集團或任何投資實體的任何客戶；(e)向本集團或任何投資實體提供研發或其他技術支援的任何個人或實體；(f)本集團任何成員公司或任何投資實體的任何股東或本集團任何成員公司或任何投資實體發行或擬發行的任何證券的任何持有人；(g)本集團任何成員公司或任何投資實體有關本集團業務範疇或業務發展的任何專家顧問（專業或其他）或顧問；及(h)為本集團的發展與成長作出貢獻或可能作出貢獻的本集團之任何合營企業或商業夥伴。

在行使根據購股權計劃授出之購股權後，本公司普通股可被配發及發行。所有根據購股權計劃及本集團任何其他購股權計劃，將授出的購股權獲行使後可供配發及發行的本公司股份總數合共不得超過本公司於購股權計劃獲採納當日已發行股份10%，即是484,073,477股，佔本公司於本年報日期已發行股本約8.33%。根據購股權計劃及本集團任何其他購股權計劃所有已授出而尚未行使的未兌現購股權獲行使後可供配發及發行的股份最大數額不得超過本公司（或附屬公司）不時發行的已發行股本總額的30%。

## Directors' Report 董事會報告

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised, cancelled or outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Any further grant of options in excess of such limit in any 12-month period up to and including the date of such further grant shall be subject to shareholders' approval in general meeting of the Company with such participant and his/her associates abstaining from voting.

An offer of the grant of an option under the Share Option Scheme may be accepted within 21 days from the date of grant together with a remittance of HK\$1.00 by way of consideration for the grant thereof. An option may be exercised during such period as the Board may in its absolute discretion determine, save that such period shall not be more than 10 years from the date of grant.

Unless the Directors otherwise determine and state in the offer to a grantee, a grantee is not required to hold an option for any minimum period nor achieve any performance targets before any options granted under the Share Option Scheme can be exercised.

The subscription price for the shares of the Company on the exercise of the option shall be determined at the discretion of the Board which shall not be less than the higher of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the date of grant; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares<sup>(note)</sup>. Holding period will be determined by the Directors upon granting.

Please refer to the circular of the Company dated 28 May 2013 for more details of the Share Option Scheme.

During the Year, no option was granted, exercised, cancelled or lapsed under the Share Option Scheme. There was no option outstanding at the beginning and at the end of the Year.

*Note:* Pursuant to the Companies Ordinance, which came into operation on 3 March 2014, the shares of the Company have ceased to have nominal value.

已發行股份總數，以及因於任何十二個月內根據購股權計劃及本集團任何其他購股權計劃授予各參與者的購股權（包括已行使、已取消或未兌現的購股權）獲行使而需發行的股份，暫時不得超過本公司的已發行股本的1%。任何進一步授出多於任何十二個月期限直至及包括該作出進一步授出日期的購股權須待股東於本公司股東大會（該等參與者及其聯繫人放棄於會上投票）上批准方可作實。

購股權計劃項下授出的購股權可於授出之日起21日內於接受所授出的購股權後匯款支付港幣1.00元作為授出購股權的代價而被接納。此期間內，董事會可按其絕對酌情權決定行使購股權，惟該期間不得超過授出日期10年。

除非董事另行決定及於向承授人授出購股權時表明，否則承授人毋須按任何最短期間持有購股權，亦毋須於行使按購股權計劃獲授的購股權前達致任何表現目標。

本公司股份行使購股權的認購價應由董事會酌情釐定，且不得低於下列三者之最高者：(i)本公司股份於授出購股權日期在聯交所每日報價表所報之收市價；(ii)本公司股份於緊接授出購股權日期前五個交易日在聯交所每日報價表所報之平均收市價；及(iii)本公司股份之面值<sup>(附註)</sup>。董事將於授出後釐定持有期間。

有關購股權計劃的更多詳情，請參閱本公司日期為二零一三年五月二十八日的通函。

於本年度，根據購股權計劃概無任何已授出、行使、撤銷或失效之購股權。於本年度初及本年度末均無任何尚未行使之購股權。

*附註：*根據二零一四年三月三日生效的《公司條例》，本公司股份已不再有賬面值。



### Share Award Scheme

The Company adopted the Share Award Scheme which became effective on 1 July 2017, for a term of five years. The purpose of the Share Award Scheme is to provide a means to (i) recognise the contributions by certain selected employees and to give incentives to them for the continual operation and development of the Group; and (ii) attract suitable personnel for the growth and further development of the Group.

Pursuant to the Share Award Scheme, ordinary shares of the Company will be awarded, with the approval of the Board, to selected employees based on, inter alia, the employee's work performance and such other matters that the Board considers relevant. Shares awarded under the Share Award Scheme will be offered to the selected employees for no consideration but subject to certain conditions (including vesting conditions) to be decided by the Board at the time of grant of the shares awarded under the Share Award Scheme. A selected employee shall be entitled to receive the awarded shares in accordance with the vesting schedule upon the selected employee having satisfied all vesting conditions specified by the Board at the time of making the award. Vesting of the shares will be conditional on the selected employee remaining an employee on the relevant vesting date and his/her execution of the relevant documents to effect the transfer from the trustee of the Share Award Scheme.

The Board shall not make any further award which will result in the total number of ordinary shares awarded by the Board under the Share Award Scheme representing in excess of 1% of the issued shares of the Company as at 1 July 2017 (being 58,087,347 ordinary shares, representing approximately 1% of the issued shares of the Company as at the date of this annual report) unless the Board otherwise decides. Unless terminated earlier or extended by the Board in accordance with the Share Award Scheme rules, the Share Award Scheme operates for five years commencing on 1 July 2017.

No shares were awarded by the Company under the Share Award Scheme during the Year.

Please refer to the announcement of the Company dated 30 June 2017 for more details of the Share Award Scheme.

Apart from the foregoing, at no time during the Year was the Company, or any of its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### 股份獎勵計劃

本公司已採納股份獎勵計劃，並於二零一七年七月一日生效，為期五年。股份獎勵計劃的目的旨在提供方法以(i)表揚若干經甄選僱員的貢獻並給予他們獎勵以促進本集團持續經營及發展；及(ii)吸引合適人才為本集團成長及進一步發展效力。

根據股份獎勵計劃，按照包括僱員工作表現及其他董事會認為相關的事項等條件而獲選的僱員將在得到董事會批准後獲得本公司普通股份。根據股份獎勵計劃的獲獎股份將以無代價形式授予獲選僱員，惟須受董事會根據股份獎勵計劃授予獲獎股份時所決定的若干條件（包括行權條件）所規限。獲選僱員達成董事會於作出獎勵時訂明的所有歸屬條件後，即有權根據歸屬時間表領取獎勵股份。股份歸屬以獲選僱員於相關歸屬日期仍為僱員並簽署相關文件令股份獎勵計劃的受託人轉讓生效為條件。

除董事會另行決定者外，董事會不得作出將會導致董事會根據股份獎勵計劃所獎勵普通股總數超過本公司於二零一七年七月一日已發行股本之1%（即58,087,347普通股股份，佔本公司於本年度報告日期已發行股份約1%）的任何進一步獎勵。除非董事會根據股份獎勵計劃規則提前終止或延續，否則股份獎勵計劃自二零一七年七月一日起計運作五年。

於本年度，本公司概無根據股份獎勵計劃授出股份獎勵。

有關股份獎勵計劃的進一步詳情，請參閱本公司日期為二零一七年六月三十日的公告。

除上述者外，本公司或任何其控股公司、附屬公司或同系附屬公司於本年度任何時間概無訂立任何安排，致使董事能透過購買本公司或任何其他法人團體之股份或債券而獲利。

## CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS

### Continuing Connected Transactions

On 29 December 2017, the Company and 誠通財務有限責任公司 (unofficial English translation being China Chengtong Finance Corporation Ltd.) ("**Chengtong Finance**") entered into a financial services agreement ("**Financial Services Agreement**"), pursuant to which Chengtong Finance agreed to provide the Group with a range of financial services (including deposit services, loan services and other financial services) for a term from 1 January 2018 to 31 December 2020.

According to the terms of the Financial Services Agreement, the daily balance of the Group's deposits (including any interest accrued therefrom) with Chengtong Finance for each of the three years ending 31 December 2018, 31 December 2019 and 31 December 2020 shall not exceed an amount equivalent to RMB116 million. Such maximum daily balance of deposits had not been exceeded during the Year.

The interest rates payable by Chengtong Finance to the Group for any deposits made with Chengtong Finance shall (i) be 20%–50% higher than the deposit interest rate prescribed by The People's Bank of China for deposits with the same term and of the same type; (ii) not be lower than the interest rates offered to the Group by the major commercial banks in the PRC for deposits with the same term and of the same type; and (iii) not be lower than the interest rates offered by Chengtong Finance to any third party for deposits with the same term and of the same type. Further details of the Financial Services Agreement are set out in the Company's announcement dated 29 December 2017.

As Chengtong Finance is a subsidiary of CCHG, which is the ultimate controlling shareholder of the Company, Chengtong Finance is therefore a connected person of the Company within the meaning of the Listing Rules and the transactions contemplated under the Financial Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As at 31 December 2018, the deposits placed with Chengtong Finance amounted to approximately RMB98,542,000 (equivalent to approximately HK\$112,338,000).

## 持續關連交易及關連交易

### 持續關連交易

於二零一七年十二月二十九日，本公司與誠通財務有限責任公司（「誠通財務」）訂立金融服務協議（「金融服務協議」），據此，誠通財務同意按協議之條款及條件向本集團提供多種金融服務（包括存款服務、貸款服務及其他金融服務），期限自二零一八年一月一日起至二零二零年十二月三十一日止。

根據金融服務協議之條款，截至二零一八年十二月三十一日、二零一九年十二月三十一日及二零二零年十二月三十一日止三個年度各年，本集團在誠通財務的每日存款結餘（包括任何應計利息）不應超過等值人民幣1.16億元。於本年度並無超過有關最高每日存款結餘。

誠通財務就任何存放於誠通財務的存款應向本集團支付的利率須(i)比中國人民銀行頒佈的相同期限及同一類型存款之存款利率高20%–50%；(ii)不低於中國主要商業銀行就相同期限及就同一類型存款向本集團提供的利率；及(iii)不低於誠通財務就相同期限及就同一類型存款向任何第三方提供的利率。金融服務協議的進一步詳情載於本公司日期為二零一七年十二月二十九日的公告。

由於誠通財務為本公司最終控股股東誠通控股的附屬公司，因此，誠通財務為上市規則項下本公司之關連人士，且金融服務協議項下擬進行之交易構成上市規則第十四A章項下本公司之持續關連交易。

於二零一八年十二月三十一日，存置於誠通財務的存款約為人民幣98,542,000元（相等約港幣112,338,000元）。

The Company has established certain internal control procedures to ensure that the transactions with Chengtong Finance were conducted in accordance with the terms and conditions of the Financial Services Agreement. For example, before entering into individual transaction for the deposit services with Chengtong Finance, the finance department of the Group will compare the interest rate offered by Chengtong Finance to the Group with the corresponding deposit benchmark interest rates prescribed by The People's Bank of China and the interest rates offered by leading independent commercial banks in the PRC. The Company has followed the above policies and guidelines when determining whether to enter into individual transaction for the deposit services with Chengtong Finance during the Year.

The Group's risk management department has conducted reviews on the above continuing connected transactions during the Year and issued an internal control review report in relation to the Group's continuing connected transactions. All independent non-executive Directors have also reviewed the internal control review report of the risk management department and confirmed that the above continuing connected transactions have been entered into:

- (a) in the ordinary and usual course of business of the Group;
- (b) on normal commercial terms or better; and
- (c) in accordance with the relevant agreement governing them, and on terms that are fair and reasonable and in the interests of the shareholders as a whole.

The Directors also confirm that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

The Company's auditor, BDO Limited, was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. BDO Limited has issued an unqualified letter containing its findings and conclusions in respect of the abovementioned continuing connected transactions in accordance with Rule 14A.56 of the Listing Rules and confirmed that:

- (a) nothing has come to their attention that causes them to believe that the above continuing connected transactions have not been approved by the Board;
- (b) nothing has come to their attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreement governing such transactions;

本公司已制訂若干內部監控程序，以確保與誠通財務進行的交易乃按照金融服務協議的條款進行。例如，與誠通財務就存款服務進行單獨交易前，本集團財務部會將誠通財務向本集團提供的利率與中國人民銀行規定的相應存款基準利率及中國主要獨立商業銀行提供的利率作比較。於本年度，本公司在決定是否與誠通財務就存款服務進行單獨交易時已遵循上述政策及指引。

於本年度內，本集團風險管理部門已審閱上述持續關連交易，並就本集團持續關連交易出具內控評價報告，所有獨立非執行董事亦已審閱風險管理部門的內控評價報告，並確認上述持續關連交易為：

- (a) 於本集團的日常及一般業務過程中訂立；
- (b) 按一般商業條款或更佳的條款訂立；及
- (c) 根據有關協議的規定而進行，交易條款乃公平合理，並且符合股東的整體利益。

董事亦確認本公司已遵守上市規則第14A章的披露規定。

本公司核數師香港立信德豪會計師事務所有限公司獲委聘根據香港會計師公會頒佈的香港鑒證業務準則第3000號（修訂）「歷史財務資料審核或審閱以外之鑒證工作」並參照《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」，就本集團持續關連交易出具報告。香港立信德豪會計師事務所有限公司已根據上市規則14A.56條就上述持續關連交易發表其調查結果及結論並出具無保留意見的函件且確認：

- (a) 彼等並無發現有任何事項令彼等相信上述該等持續關連交易未獲董事會批准；
- (b) 彼等並無發現有任何事項令彼等相信該等交易在所有重大方面未有按照規管該等交易的相關協議進行；



## Directors' Report 董事會報告

(c) with respect to the aggregate amount of the above disclosed continuing connected transactions, nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have exceeded the annual cap as set by the Company.

A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

### Connected Transactions

(1) On 29 March 2016, the Company entered into a guarantee agreement ("**Guarantee Agreement**") with Chengtong Coal, pursuant to which the Company agreed to procure its wholly-owned subsidiary, Chengtong Development Trading, to issue a guarantee letter in favour of 廣西壯族自治區高級人民法院 (the Supreme People's Court of Guangxi Zhuang Autonomous Region) ("**Guangxi Court**") and use certain office premises in Beijing which are owned by Chengtong Development Trading with an aggregate gross area of 1,275.06 square metres as a guarantee ("**Guarantee**") to the extent of RMB53,539,767 ("**Guaranteed Amount**") for a period of three years in support of a property preservation order issued by the Guangxi Court against certain respondents in a legal proceeding brought by Chengtong Coal in the Guangxi Court. An annual arrangement fee of 1% over the Guaranteed Amount is payable by Chengtong Coal to the Company during the term of the Guarantee.

On the same day, Chengtong Development Trading also entered into a deed of counter-indemnity ("**Indemnity Deed**") with CCHK, pursuant to which CCHK agreed to, among other matters, indemnify Chengtong Development Trading for its liabilities and loss which may arise from the Guarantee.

Chengtong Coal is an indirect wholly-owned subsidiary of CCHG, the ultimate holding company of the Company. CCHK is an indirect holding company of the Company and a wholly-owned subsidiary of CCHG. As each of Chengtong Coal and CCHK is a connected person of the Company, the entering into of the Guarantee Agreement and the Indemnity Deed by the Company and Chengtong Development Trading respectively constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Further details of the Guarantee Agreement and the Indemnity Deed are set out in the announcement of the Company dated 29 March 2016.

(c) 就上述該等已披露的持續關連交易的總金額而言，彼等並無發現有任何事項令彼等相信該等已披露的持續關連交易之金額已超出本公司設定的年度上限。

本公司已向聯交所提供核數師函件的副本。

### 關連交易

(1) 於二零一六年三月二十九日，本公司與誠通煤業訂立擔保協議（「**擔保協議**」），據此，本公司同意促使本公司全資附屬公司誠通發展貿易向廣西壯族自治區高級人民法院（「**廣西法院**」）發出擔保函及以誠通發展貿易持有的位於北京之若干辦公物業（佔地面積合共1,275.06平方米）作出以人民幣53,539,767元（「**擔保金額**」）為限的擔保（「**擔保**」），為期三年，以支持由廣西法院就誠通煤業於廣西法院提出的一宗司法程序中的若干答辯人而發出的財產保全令。擔保期內誠通煤業應按擔保金額的1%向本公司支付年度安排費用。

同日，誠通發展貿易亦與誠通香港訂立反擔保契據（「**反擔保契據**」），誠通香港同意（其中包括）彌償誠通發展貿易可能因擔保產生的負債及虧損。

誠通煤業乃誠通控股（本公司的最終控股公司）的間接全資附屬公司。誠通香港乃本公司的間接控股公司，並為誠通控股的全資附屬公司。由於誠通煤業與誠通香港為本公司的關連人士，因此其分別與本公司及誠通發展貿易訂立的擔保協議及反擔保契據構成上市規則14A章項下本公司的一項關連交易。擔保協議及反擔保契據的進一步詳情載列於本公司日期為二零一六年三月二十九日的公告。



The Directors confirm that the related party transactions during the Year as disclosed in notes 39(a) and 39(d) to the financial statements fall under the definition of “connected transaction” or “continuing connected transaction” (as the case may be) in Chapter 14A of the Listing Rules. The Directors confirm that the Company has, where applicable, complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

The Directors confirm that the related party transactions during the Year as disclosed in notes 39(b) and 39(c) to the financial statements do not fall under the definition of “connected transaction” or “continuing connected transaction” (as the case may be) in Chapter 14A of the Listing Rules.

Save as disclosed above, (i) no contract of significance was entered into by, and/or subsisted between the Company or any of its subsidiaries with the controlling shareholder or any of its subsidiaries during the Year; and (ii) no contract of significance in relation to provision of services by the controlling shareholder or any of its subsidiaries to the Group was entered into and/or subsisted during the Year.

### LOAN AGREEMENT WITH COVENANTS RELATING TO SPECIFIC PERFORMANCE OF THE CONTROLLING SHAREHOLDER

On 23 March 2017, the Company, as borrower, entered into a facility agreement (“**Facility Agreement**”) with a licensed bank in Hong Kong in respect of a revolving loan facility granted to the Company up to a principal amount of HK\$200 million (“**Commitment**”). Save as otherwise provided in the Facility Agreement, all outstanding principal of the loan granted thereunder and the interest accrued thereon would become due and payable on the date falling three years from the date of the Facility Agreement. Pursuant to the Facility Agreement, the Company has undertaken that it shall, amongst other matters, ensure that there shall be no concentrative or dilutive corporate event or circumstance (including subdivision, consolidation or re-classification of the Company’s shares, bonus or rights issue but excluding any cash dividends) which will directly or indirectly result in CCHG, which is the controlling shareholder of the Company, (a) holding less than 40% of the Company’s shares after such event, or (b) ceasing to be the single largest shareholder of the Company or ceasing to have the management control on the Company (“**Control Event**”). Upon the occurrence of a Control Event or if, at any time, there exist an event or circumstance that can result or has already resulted in a Control Event, the bank may immediately cancel the Commitment, and all loans together with accrued interest and all other amounts accrued under the Facility Agreement and other related finance documents may become immediately due and payable by the Company.

董事確認，於財務報表附註39(a)及39(d)披露的本年度的關連方交易屬於上市規則第14A章內「關連交易」或「持續關連交易」（視情況而定）定義的範圍。董事確認本公司已遵守上市規則第14A章的披露規定（如適用）。

董事確認，根據財務報表附註39(b)及39(c)披露的本年度的關連方交易不屬於上市規則第14A章內「關連交易」或「持續關連交易」（視情況而定）定義的範圍。

除上述披露者外，(i)於本年度本公司或其任何附屬公司與控股股東或其任何附屬公司之間概無訂立及／或存在任何重大合約；及(ii)概無有關由控股股東或其任何附屬公司向本集團提供服務的重大合約於本年度內訂立及／或仍然存續。

### 控股股東須履行特定責任相關契約的 貸款協議

於二零一七年三月二十三日，本公司（作為借方）與香港一間持牌銀行訂立融資協議（「**融資協議**」），內容有關向本公司授出本金最多為港幣2億元的循環貸款融資（「**承擔**」）。除融資協議另行規定者外，根據融資協議授出的貸款的所有未償還本金及就其所產生的應計利息將於融資協議日期起計三年之日到期應付。根據融資協議，本公司已承諾，其應（其中包括）確保並無任何集中或攤薄企業事件或情況（包括拆細、合併或重新分類本公司股份、發行紅股或供股（但不包括任何現金股息））將直接或間接導致誠通控股（本公司的控股股東）(a)於該企業事件後，持有少於本公司40%的股份；或(b)不再為本公司的單一最大股東或不再對本公司有管理控制權（「**控制權事件**」）。發生控制權事件後，或如於任何時間存在可導致或已經導致控制權事件的事件或情況，銀行可立即撤回承擔，而融資協議及其他相關融資文件項下的所有貸款連同應計利息以及全部其他應計金額可立即到期並應由本公司支付。

# Directors' Report 董事會報告

## SUFFICIENCY OF PUBLIC FLOAT

At the latest practicable date prior to the issue of this annual report, based on information that was publicly available to the Company and to the best knowledge of the Directors, the Directors confirmed that the Company had maintained sufficient public float as required under the Listing Rules.

## FINANCIAL SUMMARY

A summary of the Group's results and its assets and liabilities for the Year and the past four financial years is set out on pages 227 to 228 of this annual report.

## AUDITOR

The consolidated financial statements of the Company for the Year have been audited by BDO Limited.

A resolution will be proposed at the forthcoming AGM of the Company to re-appoint BDO Limited as auditor of the Company.

By order of the Board

**Zhang Bin**  
*Acting Chairman*

Hong Kong, 25 February 2019

## 足夠公眾持股量

於發佈本年度報告前之最後實際可行日期，根據公開途徑所得的資料及就董事所知，董事確認本公司一直維持上市規則所規定的足夠公眾持股量。

## 財務概要

本集團本年度及過去四個財政年度之業績以及其資產及負債之概要已載於本年度報告第227頁至228頁。

## 核數師

本年度之本公司綜合財務報表經香港立信德豪會計師事務所有限公司審核。

於即將召開的本公司股東週年大會上將提呈一項決議，以重新委任香港立信德豪會計師事務所有限公司為本公司核數師。

承董事會命

代理主席  
**張斌**

香港，二零一九年二月二十五日

# Independent Auditor's Report 獨立核數師報告



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## TO THE MEMBERS OF CHINA CHENGTONG DEVELOPMENT GROUP LIMITED

(incorporated in Hong Kong with limited liability)

## 致中國誠通發展集團有限公司列位股東 (於香港註冊成立之有限公司)

### OPINION

We have audited the consolidated financial statements of China Chengtong Development Group Limited (“**the Company**”) and its subsidiaries (together “**the Group**”) set out on pages 90 to 224, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated income statement, the consolidated statement of 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 2018 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the 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 “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report. We are independent of the Group in accordance with the HKICPA’s “Code of Ethics for Professional Accountants” (“**the Code**”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 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.

### 意見

我們已審計中國誠通發展集團有限公司(「**貴公司**」)及其附屬公司(統稱「**貴集團**」)載列於第90頁至224頁之綜合財務報表,該等綜合財務報表包括於二零一八年十二月三十一日之綜合財務狀況表與截至該日止年度之綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表,以及綜合財務報表之附註,包括主要會計政策概要。

我們認為,綜合財務報表已根據香港會計師公會(「**香港會計師公會**」)頒佈之香港財務報告準則(「**香港財務報告準則**」)真實而公平地反映 貴集團於二零一八年十二月三十一日之綜合財務狀況以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妥為編製。

### 意見之基礎

我們根據香港會計師公會頒佈之香港審計準則(「**香港審計準則**」)進行審計。在該等準則下,我們之責任已在本報告內「核數師就審計綜合財務報表須承擔之責任」一節進一步闡述。根據香港會計師公會之「專業會計師道德守則」(「**守則**」),我們獨立於 貴集團,並已遵循守則履行其他道德責任。我們相信,我們所獲得之審計憑證能充足及適當地為我們之審計意見提供基礎。

### 關鍵審計事項

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



# Independent Auditor's Report

## 獨立核數師報告

### Valuation of investment properties

Refer to note 17 to the consolidated financial statements and the accounting policies on note 4.4.

Management estimated the fair value of the Group's investment properties to be HK\$101,528,000 as at 31 December 2018 with a fair value gain for the year ended 31 December 2018 of HK\$3,535,000 recorded in the consolidated income statement. Independent external valuations were obtained in order to support management's estimates.

Valuations of the Group's investment properties are based on income approach and dependent on certain key assumptions that require significant management judgement, including reversionary yield potential of the property units, expected vacancy rates and the discount rates used. Valuation techniques have been substantially the same as 31 December 2017.

### Our response

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

- evaluation of the independent external valuer's competence, capabilities and objectivity;
- assessing the methodologies used and the appropriateness of the key assumptions based on our knowledge of the property industry; and
- checking, on a sample basis, the accuracy and relevance of the input data used and determination of fair value.

We assessed the key assumptions against the available evidence. The fair market rents were assessed by recent renewals of rental agreement, expected vacancy rate and reversionary yield potential of the property units.

## OTHER INFORMATION IN THE ANNUAL REPORT

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

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

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

### 投資物業估值

請參閱綜合財務報表附註17及附註4.4內之會計政策。

管理層估計 貴集團於二零一八年十二月三十一日投資物業之公平值為港幣101,528,000元，截至二零一八年十二月三十一日止年度之公平值收益港幣3,535,000元已記入綜合收益表，並獲得獨立外部估值以支持管理層之估計。

貴集團之投資物業估值乃按收入法作出，並取決於若干需要重大管理判斷之關鍵假設，包括物業單位潛在復歸回報率、預期空置率及所採用貼現率。估值方法大致與二零一七年十二月三十一日的相同。

### 我們的回應

我們就管理層之投資物業估值進行之程序包括：

- 評估獨立外聘估值師之資歷、能力及客觀性；
- 評估所採用之方法及按我們對物業行業之知識作出關鍵假設之適當性；及
- 抽樣檢查輸入數據之準確性及相關性及公平值之釐定。

我們就現有證據對關鍵假設作出評核，而公平市場租金則按最近更新之物業單位的潛在租賃協議、預期空置率及歸復回報率作出評核。

## 本年度報告之其他信息

董事須對其他信息承擔責任。其他信息包括載於 貴公司年度報告之信息，惟不包括綜合財務報表及我們之核數師報告。

我們對綜合財務報表作出之意見並無涵蓋其他信息，而我們不會對其他信息發表任何形式之核證結論。

就我們審計綜合財務報表而言，我們之責任為閱讀其他信息，從而考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大不符，或似乎存在重大錯誤陳述。倘若我們基於已進行之工作認為其他信息出現重大錯誤陳述，我們須報告有關事實。在這方面，我們沒有任何報告。



# Independent Auditor's Report 獨立核數師報告

## DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

## AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

## 董事就綜合財務報表須承擔之責任

貴公司董事須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，編製真實公平之綜合財務報表，及董事釐定對編製綜合財務報表屬必要之有關內部監控，以使該等綜合財務報表不會存在由於欺詐或錯誤而導致之重大錯誤陳述。

在編製綜合財務報表時，貴公司董事須負責評估貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事項。除非董事擬將貴集團清盤或停止營運，或除此之外並無其他實際可行之辦法，否則須採用以持續經營為基礎之會計基礎。

審核委員會協助貴公司董事履行其監督貴集團財務報告流程之職責。

## 核數師就審計綜合財務報表須承擔之責任

我們之目標為合理確定此等綜合財務報表整體而言不會存在由於欺詐或錯誤而導致之重大錯誤陳述，並發出載有我們意見之核數師報告。根據香港公司條例第405條，此報告僅向閣下（作為整體）作出，不作其他用途。我們概不就本報告之內容對任何其他人士負責或承擔任何責任。

合理確定屬高層次之核證，惟根據香港審計準則進行之審計工作不能保證總能察覺所存在之重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出之經濟決定時，則被視為重大錯誤陳述。

## Independent Auditor's Report 獨立核數師報告

As part of an audit in accordance with HKSAs, 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.
  - conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  - evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 在根據香港審計準則進行審計之過程中，我們運用專業判斷，保持專業懷疑態度。我們亦：
- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險，設計及執行審計程序以應對該等風險，以及獲取充足及適當之審計憑證，作為我們的意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控之情況，因此未能發現因欺詐而導致之重大錯誤陳述風險高於未能發現因錯誤而導致之重大錯誤陳述風險。
  - 了解與審計相關之內部監控，以設計適當之審計程序，但目的並非對 貴集團內部監控之有效性發表意見。
  - 評估董事所採用會計政策之恰當性及作出會計估計和相關披露之合理性。
  - 對董事採用持續經營會計基礎之恰當性作出結論，並根據所獲取之審計憑證，確定是否存在與可能導致對 貴集團之持續經營能力產生重大疑慮之事項或情況有關之重大不確定性。倘我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中之相關披露。倘有關披露不足，則修訂我們的意見。我們的結論乃基於截至核數師報告日期止所取得之審計憑證。然而，未來事項或情況可能導致 貴集團無法持續經營。
  - 評估綜合財務報表之整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易及事項。
  - 就 貴集團內實體或業務活動之財務信息獲取充足及適當之審計憑證，以便對綜合財務報表發表意見。我們負責集團審計之方向、監督及執行。我們為審計意見承擔全部責任。

## Independent Auditor's Report 獨立核數師報告

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

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

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

**BDO Limited**

*Certified Public Accountants*

**Lui Chi Kin**

Practising Certificate Number: P06162

Hong Kong, 25 February 2019

除其他事項外，我們與審核委員會就計劃的審計之範圍、時間安排及重大審計發現進行溝通，該等發現包括我們在審計過程中識別之內部監控之任何重大缺失。

我們亦向審核委員會作出聲明，指出我們已符合有關獨立性之相關道德要求，並與彼等溝通可能被合理認為會影響我們的獨立性之所有關係及其他事宜，以及相關防範措施（如適用）。

從與審核委員會溝通之事項中，我們釐定對本期間綜合財務報表之審計至關重要之事項，因而構成關鍵審計事項。我們在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見之情況下，倘合理預期在我們的報告中溝通某事項造成之負面後果超出產生之公眾利益，則我們決定不應在報告中傳達該事項。

**香港立信德豪會計師事務所有限公司**

*執業會計師*

**呂智健**

執業證書編號：P06162

香港，二零一九年二月二十五日



## Consolidated Income Statement

### 綜合收益表

		Notes 附註	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
<b>Turnover</b>	<b>營業額</b>	6	<b>1,020,892</b>	1,353,119
Cost of sales	銷售成本		<b>(911,992)</b>	(1,227,387)
<b>Gross profit</b>	<b>毛利</b>		<b>108,900</b>	125,732
Other income	其他收入	7	<b>58,579</b>	54,833
Selling expenses	銷售費用		<b>(14,057)</b>	(14,591)
Administrative expenses	行政費用		<b>(92,337)</b>	(99,420)
Gain on disposal of a subsidiary	出售一間附屬公司之收益	37	<b>110,799</b>	–
Fair value gain on investment properties	投資物業之公平值收益	17	<b>3,535</b>	100
Fair value loss on held-for-trading securities	持作買賣證券之公平值虧損		<b>–</b>	(106)
Finance costs	融資成本	8	<b>(6,505)</b>	(12,948)
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>		<b>168,914</b>	53,600
Income tax expense	所得稅開支	9	<b>(57,499)</b>	(30,049)
<b>Profit for the year</b>	<b>年內溢利</b>	10	<b>111,415</b>	23,551
<b>Profit/(loss) for the year attributable to:</b>	<b>應佔年內溢利／(虧損)：</b>			
Owners of the Company	本公司擁有人		<b>113,440</b>	23,363
Non-controlling interests	非控股權益		<b>(2,025)</b>	188
			<b>111,415</b>	23,551
<b>Earnings per share</b>	<b>每股盈利</b>	13		
– Basic	– 基本		<b>HK1.96 cents港仙</b>	HK0.40 cent港仙
– Diluted	– 攤薄		<b>HK1.96 cents港仙</b>	HK0.40 cent港仙



## Consolidated Statement of Comprehensive Income 綜合全面收益表

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
<b>Profit for the year</b>	<b>年內溢利</b>	<b>111,415</b>	23,551
<b>Other comprehensive income</b>	<b>其他全面收益</b>		
Items that will not be reclassified subsequently to profit or loss:	其後將不可重新分類至損益之項目：		
Net change in fair value of equity investments at fair value through other comprehensive income	按公平值變動計入其他全面收益的權益投資的公平值淨變動	<b>(66,040)</b>	-
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目：		
Exchange differences arising on translation to presentation currency	折算呈列貨幣產生的匯兌差額	<b>(141,787)</b>	179,072
Exchanges differences reclassified to profit or loss on disposal of a subsidiary	出售一間附屬公司時重新分類至損益的匯兌差額	<b>486</b>	-
Transfer to profit or loss upon disposal of debt investments measured at fair value through other comprehensive income	出售按公平值變動計入其他全面收益計量的債務投資時轉撥至損益	<b>1,746</b>	-
Net change in fair value of debt investments measured at fair value through other comprehensive income	按公平值變動計入其他全面收益計量的債務投資之公平值淨變動	<b>7,421</b>	-
Net change in fair value of available-for-sale financial assets	可供出售金融資產之公平值淨變動	-	(41,470)
Transfer to profit or loss upon disposal of available-for-sale financial assets	出售可供出售金融資產後轉至損益	-	483
<b>Total comprehensive income for the year</b>	<b>年內全面收益總額</b>	<b>(86,759)</b>	161,636
<b>Total comprehensive income attributable to:</b>	<b>應佔全面收益總額：</b>		
Owners of the Company	本公司擁有人	<b>(77,969)</b>	151,541
Non-controlling interests	非控股權益	<b>(8,790)</b>	10,095
		<b>(86,759)</b>	161,636

# Consolidated Statement of Financial Position

## 綜合財務狀況表

		Notes 附註	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
<b>ASSETS AND LIABILITIES</b>				
<b>資產及負債</b>				
<b>Non-current assets</b>				
<b>非流動資產</b>				
Property, plant and equipment	物業、廠房及設備	15	187,803	202,715
Prepaid land lease payments	預付土地租賃付款	16	38,592	196,781
Investment properties	投資物業	17	101,528	63,816
Deposits paid	已付按金	19	-	4,966
Loans receivable	應收貸款	24	245,700	383,902
Other financial assets	其他金融資產	26	4,984	-
Available-for-sale financial assets	可供出售金融資產	26	-	5,246
			<b>578,607</b>	<b>857,426</b>
<b>Current assets</b>				
<b>流動資產</b>				
Properties held for sale	持作銷售物業	20	202,005	251,688
Properties under development	發展中物業	20	152,233	109,824
Properties held for development	持作發展物業	21	281,386	296,196
Inventories	存貨	22	15,970	4,281
Trade and other receivables	貿易及其他應收款項	23	186,706	129,040
Loans receivable	應收貸款	24	421,236	358,359
Amount due from a non-controlling shareholder of a subsidiary	應收一間附屬公司一名非控股股東款項	25	-	18,000
Prepaid land lease payments	預付土地租賃付款	16	2,011	5,665
Other financial assets	其他金融資產	26	840,612	-
Available-for-sale financial assets	可供出售金融資產	26	-	700,231
Held-for-trading securities	持作買賣證券	26	-	1,173
Taxation recoverable	可收回稅項		2,119	3,004
Pledged bank deposits	已抵押銀行存款	28	3,815	4,006
Deposits in other financial institution	於其他金融機構存款	27	112,338	86,200
Bank balances and cash	銀行結存及現金	28	791,265	749,708
			<b>3,011,696</b>	<b>2,717,375</b>
<b>Current liabilities</b>				
<b>流動負債</b>				
Trade and other payables	貿易及其他應付款項	29	120,726	156,869
Contract liabilities	合約負債	30	207,096	-
Deposits received from sale of properties	出售物業之已收按金		-	128,921
Taxation payable	應付稅項		38,843	5,929
Bank borrowings	銀行借貸	31	274,100	214,400
Unsecured other loan	無抵押其他貸款	32	600	600
			<b>641,365</b>	<b>506,719</b>
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>2,370,331</b>	<b>2,210,656</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>2,948,938</b>	<b>3,068,082</b>

## Consolidated Statement of Financial Position 綜合財務狀況表

		Notes 附註	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Deferred tax liabilities	遞延稅項負債	33	<u>51,794</u>	81,635
			<u>51,794</u>	81,635
<b>Net assets</b>	<b>資產淨值</b>		<u><b>2,897,144</b></u>	<u>2,986,447</u>
<b>EQUITY</b>	<b>權益</b>			
<b>Equity attributable to owners of the Company</b>	<b>本公司擁有人應佔之權益</b>			
Share capital	股本	34	<u>2,185,876</u>	2,185,876
Reserves	儲備		<u>575,829</u>	652,738
			<u><b>2,761,705</b></u>	2,838,614
<b>Non-controlling interests</b>	<b>非控股權益</b>		<u>135,439</u>	147,833
<b>Total equity</b>	<b>總權益</b>		<u><b>2,897,144</b></u>	<u>2,986,447</u>

The consolidated financial statements on pages 90 to 224 were approved and authorised for issue by the board of directors on 25 February 2019 and are signed on its behalf by:

第90頁至224頁的綜合財務報表已於二零一九年二月二十五日由董事會批准及授權發行，並由以下董事代表董事會簽署：

**Zhang Bin**  
張斌  
Director  
董事

**Wang Tianlin**  
王天霖  
Director  
董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

		Equity attributable to owners of the Company 本公司擁有人應佔之權益										Total 合計 HK\$'000 港幣千元	
		Share capital 股本 HK\$'000 港幣千元	Capital reserve 資本儲備 HK\$'000 港幣千元 (note) (附註)	Statutory reserve 法定儲備 HK\$'000 港幣千元 (note) (附註)	Shares held for share award scheme 為股份獎勵計劃持有之股份 HK\$'000 港幣千元 (note 36) (附註36)	Employee share-based compensation reserve 以股份支付的僱員酬金儲備 HK\$'000 港幣千元 (note 36) (附註36)	Available-for-sale financial assets revaluation reserve 可供出售金融資產重估儲備 HK\$'000 港幣千元 (note 36) (附註36)	Other reserve 其他儲備 HK\$'000 港幣千元 (note 36) (附註36)	Exchange reserve 匯兌儲備 HK\$'000 港幣千元 (note 36) (附註36)	Accumulated profits 累計溢利 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元		Non-controlling interests 非控股權益 HK\$'000 港幣千元
<b>At 31 December 2016</b>	於二零一六年十二月三十一日	2,185,876	2,814	38,303	(6,494)	702	6,402	296	(172,991)	632,165	2,687,073	137,738	2,824,811
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	23,363	23,363	188	23,551
Other comprehensive income:	其他全面收益:												
Exchange differences arising on translation to presentation currency	折算呈列貨幣產生的匯兌差額	-	-	-	-	-	-	-	169,165	-	169,165	9,907	179,072
Net change in fair value of available-for-sale financial assets	可供出售金融資產之公平值浮變動	-	-	-	-	-	(41,470)	-	-	-	(41,470)	-	(41,470)
Transfer to profit or loss upon disposal of available-for-sale financial assets	出售可供出售金融資產後轉至損益	-	-	-	-	-	483	-	-	-	483	-	483
<b>Total comprehensive income for the year</b>	年內全面收益總額	-	-	-	-	-	(40,987)	-	169,165	23,363	151,541	10,095	161,636
<b>Appropriation to statutory reserve</b>	法定儲備撥備	-	-	5,468	-	-	-	-	-	(5,468)	-	-	-
<b>At 31 December 2017</b>	於二零一七年十二月三十一日	2,185,876	2,814	43,771	(6,494)	702	(34,585)	296	(3,826)	650,060	2,838,614	147,833	2,986,447



# Consolidated Statement of Changes in Equity

## 綜合權益變動表

Equity attributable to owners of the Company 本公司擁有人應佔之權益		Financial assets at fair value through other comprehensive income 按公平值計入其他全面收益之金融資產							Exchange reserve 匯兌儲備		Accumulated profits 累計溢利		Non-controlling interests 非控股權益		Total 總計	
	Share capital 股本	Capital reserve 資本儲備	Statutory reserve 法定儲備	Shares held for share award scheme 為股份獎勵計劃持有之股份	Employee share-based compensation reserve 以股份支付的僱員酬金儲備	Other comprehensive income reserve 其他全面收益儲備	Available-for-sale financial assets revaluation reserve 可供出售金融資產重估儲備	Other reserve 其他儲備	Exchange reserve 匯兌儲備	Accumulated profits 累計溢利	Non-controlling interests 非控股權益	Total 總計	Total 總計	Non-controlling interests 非控股權益	Total 總計	
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
<b>At 31 December 2017 as originally presented</b>	<b>2,185,876</b>	<b>2,814</b>	<b>43,771</b>	<b>(6,494)</b>	<b>702</b>	-	<b>(34,585)</b>	<b>296</b>	<b>(3,826)</b>	<b>650,060</b>	<b>147,833</b>	<b>2,838,614</b>	<b>2,838,614</b>	<b>147,833</b>	<b>2,986,447</b>	
Effect of adjustment on adoption of HKFRS 9 (note 2.1)	-	-	-	-	-	(34,777)	34,585	-	-	1,252	-	1,060	-	-	1,060	
採納香港財務報告準則第9號的影響(附註2.1)	-	-	-	-	-	(34,777)	34,585	-	-	1,252	-	1,060	-	-	1,060	
<b>At 1 January 2018 (restated)</b>	<b>2,185,876</b>	<b>2,814</b>	<b>43,771</b>	<b>(6,494)</b>	<b>702</b>	<b>(34,777)</b>	-	<b>296</b>	<b>(3,826)</b>	<b>651,312</b>	<b>147,833</b>	<b>2,839,674</b>	<b>2,839,674</b>	<b>147,833</b>	<b>2,987,507</b>	
於二零一八年一月一日(經重列)	2,185,876	2,814	43,771	(6,494)	702	(34,777)	-	296	(3,826)	651,312	147,833	2,839,674	2,839,674	147,833	2,987,507	
Profit/(loss) for the year 年內溢利/(虧損)	-	-	-	-	-	-	-	-	-	113,440	(2,025)	111,415	111,415	(2,025)	111,415	
Other comprehensive income: Exchange differences arising on translation to presentation currency 匯兌差額 Disposal of a subsidiary (note 37) 出售一間附屬公司 (附註37)	-	-	-	-	-	-	-	-	(135,022)	-	(6,765)	(141,787)	(141,787)	(6,765)	(141,787)	
Net change in fair value of financial assets at fair value through other comprehensive income 按公平值計入其他全面收益之金融資產之公平值變動 Transfer to profit or loss upon disposal of debt investments measured at fair value through other comprehensive income 其他全面收益計入的債務投資後轉撥至損益	-	-	-	-	-	(58,619)	-	-	486	-	-	(58,619)	(58,619)	-	(58,619)	
<b>Total comprehensive income for the year 年內全面收益總額</b>	-	-	-	-	-	<b>1,746</b>	-	-	<b>1,746</b>	<b>113,440</b>	<b>(2,025)</b>	<b>1,746</b>	<b>1,746</b>	<b>(86,759)</b>	<b>(86,759)</b>	
<b>Dividend to non-controlling interests 派付予非控股權益的股息</b>	-	-	-	-	-	-	-	-	-	-	(3,604)	(3,604)	(3,604)	(3,604)	(3,604)	
<b>Appropriation to statutory reserve 法定儲備撥備</b>	-	-	15,477	-	-	-	-	-	(15,477)	-	-	-	-	-	-	
<b>At 31 December 2018</b>	<b>2,185,876</b>	<b>2,814</b>	<b>59,248</b>	<b>(6,494)</b>	<b>702</b>	<b>(91,650)</b>	-	<b>296</b>	<b>(138,362)</b>	<b>749,275</b>	<b>135,439</b>	<b>2,761,705</b>	<b>2,761,705</b>	<b>135,439</b>	<b>2,897,144</b>	
於二零一八年十二月三十一日	2,185,876	2,814	59,248	(6,494)	702	(91,650)	-	296	(138,362)	749,275	135,439	2,761,705	2,761,705	135,439	2,897,144	

Note: Capital reserve represents the difference between the consideration paid for and the fair value of net assets acquired by a former subsidiary of the Group from a company beneficially owned by a substantial shareholder of the Company.

附註：資本儲備指本集團前附屬公司向一家由本公司主要股東實益擁有的公司所購買淨資產的已付代價與公平值之間的差異。

Statutory reserve represents the Group's share of statutory reserves of the subsidiaries in the People's Republic of China (the "PRC"), which is based on 10% profit for the year of these subsidiaries. Such statutory reserve is non-distributable and shall be used to (i) make up prior years' losses or (ii) expand production operations.

法定儲備指本集團應佔於中華人民共和國(「中國」)之附屬公司之法定儲備份額，乃基於此等附屬公司之年內溢利之10%計算。此等法定儲備不可供分派且將用作(i)彌補往年虧損或(ii)擴大生產經營。

## Consolidated Statement of Cash Flows

### 綜合現金流量表

	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
<b>Cash flows from operating activities</b>		
Profit before income tax	168,914	53,600
Adjustments for:		
Interest income	(46,034)	(50,334)
Interest income from entrusted loan receivables	-	(537)
Interest expense	6,505	12,948
Depreciation of property, plant and equipment	14,735	14,371
Amortisation of prepaid land lease payments	5,471	5,429
Fair value gain on investment properties	(3,535)	(100)
Fair value gain on other financial assets measured at profit or loss	(4,005)	-
Fair value loss on held-for-trading securities	-	106
Loss/(gain) on disposal of property, plant and equipment	275	(155)
Gain on disposal of a subsidiary	(110,799)	-
Loss on disposal of debt investments measured at fair value through other comprehensive income	1,746	-
Loss on disposal of available-for-sale financial assets	-	483
Written off of property, plant and equipment	303	380
Reversal of other payables	(326)	(1,629)
Impairment loss on financial assets	55	-
Written off of prepayments and other receivable	-	4,464
	<b>33,305</b>	<b>39,026</b>
<b>Operating profit before working capital changes</b>		
(Increase)/decrease in properties under development	(46,872)	5,047
Decrease in properties held for sale	42,261	77,886
(Increase)/decrease in inventories	(11,689)	2,208
Increase in trade and other receivables	(64,361)	(25,697)
Decrease/(increase) in loans receivable	55,232	(30,370)
Increase in trade and other payables	48,954	15,770
Increase in contract liabilities	22,308	-
Increase in deposits received from sale of properties	-	48,676
	<b>79,138</b>	<b>132,546</b>
<b>Cash generated from operations</b>		
PRC enterprise income tax paid	(25,603)	(23,507)
PRC land appreciation tax paid	(2,111)	(3,783)
	<b>51,424</b>	<b>105,256</b>
<b>Net cash generated from operating activities</b>		
	<b>51,424</b>	<b>105,256</b>

## Consolidated Statement of Cash Flows

### 綜合現金流量表

	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
<b>Cash flows from investing activities</b>		
Interest received	45,838	52,385
Interest received from entrusted loan receivables	-	545
Disposal of a subsidiary, net of cash disposed of	231,783	-
Purchase of available-for-sale financial assets	-	(509,849)
Purchase of other financial assets	(715,686)	-
Settlement of available-for-sale financial assets	-	296,924
Settlement of other financial assets	480,959	-
Settlement of short-term investments	-	13,800
Decrease in entrusted loan receivables	-	8,050
Settlement of amount due from a non-controlling shareholder of a subsidiary	18,196	-
Repayment from a related party	-	37,950
Purchase of property, plant and equipment	(30,857)	(2,845)
Purchase of investment property	(39,162)	(544)
Proceeds from disposal of property, plant and equipment	250	252
Deposits paid for acquisition of property, plant and equipment	-	(4,759)
Decrease in structured bank deposits	-	-
Decrease in pledged bank deposits	(134)	(2,155)
Decrease/(increase) in short-term time deposits with maturity beyond three months but within one year	12,000	(12,000)
<b>Net cash generated from/(used in) investing activities</b>	<b>3,187</b>	<b>(122,246)</b>

## Consolidated Statement of Cash Flows

### 綜合現金流量表

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
<b>Cash flows from financing activities</b>	<b>融資活動產生之現金流量</b>		
Interest paid	已付利息	(9,039)	(16,925)
New bank loans raised	新籌集之銀行貸款	77,350	200,000
Repayment of bank loans	償還銀行貸款	(14,280)	(65,550)
Repayment of corporate bonds	償還公司債券	-	(678,000)
Dividend paid to non-controlling interests	已付非控股權益之股息	(3,604)	-
<b>Net cash generated from/(used in) financing activities</b>	<b>融資活動產生/(所用)之現金淨額</b>	<b>50,427</b>	(560,475)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>現金及現金等價物增加/(減少)淨額</b>	<b>105,038</b>	(577,465)
<b>Cash and cash equivalents at beginning of year</b>	<b>於年初之現金及現金等價物</b>	<b>823,908</b>	1,358,089
<b>Effect of foreign exchange rate changes</b>	<b>外匯匯率變動影響</b>	<b>(25,343)</b>	43,284
<b>Cash and cash equivalents at end of year</b>	<b>於年末之現金及現金等價物</b>	<b>903,603</b>	823,908
<b>Analysis of cash and cash equivalents:</b>	<b>現金及現金等價物分析:</b>		
Bank balances and cash as presented in the consolidated statement of financial position	綜合財務狀況表呈列之銀行結存及現金	791,265	749,708
Deposits in other financial institution	於其他金融機構存款	112,338	86,200
Less: short-term time deposits with maturity beyond three months but within one year (note 28(a)(iii))	減: 到期日超過三個月但於一年內之短期定期存款(附註28(a)(iii))	-	(12,000)
<b>Cash and cash equivalents at end of year</b>	<b>於年末之現金及現金等價物</b>	<b>903,603</b>	823,908



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

### 1. GENERAL

China Chengtong Development Group Limited (the “**Company**”) is a limited company incorporated in Hong Kong. The address of its registered office and its principal place of business is Suite 6406, 64/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong. The Company is an investment holding company. The Company and its subsidiaries (collectively known as the “**Group**”) are principally engaged in investment holdings, property development, property investment, finance leasing, bulk commodity trading and hotel and marine travelling services.

The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). As at 31 December 2018, the Company’s immediate holding company is World Gain Holdings Limited, which is incorporated in the British Virgin Islands and the directors of the Company consider the Group’s ultimate holding company to be China Chengtong Holdings Group Limited (“**CCHG**”), a company incorporated in the PRC.

The consolidated financial statements are presented in Hong Kong Dollars (“**HK\$**”) and the functional currency of the Company is Renminbi (“**RMB**”). The directors consider that HK\$ is the appropriate presentation currency since the Company is incorporated in Hong Kong with its shares listed on the Stock Exchange.

### 1. 一般資料

中國誠通發展集團有限公司(「**本公司**」)乃於香港註冊成立之有限公司，其註冊辦事處及主要營業地點位於香港灣仔港灣道18號中環廣場64樓6406室。本公司乃投資控股公司。本公司及其附屬公司(統稱為「**本集團**」)主要從事投資控股、物業發展、物業投資、融資租賃、大宗商品貿易及酒店和海上旅遊服務。

本公司之股份於香港聯合交易所有限公司(「**聯交所**」)主板上市。於二零一八年十二月三十一日，本公司之直接控股公司為World Gain Holdings Limited(於英屬維爾京群島註冊成立)，本公司董事認為本集團之最終控股公司為中國誠通控股集團有限公司(「**誠通控股**」)(一間於中國註冊成立的公司)。

綜合財務報表以港幣(「**港幣**」)呈列且本公司的功能貨幣為人民幣(「**人民幣**」)。由於本公司於香港註冊成立，而其股份於聯交所上市，故董事認為港幣為合適的呈列貨幣。

## Notes to the Financial Statements

### 財務報表附註

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

### 2.1 Adoption of new and revised HKFRSs

In the current year, the Group has applied for the first time the following new standards, amendments and interpretations (“**the new HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), which are relevant to and effective for the Group’s financial statements for the annual period beginning on 1 January 2018:

Annual Improvements to HKFRSs 2014-2016 Cycle	Amendments to HKFRS 1, First-time adoption of Hong Kong Financial Reporting Standards
Annual Improvements to HKFRSs 2014-2016 Cycle	Amendments to HKAS 28, Investments in Associates and Joint Ventures
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15)
Amendments to HKAS 40	Transfers of Investment Property
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration

Other than as noted below, the adoption of the new HKFRSs has no material impact on the Group’s financial statements.

#### **HKFRS 9 – Financial Instruments (“HKFRS 9”)**

The adoption of HKFRS 9 resulted in changes in accounting policies and adjustments to the amount recognised in the financial statements. As permitted by the transitional provisions of HKFRS 9, the Group elected not to restate comparative figures. Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition were recognised in the opening accumulated profits and reserves of the current year.

## 2. 採納香港財務報告準則（「香港財務報告準則」）

### 2.1 採納新訂及經修訂之香港財務報告準則

於本年度，本集團首次應用由香港會計師公會（「**香港會計師公會**」）頒佈之下列新訂準則、修訂及詮釋（「**新訂香港財務報告準則**」），該等準則與本集團於二零一八年一月一日開始之年度期間之財務報表相關並已生效：

香港財務報告準則二零一四年至二零一六年週期之年度改進	香港財務報告準則第1號之修訂，首次採納香港財務報告準則
香港財務報告準則二零一四年至二零一六年週期之年度改進	香港會計準則第28號之修訂，於聯營公司及合營企業的投資
香港財務報告準則第2號之修訂	以股份為基礎付款之交易之分類及計量
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自與客戶合約之收益
香港財務報告準則第15號之修訂	來自與客戶合約之收益（香港財務報告準則第15號的澄清）
香港會計準則第40號之修訂	轉讓投資物業
香港（國際財務報告詮釋委員會）—詮釋第22號	外幣交易及預付代價

除下文所述者外，採納新訂香港財務報告準則對本集團的財務報表並無重大影響。

#### **香港財務報告準則第9號—金融工具（「香港財務報告準則第9號」）**

採納香港財務報告準則第9號引致會計政策出現變動及於財務報表所確認金額有所調整。由於香港財務報告準則第9號的過渡條文所容許，本集團選擇不會重列比較數字。於過渡日期任何對金融資產及負債賬面值作出之調整，會於本年度之期初累計溢利及儲備內確認。

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

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

#### 2.1 Adoption of new and revised HKFRSs (Continued)

##### HKFRS 9 (Continued)

The changes in the accounting policies and the effects of the resulting changes are summarised below:

(i) *Classification and measurement of financial assets and financial liabilities*

HKFRS 9 categorises financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL). These supersede Hong Kong Accounting Standard (“HKAS”) 39’s categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

At initial recognition, for financial assets not at FVPL, the Group measures them at their fair value plus transaction costs that are directly attributable to the acquisition of the financial assets. For financial assets measured at FVPL, transaction costs are expensed in profit or loss.

Non-equity investments held by the Group are classified into one of the following measurement categories:

- (1) At amortised cost only if both the following conditions are met:
- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
  - the collection of contractual cash flows which represent solely payments of principal and interest.

Interest income from the investment is calculated using the effective interest method.

### 2. 採納香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 採納新訂及經修訂之香港財務報告準則（續）

##### 香港財務報告準則第9號（續）

會計政策的變動及引致變動的影響詳情概述如下：

(i) *金融資產及金融負債的分類及計量*

香港財務報告準則第9號將金融資產歸類為三個主要歸屬類別：以攤銷成本計量、按公平值變動計入其他全面收益（按公平值變動計入其他全面收益）及按公平值計入損益（按公平值計入損益）。這些取代香港會計準則（「香港會計準則」）第39號的持有至到期的投資、貸款及應收款項，可供出售金融資產及按公平值計入損益之金融資產類別。根據香港財務報告準則第9號，金融資產的分類按管理金融資產的業務模式及其合約現金流量的特性釐定。

並非按公平值計入損益的金融資產於初步確認時，本集團按彼等的公平值加上收購該等金融資產直接應佔的交易成本。按公平值計入損益的金融資產，交易成本在損益內列為開支。

本集團所持的非權益投資會分類為以下任何一個計量類別：

- (1) 如達致以下兩個條件則僅以攤銷成本計量：
- 目的為持有資產以收取合約現金流的業務模式持有；及
  - 用作收回合約現金流（僅代表本金及利息付款）。

投資的利息收入以實際利息法計算。



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

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

#### 2.1 Adoption of new and revised HKFRSs (Continued)

##### HKFRS 9 (Continued)

(i) *Classification and measurement of financial assets and financial liabilities* (Continued)

- (2) FVOCI (recycling), if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale.

Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

- (3) FVPL, if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling).

Changes in the fair value of the investment, including interest income, are recognised in profit or loss.

### 2. 採納香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 採納新訂及經修訂之香港財務報告準則（續）

##### 香港財務報告準則第9號（續）

(i) 金融資產及金融負債的分類及計量（續）

- (2) 按公平值變動計入其他全面收益（轉入損益），倘投資之合約現金流僅包括本金及利息付款，並且持有投資的目的為同時收回合約現金流及出售的業務模式。

公平值變動於其他全面收益內確認，惟預期信貸虧損、利息收益（按實際利率法計算）及匯兌收益及虧損於損益內確認。當終止確認該投資時，於其他全面收益內累計之金額由權益轉入損益。

- (3) 按公平值計入損益，倘該投資不符合按攤銷成本或按公平值變動計入其他全面收益（轉入損益）計量之標準。

該投資之公平值變動（包括利息收益）於損益內確認。



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

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

#### 2.1 Adoption of new and revised HKFRSs (Continued)

##### HKFRS 9 (Continued)

(i) *Classification and measurement of financial assets and financial liabilities* (Continued)

Equity investment is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer’s perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the financial assets at FVOCI reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the financial assets at FVOCI reserve (non-recycling) is transferred to accumulated profits. It is not recycled through profit or loss. Dividends from an equity investment, irrespective of whether classified as at FVPL or FVOCI (non-recycling), are recognised in profit or loss.

There is no change in the classification and measurement of the Group’s financial liabilities and the financial liabilities continue to be measured at amortised cost at the date of transition.

### 2. 採納香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 採納新訂及經修訂之香港財務報告準則（續）

##### 香港財務報告準則第9號（續）

(i) *金融資產及金融負債的分類及計量*（續）

權益投資被分類為按公平值計入損益，除非該等權益投資並非以交易為目的持有且於初步確認投資時，本集團選擇指定投資按公平值變動計入其他全面收益（不得轉入損益），由此，隨後公平值之變動於其他全面收益內確認。該等選擇以工具為基礎作出，但僅會在發行人認為投資滿足權益之定義的情況下作出。作出該選擇後，於其他全面收益內累計之金額仍將保留在按公平值變動計入其他全面收益之金融資產儲備（不得轉入損益）內直至完成投資出售。於出售時，於按公平值變動計入其他全面收益之金融資產儲備（不得轉入損益）內累計之金額轉入累計溢利，且不會轉入損益。權益投資產生之股息（不論分類為按公平值計入損益或按公平值變動計入其他全面收益（不得轉入損益））於損益內確認。

本集團的金融負債的分類及計量並無變動，金融負債於過渡日期繼續以攤銷成本計量。

## Notes to the Financial Statements

### 財務報表附註

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### 2.1 Adoption of new and revised HKFRSs (Continued)

#### HKFRS 9 (Continued)

(i) *Classification and measurement of financial assets and financial liabilities* (Continued)

The following tables summarised the impact of transition to HKFRS 9 on the opening balances of accumulated profits and reserves as of 1 January 2018:

	Notes 附註	HK\$'000 港幣千元
<b>Accumulated profits</b>		
Accumulated profits as at 31 December 2017		650,060
Transfer from available-for-sale financial assets revaluation reserve relating to financial assets now measured at FVPL	2.1(i)(d)	192
Remeasurement of financial assets now measured at FVPL	2.1(i)(e)	1,310
Recognition of additional expected credit losses on:		
– trade and other receivables	2.1(ii)	(17)
– loans receivable	2.1(ii)	(233)
Restated accumulated profits as at 1 January 2018		651,312

## 2. 採納香港財務報告準則（「香港財務報告準則」）（續）

### 2.1 採納新訂及經修訂之香港財務報告準則（續）

#### 香港財務報告準則第9號（續）

(i) 金融資產及金融負債的分類及計量（續）

下表概述過渡至香港財務報告準則第9號對二零一八年一月一日的期初累計溢利結餘及儲備之影響：

## Notes to the Financial Statements

### 財務報表附註

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(Continued)

### 2.1 Adoption of new and revised HKFRSs (Continued)

#### HKFRS 9 (Continued)

(i) Classification and measurement of financial assets and financial liabilities (Continued)

		Notes 附註	HK\$'000 港幣千元
<b>Available-for-sale financial assets 可供出售金融資產重估儲備</b>			
<b>    revaluation reserve</b>			
Reserve as at 31 December 2017	於二零一七年十二月三十一日的儲備		(34,585)
Transfer to financial assets at FVOCI reserve	轉入按公平值變動計入其他全面收益之金融資產儲備	2.1(i) (a)&(b)	34,777
Transfer to accumulated profits for financial assets now measured at FVPL	現按公平值計入損益之金融資產轉入累計溢利	2.1(i)(d)	(192)
Restated reserve as at 1 January 2018	於二零一八年一月一日的重列儲備		—
<b>Financial assets at FVOCI reserve 按公平值變動計入其他全面收益的金融資產儲備</b>			
Reserve as at 31 December 2017	於二零一七年十二月三十一日的儲備		—
Transfer from available-for-sale financial assets revaluation reserve	自可供出售金融資產重估儲備轉出	2.1(i) (a)&(b)	(34,777)
Restated reserve as at 1 January 2018	於二零一八年一月一日的重列儲備		(34,777)

The following table shows the original classification for each class of the Group's financial assets under HKAS 39 and reconciles the carrying amounts of those financial assets measured in accordance with HKAS 39 to those measured in accordance with HKFRS 9.

下表載列本集團各類別金融資產根據香港會計準則第39號的原先分類，以及就根據香港會計準則第39號計量的該等金融資產賬面值與根據香港財務報告準則第9號計量的金融資產賬面值進行對賬。

## Notes to the Financial Statements

### 財務報表附註

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(Continued)

### 2.1 Adoption of new and revised HKFRSs (Continued)

#### HKFRS 9 (Continued)

(i) Classification and measurement of financial assets and financial liabilities (Continued)

			HKAS 39 carrying amount at 31 December 2017 於二零一七年 十二月三十一日 香港會計準則 第39號下的 賬面值 HK\$'000 港幣千元	Reclassifi- cation 重新分類 HK\$'000 港幣千元	Remeasure- ment 重新計量 HK\$'000 港幣千元	HKFRS 9 carrying amount at 1 January 2018 於二零一八年 一月一日 香港財務報告 準則第9號下 的賬面值 HK\$'000 港幣千元
	Notes 附註					
<b>Financial assets at amortised cost</b>		<b>按攤銷成本入賬的金融資產</b>				
Trade and other receivables	2.1(ii)	貿易及其他應收款項	129,040	-	(17)	129,023
Loans receivable	2.1(ii)	應收貸款	742,261	-	(233)	742,028
Amount due from a non-controlling shareholder of a subsidiary		應收一間附屬公司的 一名非控股股東款項	18,000	-	-	18,000
Pledged bank deposits		已抵押銀行存款	4,006	-	-	4,006
Deposits in other financial institution		於其他金融機構存款	86,200	-	-	86,200
Bank balances and cash		銀行結存及現金	749,708	-	-	749,708
			<u>1,729,215</u>	<u>-</u>	<u>(250)</u>	<u>1,728,965</u>
<b>Financial assets measured at FVOCI (non-recycling)</b>		<b>按公平值變動計入其他 全面收益之金融資產 (不可轉入損益)</b>				
Other financial assets - Equity investments	2.1(i)(a)	其他金融資產 - 權益投資	-	175,426	-	175,426
<b>Financial assets measured at FVOCI (recycling)</b>		<b>按公平值變動計入其他 全面收益之金融資產 (可轉入損益)</b>				
Other financial assets - Debt investments	2.1(i)(b)	其他金融資產 - 債務投資	-	167,180	-	167,180

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### 2.1 採納新訂及經修訂之香港財務報告準則(續)

#### 香港財務報告準則第9號(續)

(i) 金融資產及金融負債的分類及計量(續)



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

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

#### 2.1 Adoption of new and revised HKFRSs (Continued)

##### HKFRS 9 (Continued)

(i) Classification and measurement of financial assets and financial liabilities (Continued)

			HKAS 39 carrying amount at 31 December 2017 於二零一七年 十二月三十一日 香港會計準則 第39號下的 賬面值 HK\$'000 港幣千元	Reclassifi- cation 重新分類 HK\$'000 港幣千元	Remeasure- ment 重新計量 HK\$'000 港幣千元	HKFRS 9 carrying amount at 1 January 2018 於二零一八年 一月一日 香港財務報告 準則第9號下 的賬面值 HK\$'000 港幣千元
	Notes 附註					
<b>Financial assets measured at FVPL</b>		<b>按公平值計入損益之金融資產</b>				
Other financial assets		其他金融資產				
- Shares listed in Hong Kong		- 於香港上市的股份	2.1(i) (c)	-	-	1,173
- Fund investments		- 基金投資	2.1(i) (d)	-	-	41,271
- Unlisted investments		- 非上市投資	2.1(i) (e)	-	321,600	1,310
				-	364,044	365,354
<b>Financial assets designated as at FVPL under HKAS 39</b>		<b>根據香港會計準則第39號指定為按公平值計入損益之金融資產</b>				
Held for trading securities		持作買賣證券		1,173	(1,173)	-
<b>Financial assets classified as available-for-sale under HKAS 39</b>		<b>根據香港會計準則第39號分類為可供出售金融資產</b>		705,477	(705,477)	-

Notes:

(a) The Group elected to present in other comprehensive income the subsequent changes in fair value of all its equity investments previously classified as available-for-sale financial assets because these investments are held for strategic purposes. As a result, the financial assets were reclassified from available-for-sale financial assets with original carrying amount of HK\$175,426,000 to financial assets measured at FVOCI. Cumulative fair value loss of approximately HK\$9,167,000 was reclassified from the available-for-sale financial assets revaluation reserve to the financial assets at FVOCI reserve (non-recycling) on 1 January 2018.

附註:

(a) 本集團選擇所有過往分類為可供出售金融資產之權益投資隨後之公平值變動於其他全面收益呈列，因該等投資均以策略目的持有。因此，該等金融資產由原有賬面值港幣175,426,000元的可供出售金融資產重新分類為按公平值變動計入其他全面收益之金融資產。於二零一八年一月一日，累計公平值虧損約港幣9,167,000元由可供出售金融資產估值儲備重新分類至按公平值變動計入其他全面收益之金融資產儲備（不可轉入損益）。

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

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(Continued)

#### 2.1 Adoption of new and revised HKFRSs (Continued)

##### HKFRS 9 (Continued)

(i) *Classification and measurement of financial assets and financial liabilities* (Continued)

Notes: (Continued)

- (b) Under HKAS 39, listed debt investments with fair value of HK\$167,180,000 were classified as available-for-sale financial assets. They are reclassified to financial assets measured at FVOCI under HKFRS 9 as these financial assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the listed debt investments in open market, and the contractual terms give rise to cash flows in specific dates that are solely payments of principal and interest on the principal outstanding. Cumulative fair value loss of approximately HK\$25,610,000 was reclassified from the available-for-sale financial assets revaluation reserve to financial assets at FVOCI reserve (recycling) on 1 January 2018.
- (c) The Group reclassified the financial assets designated as at FVPL to financial assets measured at FVPL and there is no change in their measurement on 1 January 2018.
- (d) Unlisted fund investments classified as available-for-sale financial assets of HK\$41,271,000 measured at fair value at 31 December 2017. These investments were not held of solely for payments of principal and interest on the principal amount outstanding. Accordingly, these unlisted fund investments were measured at FVPL upon the application of HKFRS 9. Available-for-sale financial assets revaluation reserve related to these investments of HK\$192,000 were transferred to accumulated profits on 1 January 2018.

### 2. 採納香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 採納新訂及經修訂之香港財務報告準則（續）

##### 香港財務報告準則第9號（續）

(i) *金融資產及金融負債的分類及計量*（續）

附註：（續）

- (b) 根據香港會計準則第39號，公平值為港幣167,180,000元的上市債務投資分類為可供出售金融資產。其根據香港財務報告準則第9號重新分類為按公平值變動計入其他全面收益計量之金融資產，因為該等金融資產乃按目的為收取合約現金流及於公開市場銷售上市債務投資的業務模式持有，且合約條款於特定日期產生的現金流僅為本金及尚未償還本金利息的付款。於二零一八年一月一日，累計公平值虧損約港幣25,610,000元由可供出售金融資產重估儲備重新分類至按公平值變動計入其他全面收益儲備（可轉入損益）之金融資產。
- (c) 於二零一八年一月一日，本集團將指定為按公平值計入損益之金融資產重新分類至按公平值計入損益計量之金融資產，其計量並無變動。
- (d) 於二零一七年十二月三十一日分類為可供出售金融資產之非上市基金投資港幣41,271,000元按公平值計量。該等投資並非僅持作支付本金及尚未償還本金之利息。因此，該等非上市基金投資於應用香港財務報告準則第9號後按公平值計入損益計量。於二零一八年一月一日，與該等投資有關的可供出售金融資產重估儲備港幣192,000元轉撥至累計溢利。

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

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

#### 2.1 Adoption of new and revised HKFRSs (Continued)

##### HKFRS 9 (Continued)

##### (i) Classification and measurement of financial assets and financial liabilities (Continued)

Notes: (Continued)

- (e) Unlisted investments of HK\$321,600,000 were classified as available-for-sale financial assets and stated at cost at 31 December 2017. These investments were not held solely for payments of principal and interest on the principal amount outstanding. Accordingly, these unlisted investments were measured at FVPL upon the application of HKFRS 9 and additional fair value gain of HK\$1,310,000 was recognised in accumulated profits upon remeasurement on 1 January 2018.

##### (ii) Impairment

The impairment methodology of financial assets has been changed from the incurred loss model under HKAS 39 to the expected credit loss model under HKFRS 9. Under the new expected credit loss approach, it is no longer necessary for a loss event to occur before an impairment loss is recognised. Impairment is made on the expected credit losses (“ECL”), which are the present value of the cash shortfalls over the expected life of the financial assets. The Group assesses on a forward looking basis the ECL associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group applies the new ECL model to the following items:

- financial assets measured at amortised cost; and
- debt investments measured at FVOCI (recycling).

### 2. 採納香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 採納新訂及經修訂之香港財務報告準則（續）

##### 香港財務報告準則第9號（續）

##### (i) 金融資產及金融負債的分類及計量（續）

附註：（續）

- (e) 於二零一七年十二月三十一日非上市投資港幣321,600,000元分類為按成本列賬之可供出售金融資產，該等投資並非僅持作支付本金及尚未償還本金之利息。因此，於二零一八年一月一日，該等非上市投資於應用香港財務報告準則第9號後按公平值計入損益計量並於重新計量後於累計溢利內確認額外公平值收益港幣1,310,000元。

##### (ii) 減值

金融資產的減值法已由香港會計準則第39號的已產生虧損模式更改為香港財務報告準則第9號的預期信貸虧損模式。根據新預期信貸虧損方法，在確認減值虧損前將不再需要發生虧損事件。本集團按預期信貸虧損（「預期信貸虧損」）作出減值，即按照金融資產預計賬齡內現金短缺額的現值計算。本集團按前瞻性基準評估與其金融資產有關的預期信貸虧損。所採用的減值方法取決於信貸風險是否大幅上升。

本集團在以下項目應用新預期信貸虧損模式：

- 按攤銷成本計量的金融資產；及
- 按公平值變動計入其他全面收益計量的債務投資（可轉入損益）。

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

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### 2.1 Adoption of new and revised HKFRSs (Continued)

##### **HKFRS 9** (Continued)

##### (iii) *Impairment* (Continued)

Under HKFRS 9, the loss allowance is measured on either of the following bases: (1) 12 months ECL: these are the ECL that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECL: these are ECL that result from all possible default events over the expected life of a financial instrument.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9 and has calculated ECL based on lifetime ECL.

For other financial assets measured at amortised cost and debt investments measured at FVOCI (recycling), the ECL are based on the 12 months ECL. The 12 months ECL is the portion of the lifetime ECL that results from default events on a financial instrument that are possible within 12 months after the reporting date.

### 2. 採納香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 採納新訂及經修訂之香港財務報告準則（續）

##### **香港財務報告準則第9號**（續）

##### (iii) *減值*（續）

根據香港財務報告準則第9號，虧損撥備按下列任一基準計量：(1) 12個月預期信貸虧損：指報告日期後12個月內發生可能違約事件而產生的預期信貸虧損；及(2) 賬齡預期信貸虧損：指金融工具預期賬齡內發生所有可能違約事件而產生的預期信貸虧損。

於貿易應收款項而言，本集團採用香港財務報告準則第9號容許的簡化方式及按整個存續期內的預期信貸虧損計算預期信貸虧損。

就按攤銷成本計量的其他金融資產及按公平值變動計入其他全面收益計量的債務投資（可轉入損益）而言，預期信貸虧損乃基於12個月預期信貸虧損。12個月預期信貸虧損指報告日期後12個月內金融工具可能發生的違約事件所產生賬齡預期信貸虧損的一部分。



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

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

#### 2.1 Adoption of new and revised HKFRSs (Continued)

##### HKFRS 9 (Continued)

##### (iii) Impairment (Continued)

The following table reconciles the prior period’s closing impairment allowance measured in accordance with the HKAS 39 incurred loss model to the new impairment allowance measured in accordance with the HKFRS 9 ECL model at 1 January 2018:

		HK\$'000 港幣千元
<b>Loss allowance as at 31 December 2017 under HKAS 39</b>	<b>根據香港會計準則第39號於二零一七年十二月三十一日的虧損撥備</b>	-
Additional expected credit loss recognised at 1 January 2018 on:	以下項目於二零一八年一月一日確認的額外預期信貸虧損：	
Trade and other receivables	貿易及其他應收款項	17
Loans receivable	應收貸款	233
<b>Loss allowance as at 1 January 2018 under HKFRS 9</b>	<b>根據香港財務報告準則第9號於二零一八年一月一日的虧損撥備</b>	<b>250</b>

### 2. 採納香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 採納新訂及經修訂之香港財務報告準則（續）

##### 香港財務報告準則第9號（續）

##### (iii) 減值（續）

下表載列過往期間根據香港會計準則第39號已產生虧損模式計量的期末減值撥備，與於二零一八年一月一日根據香港財務報告準則第9號預期信貸虧損模式新減值撥備的對賬：

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

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

#### 2.1 Adoption of new and revised HKFRSs (Continued)

##### **HKFRS 15 – Revenue from Contracts with Customers (“HKFRS 15”)**

HKFRS 15 supersedes HKAS 11 Construction Contracts, HKAS 18 Revenue and related interpretations. HKFRS 15 has established a five-steps model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at the amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Revenues are recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may be transferred over time or at a point in time. Control of the asset is transferred over time if the Group’s performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates and enhances an asset that the customer controls as the Group performs; or
- do not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset. The progress towards complete satisfaction of the performance obligation is measured based on one of the following methods that best depict the Group’s performance in satisfying the performance obligation:

- direct measurements of the value transferred by the Group to the customer; or
- the Group’s efforts or inputs to the satisfaction of the performance obligation.

### 2. 採納香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 採納新訂及經修訂之香港財務報告準則（續）

##### **香港財務報告準則第15號 – 來自與客戶合約之收益（「香港財務報告準則第15號」）**

香港財務報告準則第15號取代香港會計準則第11號建築合約、香港會計準則第18號收益及相關詮釋。香港財務報告準則第15號確立一個五步模式，以入賬來自客戶合約的收益。根據香港財務報告準則第15號，收益按能反映實體預期就向客戶轉讓貨物或服務而有權在交換中獲取的代價金額進行確認。

收益於資產控制權轉移至客戶時予以確認。視乎合約條款及適用於合約之法例，資產之控制權可能隨時間或於某一時點轉移。倘本集團之履約屬以下情況，則資產之控制權可隨時間轉移：

- 提供客戶同時收取及消耗的所有利益；
- 隨本集團履約而創建及改良客戶控制的資產；或
- 並無創建一個對本集團具有替代用途之資產，並且本集團就迄今已完成之履約擁有可執行之支付權利。

倘資產控制權隨時間轉移，收益會於合約期間經參考已完成履約責任之進度確認。否則，收益會在客戶獲得資產之控制權時確認。完成履約責任之進度根據下列最貼切描述本集團完成履約責任的表現的其中一個方法計量：

- 直接計量本集團轉移至客戶的價值；或
- 本集團為完成履約責任的努力或投入。

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

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

#### 2.1 Adoption of new and revised HKFRSs (Continued)

##### **HKFRS 15** (Continued)

Incremental costs incurred directly attributable to obtain a contract, if recoverable, are capitalised as contract assets and subsequently amortised when the related revenue is recognised.

HKFRS 15 requires an entity to adjust the transaction price for the time value of money when a contract contains a significant financing component, regardless of whether the payments from customers are received significantly in advance of revenue recognition or significantly deferred.

The Group has elected to use the cumulative effect transition method and has recognised the cumulative effect of initial application as an adjustment to the opening accumulated profits at 1 January 2018. Therefore, comparative information would not be restated and continues to be reported under HKAS 11 and HKAS 18. As allowed under HKFRS 15, the Group has applied the new requirements only to contracts that were not completed before 1 January 2018.

The Group has reassessed its business model and contract terms to assess the effects of applying the new standard on the Group’s financial statements. The management of the Company considered that HKFRS 15 did not result in significant impact on the Group’s accounting policies.

### 2. 採納香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 採納新訂及經修訂之香港財務報告準則（續）

##### **香港財務報告準則第15號**（續）

取得合約直接應佔的已產生額外成本（如可收回）乃資本化為合約資產及其後於確認相關收益時攤銷。

香港財務報告準則第15號規定實體於合約包含重大融資組成部分時，按貨幣之時間價值調整交易價，而不論客戶付款於顯著早於收益確認的時間收取或大幅延後。

本集團選擇使用累計影響過渡方法，並已確認初次應用的累計影響，作為對於二零一八年一月一日的期初累計溢利的調整。因此，並無重列比較資料，並會繼續根據香港會計準則第11號及香港會計準則第18號呈報。誠如香港財務報告準則第15號所准許，本集團僅對於二零一八年一月一日前尚未完成的合約應用新規定。

本集團已重新評估其業務模式及合約條款，評估應用新準則對本集團財務報表的影響。本公司管理層認為，香港財務報告準則第15號不會對本集團的會計政策造成重大影響。



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

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

#### 2.1 Adoption of new and revised HKFRSs (Continued)

##### **HKFRS 15** (Continued)

Under the requirements of HKFRS 15, revenue from sale of goods and provision of services by the Group will be recognised when the customer obtains control of the promised goods or services in the contract. The Group has assessed that the adoption of HKFRS 15 would be relevant to the recognition of revenue relating to the Group’s sale of properties, under which the revenue from the sale of properties during the accounting period is recognised in the Group’s consolidated statement of income statement on the basis that control over the ownership of the property has been passed to the customer during the current accounting period. Taking into account the contract terms, the Group’s business practice and the legal and regulatory environment of mainland China, the property sales contracts do not meet the criteria for recognising revenue over time and therefore revenue from property sales continues to be recognised at a point in time. Previously, the revenue from the sale of properties was recognised upon delivery of property to the purchaser pursuant to the sales agreement, which was taken to be the point in time when the risks and rewards of ownership of the property had been passed to the customer.

However, reclassifications were made as at 1 January 2018 to be consistent with the terminology used under HKFRS 15 as follow:

- Deposits and instalments received on properties sold prior to the date of revenue recognition of HK\$128,921,000 that were previously presented as deposits received from sale of properties have been reclassified as contract liabilities.
- Advances received of HK\$55,867,000 that were previously included in trade and other payables have been reclassified as contract liabilities.

### 2. 採納香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 採納新訂及經修訂之香港財務報告準則（續）

##### **香港財務報告準則第15號**（續）

根據香港財務報告準則第15號規定，當客戶取得合約中所承諾貨品或服務控制權時，本集團方會確認出售貨品及提供服務所得之收益。本集團已評估採納香港財務報告準則第15號將與本集團出售物業之相關收益之確認有關，據此，於會計期間出售物業所得之收益乃根據對物業擁有權之控制權已於本會計期間轉移至客戶之基準方於本集團綜合收益表中確認。經計入合約條款、本集團業務慣例以及中國內地之法律及監管環境，物業銷售合約並不符合隨時間確認收益之標準，因此出售物業所得收益繼續在某個時間點確認。過去，出售物業所得之收益於物業根據銷售協議交付予買方時確認，其時間為物業擁有權之風險及回報已經轉移予客戶。

然而，於二零一八年一月一日已按照下文作重新分類，藉以與香港財務報告準則第15號下的專門用語一致：

- 於收益確認日期前就已出售物業所收到之按金及分期款項港幣128,921,000元於過往呈列為出售物業的已收按金，已重新分類為合約負債。
- 先前計入貿易及其他應付款項的已收墊款港幣55,867,000元，已重新分類為合約負債。



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

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

#### 2.1 Adoption of new and revised HKFRSs (Continued)

##### HKFRS 15 (Continued)

The amount by each financial statements line items affected in the current period and period to date by the application of HKFRS 15 as compared to HKAS 18 that was previously in effect before the adoption of HKFRS 15 is as follows:

### 2. 採納香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 採納新訂及經修訂之香港財務報告準則（續）

##### 香港財務報告準則第15號（續）

相較於過往於採納香港財務報告準則第15號前生效的香港會計準則第18號，本期間及期內至今受應用香港財務報告準則第15號影響之各財務報表項目的金額如下：

		As at 31 December 2018 於二零一八年十二月三十一日			
		Without adoption of HKFRS 15 並無採納 香港財務報告 準則第15號 HK\$'000 港幣千元	Reclassifications under HKFRS 15 香港財務報告 準則第15號 項下之重新分類 HK\$'000 港幣千元	Effects of adoption of HKFRS 15 香港財務報告 準則第15號 的影響 HK\$'000 港幣千元	As reported 已呈報 HK\$'000 港幣千元
<b>Consolidated statement of financial position (extract)</b>		<b>綜合財務狀況表（摘錄）</b>			
Trade and other payables	貿易及其他應付款項	164,556	(43,830)	-	120,726
Deposits received from sale of properties	出售物業之已收按金	163,266	(163,266)	-	-
Contract liabilities	合約負債	-	207,096	-	207,096
<b>Consolidated statement of cash flows (extract)</b>		<b>綜合現金流量表（摘錄）</b>			
Operating profit before working capital changes:	未計營運資金變動前經營溢利：				
Trade and other payables	貿易及其他應付款項	36,917	-	12,037	48,954
Deposits received from sale of properties	出售物業之已收按金	34,345	-	(34,345)	-
Contract liabilities	合約負債	-	-	22,308	22,308

## Notes to the Financial Statements

### 財務報表附註

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### 2.2 New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

HKAS 1 (Revised)	Presentation of financial statements <sup>2</sup>
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors <sup>2</sup>
HKFRS 3 (Revised)	Business Combinations <sup>2</sup>
HKFRS 16	Leases <sup>1</sup>
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments <sup>1</sup>
Amendments to HKFRS 9	Prepayment Features with Negative Compensation <sup>1</sup>
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures <sup>1</sup>
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKFRS 3, Business Combinations <sup>1</sup>
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKAS 12, Income Taxes <sup>1</sup>
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKAS 23, Borrowing Costs <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2019

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2020

<sup>3</sup> The amendments were originally intended to be effective for periods beginning on or after 1 January 2017. The effective date has now been deferred/removed. Early application of the amendments continue to be permitted.

The Group is in the process of making an assessment of what the impact of these new/revised HKFRSs is expected to be in the period of initial application. So far the Group has identified some aspects of the new standards which are likely to have significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below.

## 2. 採納香港財務報告準則（「香港財務報告準則」）（續）

### 2.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則

下列已頒佈但尚未生效之新訂／經修訂香港財務報告準則與本集團之財務報表潛在相關，惟尚未由本集團提早採納。

香港會計準則第1號 （經修訂）	財務報表之呈列 <sup>2</sup>
香港會計準則第8號	會計政策、會計估計改變和錯誤 <sup>2</sup>
香港財務報告準則第3號 （經修訂）	業務合併 <sup>2</sup>
香港財務報告準則第16號	租賃 <sup>1</sup>
香港（國際財務報告詮釋委員會） — 詮釋第23號	所得稅處理之不确定性 <sup>1</sup>
香港財務報告準則第9號之修訂	負補償之預付款項功能 <sup>1</sup>
香港會計準則第28號之修訂	於聯營公司及合營企業的長期權益 <sup>1</sup>
香港財務報告準則二零一五年至二零一七年週期之年度改進	香港財務報告準則第3號之修訂，業務合併 <sup>1</sup>
香港財務報告準則二零一五年至二零一七年週期之年度改進	香港會計準則第12號之修訂，所得稅 <sup>1</sup>
香港財務報告準則二零一五年至二零一七年週期之年度改進	香港會計準則第23號之修訂，借貸成本 <sup>1</sup>
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 <sup>3</sup>

<sup>1</sup> 二零一九年一月一日或之後開始之年度期間生效

<sup>2</sup> 二零二零年一月一日或之後開始之年度期間生效

<sup>3</sup> 該等修訂原定於二零一七年一月一日或之後開始之期間生效。生效日期現已押後／撤銷。有關修訂繼續允許提前應用。

本集團正評估該等新訂／經修訂香港財務報告準則於初始採納期間之預期影響。目前，本集團已確認該等新訂準則之若干方面可能對綜合財務報表造成重大影響。下文論述有關預期影響之進一步詳情。

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

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

#### 2.2 New/revised HKFRSs that have been issued but are not yet effective (Continued)

##### **HKFRS 16 – Leases**

HKFRS 16, which upon the effective date will supersede HKAS 17 “Leases” and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

As set out in note 38, the total operating lease commitment of the Group in respect of rented premises as at 31 December 2018 amounted to HK\$8,685,000. The directors of the Company anticipate that the adoption of HKFRS 16 would not result in significant impact on the Group’s result but expect that the above operating lease commitments will be recognised as right-of-use assets and lease liabilities in the Group’s financial statements.

The directors of the Company anticipate that the adoption of other new or revised standards would not result in significant impact on amounts reported in the Group’s financial statements.

### 2. 採納香港財務報告準則（「香港財務報告準則」）（續）

#### 2.2 已頒佈但尚未生效之新訂／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**

香港財務報告準則第16號於生效日期起將取代香港會計準則第17號「租賃」及相關詮釋，引入單一承租人會計處理模式並規定承租人就為期超過12個月的所有租賃確認資產及負債，除非相關資產為低價值資產。具體而言，根據香港財務報告準則第16號，承租人須確認使用權資產（表示其有權使用相關租賃資產）及租賃負債（表示其有責任支付租賃款項）。因此，承租人應確認使用權資產折舊及租賃負債利息，並將租賃負債的現金還款分類為本金部分及利息部分，於現金流量表中呈列。此外，使用權資產及租賃負債初步按現值基準計量。計量包括不可註銷租賃付款，亦包括倘承租人合理肯定會行使選擇權延續租賃或行使選擇權終止租賃的情況下，將於選擇權期間內作出的付款。此會計處理方法與承租人會計法顯著不同，後者根據原準則香港會計準則第17號分類為經營租賃。

就出租人會計處理方法而言，香港財務報告準則第16號大致轉承了香港會計準則第17號的出租人會計處理方法的規定。因此，出租人繼續將其租賃分類為經營租賃或融資租賃，並且以不同方式將兩類租賃入賬。

誠如附註38所載，本集團於二零一八年十二月三十一日有關租賃物業的經營租約承擔總額為港幣8,685,000元。本公司董事預期採納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，但預期上述經營租約承擔將被確認為本集團財務報表中的使用權資產及租賃負債。

本公司董事預期，採納其他新訂或經修訂準則對本集團財務報表內呈報之金額並無重大影響。



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

### 3. BASIS OF PREPARATION

#### 3.1 Statement of compliance

The financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations (hereinafter collectively referred to as the “**HKFRS**”) issued by the HKICPA and the provisions of the Hong Kong Companies Ordinance which concern the preparation of financial statements. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange.

#### 3.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at fair value, as explained in the accounting policies set out in note 4 below.

### 4. SIGNIFICANT ACCOUNTING POLICIES

#### 4.1 Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Group. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective dates of acquisition or up to the effective dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

### 3. 編製基準

#### 3.1 遵例聲明

財務報表已根據香港會計師公會頒佈的所有適用之香港財務報告準則、香港會計準則（「**香港會計準則**」）及詮釋（統稱為「**香港財務報告準則**」）及香港公司條例有關編製財務報表之條文而編製。此外，財務報表包括聯交所證券上市規則規定之適用披露資料。

#### 3.2 計量基準

誠如下文附註4所載會計政策所述，除若干物業及金融工具以公平價值計量外，財務報表已按歷史成本基準編製。

### 4. 主要會計政策

#### 4.1 業務合併及綜合賬目基準

綜合財務報表包括本集團之財務報表。集團內公司間之交易及結餘連同未變現溢利均於編製綜合財務報表時全數對銷。除非有關交易提供所轉讓資產減值之證據，否則未變現虧損亦予以對銷，在此情況下，虧損於損益中確認。

於年內購入或售出之附屬公司之業績由收購生效日起計或計至出售生效日止（視情況而定），列入綜合全面收益表內。必要時，附屬公司之財務報表將予調整以使其會計政策與本集團其他成員公司所使用者一致。



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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.1 Business combination and basis of consolidation (Continued)

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by HKFRSs. Acquisition-related costs incurred are expensed.

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interest are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

### 4. 主要會計政策 (續)

#### 4.1 業務合併及綜合賬目基準 (續)

收購附屬公司或業務採用收購法入賬。收購成本乃按所轉讓資產、所產生負債及本集團(作為收購方)發行之股權於收購當日之公平值總額計量。所收購之可識別資產及所承擔負債則主要按收購當日之公平值計量。本集團先前所持被收購方之股權以收購當日公平值重新計量,而所產生之收益或虧損則於損益中確認。本集團可按每宗交易選擇按公平值或按應佔被收購方可識別資產淨值中所佔份額計量代表目前於附屬公司擁有權益之非控股股東權益。所有其他非控股股東權益乃以公平值計量,惟香港財務報告準則規定其他計量基準則除外。所產生之收購相關成本列作開支。

由收購方將予轉讓之任何或然代價按收購日期之公平值確認。其後對代價之調整僅於調整源自於計量期(最長為收購日期起12個月)內所取得有關於收購日期之公平值之新資料時方與商譽確認。分類為資產或負債之或然代價之所有其他其後調整均於損益中確認。

本集團於附屬公司權益的變動並無導致本集團對附屬公司失去控制權,會作為股權交易入賬。本集團的權益及非控股權益的賬面值經調整以反映彼等於附屬公司的有關權益變動。非控股權益的經調整金額與已付或已收代價的公平值間任何差額直接於權益中確認並歸屬於本公司的擁有人。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.1 Business combination and basis of consolidation (Continued)

When the Group loses control of a subsidiary, the profit or loss on disposal 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 previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus such non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in those non-controlling interests having a deficit balance.

#### 4.2 Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

### 4. 主要會計政策 (續)

#### 4.1 業務合併及綜合賬目基準 (續)

當本集團失去附屬公司控制權時，出售所產生溢利或虧損為以下兩者之差額：(i)已收代價之公平值與任何保留權益之公平值之總額；及(ii)該附屬公司之資產（包括商譽）及負債與任何非控股權益之過往賬面值。以往於其他全面收益確認與附屬公司有關之金額乃按相同方式入賬，猶如相關資產或負債已經出售而將需要如此。

收購後，代表目前於附屬公司擁有權益之非控股股東權益之賬面值為該等權益於初步確認時之金額加上非控股股東權益應佔權益其後變動之部分。即使會導致非控股股東權益產生負值結餘，全面收益總額仍屬於該非控股股東權益。

#### 4.2 附屬公司

附屬公司指本公司能對其行使控制權之被投資方。倘下列三項因素全部出現時，本公司可控制被投資方：可對被投資方行使權力；承擔來自被投資方之風險或有權獲得來自被投資方之可變動回報；及能夠運用其權力來影響有關可變動回報。當事實及情況顯示該等控制權的任何因素可能發生變動，控制權將會進行重新評估。

在本公司之財務狀況表中，於附屬公司之投資按成本扣除減值虧損（如有）列賬。附屬公司之業績由本公司按已收或應收股息基準列賬。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.3 Foreign currencies translation

Transactions entered into by the consolidated entities in currencies other than the currency of the primary economic environment in which they operate (the “**functional currency**”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

On consolidation, income and expense items of foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rates approximating to those ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as foreign exchange reserve (attributed to minority interests as appropriate). Exchange differences recognised in profit or loss of group entities' separate financial statements on the translation of long-term monetary items forming part of the Group's net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in equity as foreign exchange reserve.

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign exchange reserve relating to that operation up to the date of disposal are reclassified to profit or loss as part of the profit or loss on disposal.

### 4. 主要會計政策 (續)

#### 4.3 外幣換算

綜合實體以實體經營所在的主要經濟環境的貨幣(「**功能貨幣**」)以外之貨幣進行交易，乃以進行交易時適用之匯率記賬。外幣貨幣資產及負債按各報告期結算日之適用匯率換算。按公平值以外幣入賬之非貨幣項目按釐定公平值當日之匯率換算。按歷史成本以外幣計算之非貨幣項目不作重新換算。

結算及換算貨幣項目所產生之匯兌差額於其產生的期間在損益中確認。換算非貨幣項目所產生之匯兌差額按公平值計入期間的損益，惟換算有關損益直接在其他全面收益確認之非貨幣項目所產生之匯兌差額除外，而有關差額直接在其他全面收益確認。

於綜合賬目時，海外業務之收支項目乃按年度平均匯率換算為本集團之呈列貨幣(即港幣)，惟倘匯率於有關期間內大幅波動則除外，在此情況下，則按交易進行時採用之概約匯率換算。海外業務之所有資產及負債乃按於報告期間結算日之適用匯率換算。由此產生之匯兌差額(如有)則於其他全面收益確認，並於權益累計為外匯儲備(歸屬於少數股東權益，如適用)。於集團實體之獨立財務報表中就換算組成本集團海外業務投資淨額一部分之長期貨幣項目而於損益確認之匯兌差額，重新分類至其他全面收益，並於權益累計為外匯儲備。

在出售海外業務時，截至出售日期在該業務外匯儲備確認之累計匯兌差額重新分類至損益，作為出售時溢利或虧損一部分。



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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.3 Foreign currencies translation (Continued)

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of reporting period. Exchange differences arising are recognised in the foreign exchange reserve.

#### 4.4 Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use.

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease.

On initial recognition, investment property is measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment property is stated at fair value, unless it is still in the course of construction or development at the reporting date and its fair value cannot be reliably determined at that time. Fair value is determined by independent professional valuers, with sufficient experience with respect to both the location and the nature of the investment property. The carrying amounts recognised at the reporting date reflect the prevailing market conditions at the reporting date.

Gains or losses arising from either changes in the fair value or the sale of an investment property are included in profit or loss in the period in which they arise.

### 4. 主要會計政策 (續)

#### 4.3 外幣換算 (續)

於二零零五年一月一日或之後因收購海外業務而產生之可識別資產之商譽及公平值調整，被視作該海外業務之資產與負債，並按報告期末適用之匯率重新換算。由此產生之匯兌差額於外匯儲備確認。

#### 4.4 投資物業

投資物業是指為賺取租金收入及／或為資本增值而以租賃權益擁有或持有的土地及／或建築物，當中包括就尚未確定未來用途持有的土地。

當本集團以經營租賃持有物業權益以賺取租金收入及／或為資本增值，有關的權益會按每項物業的基準劃歸為投資物業。劃歸為投資物業的任何有關物業權益的入賬方式與以融資租賃持有的權益一樣。

初步確認時，投資物業以成本計量，包括任何直接應佔開支。初步確認後，除非投資物業在報告日期仍然在興建或開發過程中，而當時其公平值不能可靠地確定，否則投資物業按公平值列賬。公平值由對投資物業地點及性質具足夠經驗的獨立專業估值師釐定。於報告日期確認的賬面值，反映於報告日期的當時市況。

因投資物業公平值變動或出售投資物業所產生的任何盈虧於產生期間計入損益。



## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.5 Property, plant and equipment

Property, plant and equipment, other than construction-in-progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of property, plant and equipment includes its purchase price and any directly attributable cost of bringing the asset to its working condition and location for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expense in profit or loss during the year in which they are incurred.

Depreciation on the following property, plant and equipment is calculated using the straight-line method to allocate their costs less their residual values over their estimated useful lives, as follows:

Buildings	4%
Furniture and equipment	10% to 33%
Motor vehicles and vessels	6.67% to 33%
Facilities	5%
Marine travel facilities and equipment	6.67% to 20%

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

The gain or loss arising from retirement or disposal of an item of property, plant and equipment is determined as the difference between the net sales proceeds and the carrying amount of the item and is recognised in the profit or loss.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. Construction in progress is reclassified to appropriate category of property, plant and equipment when the construction works complete and ready for use.

#### 4. 主要會計政策 (續)

##### 4.5 物業、廠房及設備

物業、廠房及設備(在建工程除外)乃按照成本減累計折舊及任何減值虧損列賬。物業、廠房及設備之成本包括其購買價及令資產達致符合預計用途之操作狀況及運到使用地點之任何直接應計費用。

如項目相關之未來經濟利益可能歸入本集團,而其成本可妥為計量,則項目之其後成本方會計入資產之賬面值或確認為獨立資產。其他所有維修保養費用於損益中確認為產生之年內的開支。

下列物業、廠房及設備折舊乃採用直線法計算,於其估計可使用年期內以其成本減其剩餘價值:

樓宇	4%
傢俬及設備	10%至33%
汽車及船舶	6.67%至33%
設施	5%
海上旅遊設施及設備	6.67%至20%

資產之剩餘價值、折舊方法及可使用年期會於各結算日作出檢討,並作出調整(倘適用)。

因報廢或出售物業、廠房及設備項目所產生的收益或虧損被釐定為項目出售所得款項淨額及其賬面值兩者之差額並於損益中確認。

在建工程乃按成本減任何減值虧損列賬,且並無折舊。在建工程於完成及可供使用時重新分類至適當之物業、廠房及設備類別。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.6 Prepaid land lease payments

Prepaid land lease payments represent up-front payments to acquire the land use rights/leasehold land. They are stated at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated on a straight-line basis over the term of the lease/right of use except where an alternative basis is more representative of the time pattern of benefits to be derived by the Group from use of the land.

The determination if an arrangement is or contains a lease and the lease is an operating lease is detailed in note 4.14.

#### 4.7 Properties held for sale, properties held for development and properties under development

Properties held for sale, properties held for development and properties under development are stated at the lower of cost and net realisable value. Cost comprises the cost of the land together with direct costs attributable to the development of the properties and borrowing costs capitalised during the period of development.

Properties held for development represented properties which has not yet commenced development and mainly comprises of leasehold land before commencement of construction.

Properties held under development for future sale in the ordinary course of business are included in current assets and stated at the lower of cost and net realisable value. Cost comprises the acquisition cost of land, aggregate cost of development, materials and supplies, wages and other direct expenses and an appropriate proportion of overheads. On completion, the properties are transferred to properties held for sale.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated selling expenses.

#### 4.8 Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using first-in first-out method, weighted average and actual cost basis. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

### 4. 主要會計政策 (續)

#### 4.6 預付土地租賃付款

預付土地租賃付款指購入土地使用權／租賃土地之預付款，按成本減累計攤銷及任何累計減值虧損列賬。攤銷乃以直線法按租約／使用權年期計算，惟倘若有另一種更能反映本集團於土地使用衍生之利益時間模式之基準則除外。

釐定一項安排是否屬於或包含租賃以及該租賃是否屬於經營租賃，乃於附註4.14詳述。

#### 4.7 持作銷售物業、持作發展物業及發展中物業

持作銷售、持作發展及發展中之物業以成本與可變現淨值之較低者列賬。成本包括土地成本、開發物業之直接成本及開發期內已資本化之借貸成本。

持作發展之物業指尚未開始發展及於開始施工之前主要由租賃土地組成之物業。

在日常業務過程中，持作日後出售之發展中物業計入流動資產，並以成本及可變現淨值之較低者入賬。成本包括土地收購成本、開發總成本、材料及物料、薪金、其他直接開支及適當比例之管理費用。完成後，物業轉為持作銷售物業。

可變現淨值為日常業務過程之估計售價減去完成之估計成本及估計銷售開支。

#### 4.8 存貨

存貨最初以成本確認，其後以成本及可變現淨額兩者中之較低者入賬。成本包括所有採購成本、生產成本及將存貨運至目前地點及使其達到現時狀況所產生的其他相關成本。成本乃按先入先出法、加權平均及實際成本釐定。可變現淨值指日常業務過程中之估計售價減估計銷售所需成本。

## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.9 Cash and cash equivalents

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

For the purpose of the consolidated statement of financial position, bank and cash balances comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

##### 4.10 Financial instruments

###### (A) Accounting policies applied from 1 January 2018

###### (i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss, 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 regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### 4. 主要會計政策 (續)

##### 4.9 現金及現金等價物

就綜合現金流量表呈列而言，現金及現金等價物包括銀行及手頭現金、於銀行及其他金融機構的活期存款，以及可轉換為已知金額現金且無重大價值變動風險之短期高流動投資，並於購置後三個月內到期，扣除須於要求時償還之銀行透支，並構成本集團現金管理之一部分。

就綜合財務狀況表呈列而言，銀行及現金結存包括手頭現金以及銀行存款，包括不限制使用的定期存款。

##### 4.10 金融工具

###### (A) 自二零一八年一月一日起應用的會計政策

###### (i) 金融資產

按公平值計入損益的金融資產（並無重大融資部分的貿易應收款項除外）初步按公平值加上或扣除與其收購或發行直接相關的交易成本計量。並無重大融資部分的貿易應收款項初步按交易價格計量。

所有常規買賣的金融資產乃於交易日（即本集團承諾購買或出售該資產之日）確認。常規買賣乃指按市場規定或慣例普遍確立的期間內交收資產的金融資產買賣。

附帶嵌入衍生工具的金融資產於釐定其現金流量是否純粹為支付本金及利息時以整體作出考慮。



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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.10 Financial instruments (Continued)

##### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (i) Financial assets (Continued)

###### Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

**FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

### 4. 主要會計政策 (續)

#### 4.10 金融工具 (續)

##### (A) 自二零一八年一月一日起應用的會計政策 (續)

###### (i) 金融資產 (續)

###### 債務工具

其後計量債務工具視乎本集團管理資產的業務模式及資產的現金流量特徵。本集團將其債務工具分類為三個計量分類：

**攤銷成本：**持作收取合約現金流量的資產按攤銷成本計量，其中有關現金流量純粹指本金及利息付款。按攤銷成本入賬的金融資產其後使用實際利率法計量。利息收入、外匯收益及虧損以及減值於損益確認。終止確認的任何收益乃於損益確認。

**按公平值計入其他全面收益：**倘持有資產目的為收取合約現金流量及銷售金融資產，且資產的現金流量純粹為本金及利息付款，則按公平值計入其他全面收益計量。按公平值計入其他全面收益的債務投資其後按公平值計量。採用實際利率法計算的利息收入、匯兌收益及虧損以及減值於損益確認。其他收益及虧損淨額於其他全面收益確認。於其他全面收益累計的收益及虧損在終止確認時重新分類至損益。



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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.10 Financial instruments (Continued)

##### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (i) Financial assets (Continued)

###### Debt instruments (Continued)

FVPL: Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

### 4. 主要會計政策 (續)

#### 4.10 金融工具 (續)

##### (A) 自二零一八年一月一日起應用的會計政策 (續)

###### (i) 金融資產 (續)

###### 債務工具 (續)

按公平值計入損益：按公平值計入損益之金融資產包括持作買賣之金融資產、於初步確認時指定按公平值計入損益之金融資產或強制要求按公平值計量的金融資產。倘為於近期出售或購回而收購金融資產，則該等金融資產分類為持作買賣。衍生工具（包括獨立嵌入式衍生工具）亦分類為持作買賣，除非彼等被指定為有效對沖工具則除外。現金流量並非純粹本息付款的金融資產，不論其業務模式如何，均按公平值計入損益分類及計量。儘管如上文所述債務工具可按攤銷成本或按公平值計入其他全面收益分類，但於初步確認時，倘能夠消除或顯著減少會計錯配，則債務工具可指定為按公平值計入損益。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.10 Financial instruments (Continued)

##### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (i) Financial assets (Continued)

###### Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at FVOCI are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

###### (ii) Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss ("ECL") on financial assets measured at amortised cost and debt investments measured at FVOCI. The ECL are measured on either of the following bases: (1) 12 months ECL: these are the ECL that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECL: these are ECL that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

### 4. 主要會計政策 (續)

#### 4.10 金融工具 (續)

##### (A) 自二零一八年一月一日起應用的會計政策 (續)

###### (i) 金融資產 (續)

###### 股本工具

於初次確認並非持作買賣用途的股本投資時，本集團可不可撤回地選擇於其他全面收益中呈列投資公平值的後續變動。該選擇乃按投資逐項作出。按公平值計入其他全面收益的股本投資按公平值計量，股息收入於損益內確認，除非股息收入明確表示收回部分投資成本。其他收益及虧損淨額於其他全面收益確認且不會重新分類至損益。所有其他股本工具乃分類為按公平值計入損益，而公平值、股息及利息收入的變動乃於損益確認。

###### (ii) 金融資產減值虧損

本集團就按攤銷成本計量的金融資產及按公平值計入其他全面收益的債務投資確認預期信貸虧損（「預期信貸虧損」）。預期信貸虧損乃按以下任一基準計量：(1) 12個月預期信貸虧損：指報告日期後12個月內發生可能違約事件而產生的預期信貸虧損；及(2) 賬齡預期信貸虧損：指金融工具預期賬齡內發生所有可能違約事件而產生的預期信貸虧損。於估計預期信貸虧損時所考慮的最長期間為本集團面臨信貸風險的最長合約期間。

## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.10 Financial instruments (Continued)

##### (A) Accounting policies applied from 1 January 2018 (Continued)

##### (ii) Impairment loss on financial assets (Continued)

ECL are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECL based on lifetime ECL. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECL are based on the 12-months ECL. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

#### 4. 主要會計政策 (續)

##### 4.10 金融工具 (續)

##### (A) 自二零一八年一月一日起應用的會計政策 (續)

##### (ii) 金融資產減值虧損 (續)

預期信貸虧損乃信貸虧損的概率加權估計。信貸虧損乃按根據合約應付本集團的所有合約現金流量與本集團預期收取的現金流量之間的差額計量。其後差額按資產原實際利率的相若金額貼現。

本集團已選擇使用香港財務報告準則第9號簡化法計量貿易應收款項的虧損撥備，並已根據賬齡預期信貸虧損計算預期信貸虧損。本集團已設立基於本集團過往信貸虧損經驗的撥備矩陣，並按有關債務人的特定前瞻性因素及經濟環境調整。

就其他債務金融資產而言，預期信貸虧損按12個月預期信貸虧損釐定。倘自發生以來信貸風險顯著增加，則撥備將以賬齡預期信貸虧損為基準。

於釐定金融資產信貸風險是否自初步確認以來大幅增加及估計預期信貸虧損時，本集團在避免不當成本或努力的前提下考慮相關可得的合理可靠資料，包括根據本集團過往經驗及已知信貸評估得出的定量及定性資料分析，以及前瞻性資料。

本集團假設，倘一項金融資產逾期超過30日，則其信貸風險會大幅增加。



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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.10 Financial instruments (Continued)

##### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (ii) Impairment loss on financial assets (Continued)

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets interest income is calculated based on the gross carrying amount.

###### (iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

###### *Financial liabilities at amortised cost*

Financial liabilities at amortised cost including trade and other payables and borrowings are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

### 4. 主要會計政策 (續)

#### 4.10 金融工具 (續)

##### (A) 自二零一八年一月一日起應用的會計政策 (續)

###### (ii) 金融資產減值虧損 (續)

本集團於下列情況下將金融資產視為信用減值：(1) 借款人不可能在本集團對如變現抵押(如持有)等行為無追索權的情況下向本集團悉數支付其信貸義務；或(2) 該金融資產逾期超過90日。

信用減值金融資產的利息收入乃按金融資產的攤銷成本(即賬面總額減虧損撥備)計算。非信用減值金融資產的利息收入乃按賬面總額計算。

###### (iii) 金融負債

本集團視乎負債產生之目的，將其金融負債分類。按攤銷成本入賬之金融負債初步按公平值扣除直接應佔所產生之成本計量。

###### *按攤銷成本入賬之金融負債*

按攤銷成本入賬之金融負債(包括貿易及其他應付款項及借貸)，隨後按攤銷成本採用實際利息法計量。相關利息開支於損益中確認。

當負債終止確認時，以及在攤銷過程中，收益或虧損於損益中確認。



## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.10 Financial instruments (Continued)

###### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

###### (v) Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in 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 (續)

##### 4.10 金融工具 (續)

###### (A) 自二零一八年一月一日起應用的會計政策 (續)

###### (iv) 實際利息法

實際利息法乃計算金融資產或金融負債及按有關期間分配利息收入或利息開支之攤銷成本計算方法。實際利率乃透過金融資產或負債之預期年期或(如適用)較短期間準確貼現估計未來現金收款或付款之利率。

###### (v) 股本工具

股本工具為見證於本集團資產之餘額權益經扣除其所有負債後之任何合約。本公司發行之股本工具確認為扣除直接發行成本後收取之所得款項。

購回本公司自身股本工具直接於權益確認及扣除。概無就購買、出售、發行或註銷本公司自身股本工具而於損益中確認收益或虧損。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.10 Financial instruments (Continued)

##### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (vi) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer 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 FVPL is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contact at the higher of: (i) the amount of the loss allowance, being the ECL provision measured in accordance with principles of the accounting policy set out in note 4.10(A)(ii); and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the principles of HKFRS 15.

###### (vii) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

### 4. 主要會計政策 (續)

#### 4.10 金融工具 (續)

##### (A) 自二零一八年一月一日起應用的會計政策 (續)

###### (vi) 金融擔保合約

金融擔保合約規定發行人向持有人支付指定金額，以補償持有人由於指定欠債人未能根據債務工具原訂或經修訂條款於到期時付款而蒙受的損失。由本集團發出的並非指定為按公平值計入損益的金融擔保合約初步按公平值減發出金融擔保合約直接產生的交易成本予以確認。初步確認後，本集團按以下各項較高者計量金融擔保合約：(i)虧損撥備金額，即根據載於附註4.10(A)(ii)之會計政策之原則計量之預期信貸虧損撥備；及(ii)初步確認金額減（如適當）根據香港財務報告準則第15號之原則確認之累計攤銷。

###### (vii) 終止確認

當與金融資產相關之未來現金流量合約權利屆滿，或當金融資產已按照符合香港財務報告準則第9號終止確認之條件轉讓，則本集團終止確認該項金融資產。

當於相關合約之特定責任被解除、取消或屆滿時，即終止確認金融負債。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.10 Financial instruments (Continued)

##### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (vii) Derecognition (Continued)

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

##### (B) Accounting policies applied until 31 December 2017

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

Contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, are accounted for as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

### 4. 主要會計政策 (續)

#### 4.10 金融工具 (續)

##### (A) 自二零一八年一月一日起應用的會計政策 (續)

###### (vii) 終止確認 (續)

倘本集團因重新磋商負債條款而向債權人發行本身的權益工具以償付全部或部分金融負債，所發行的權益工具即所付代價，乃初步按有關金融負債（或當中部分）註銷當日的公平值確認及計量。倘已發行權益工具的公平值無法可靠計量，則權益工具按已註銷金融負債的公平值計量。已註銷金融負債（或當中部分）的賬面值與所付代價間的差額乃於年內在損益內確認。

##### (B) 於二零一七年十二月三十一日前應用的會計準則

當一家集團公司成為工具合約條文之一方，金融資產及金融負債於綜合財務狀況表內確認。

可以淨額結算（以現金或其他金融工具結算或通過交換金融工具結算）的非金融項目買賣合同屬於金融工具，除非該合同是根據實體的預期購買、出售或使用要求，以收取或交付非金融項目為目的而簽訂並繼續持有的。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.10 Financial instruments (Continued)

##### (B) Accounting policies applied until 31 December 2017 (Continued)

###### (i) Financial assets

The Group classifies its financial assets at initial recognition, depending on the purpose for which the asset was acquired. Financial assets at fair value through profit or loss are initially measured at fair value and all other financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets. Regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

###### *Financial assets at fair value through profit or loss*

These assets include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments or financial guarantee contracts.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial asset at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

### 4. 主要會計政策 (續)

#### 4.10 金融工具 (續)

##### (B) 於二零一七年十二月三十一日前應用的會計準則 (續)

###### (i) 金融資產

本集團視乎資產收購之目的，於初步確認時將其金融資產分類。按公平值計入損益之金融資產初步按公平值計量，而所有其他金融資產初步則按公平值加收購該金融資產直接應佔的交易成本計量。按常規買賣的金融資產按交易日期基準確認及終止確認。按常規買賣乃指根據合約買賣的金融資產，而該合約條款規定須於一般按市場相關規定或慣例確立的時限內交付資產。

###### *按公平值計入損益之金融資產*

該等資產包括持作買賣金融資產。倘購買金融資產之目的旨在近期出售，則有關金融資產分類為持作買賣。衍生工具（包括單獨嵌入式衍生工具）亦分類為持作買賣，除非被指定為有效對沖工具或金融擔保合約。

倘一份合約含有一份或以上嵌入式衍生工具，則整份混合合約可指定為經損益賬按公平值入賬之金融資產，惟嵌入式衍生工具並無導致現金流出現重大變動，或明確禁止分列嵌入式衍生工具則除外。



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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.10 Financial instruments (Continued)

##### (B) Accounting policies applied until 31 December 2017 (Continued)

###### (i) Financial assets (Continued)

###### Financial assets at fair value through profit or loss (Continued)

Financial assets may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis; (ii) the assets are part of a group of financial assets which is managed and its performance evaluated on a fair value basis according to a documented management strategy; or (iii) the financial asset contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise.

###### Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade debtors), and also incorporate other types of contractual monetary asset. Subsequent to initial recognition, they are carried at amortised cost using the effective interest method, less any identified impairment losses.

### 4. 主要會計政策 (續)

#### 4.10 金融工具 (續)

##### (B) 於二零一七年十二月三十一日前應用的會計準則 (續)

###### (i) 金融資產 (續)

###### 按公平值計入損益之金融資產 (續)

倘符合以下條件，則可於初步確認時將金融資產指定為按公平值計入損益：(i)該分類消除或大幅減少按不同基準計量資產或確認其盈虧所導致的不一致入賬方法；(ii)該等資產為根據明文規定的風險管理政策按公平值基準管理及評估表現的金融資產組別一部分；或(iii)金融資產包括需獨立列賬的嵌入式衍生工具。

於初步確認後，按公平值計入損益的金融資產將按公平值計量，其公平值變動於產生期間在損益中確認。

###### 貸款及應收款項

該等資產為無活躍市場報價而附帶固定或可釐定付款的非衍生性質金融資產。該等資產主要透過向客戶(應收款項債務人)提供貨品及服務時產生，亦包括其他種類的合約性貨幣資產。於初步確認後，該等資產乃採用實際利息法按攤銷成本減任何已識別減值虧損列賬。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.10 Financial instruments (Continued)

##### (B) Accounting policies applied until 31 December 2017 (Continued)

###### (i) Financial assets (Continued)

###### Available-for-sale financial assets

These assets are non-derivative financial assets that are designated as available-for-sale or are not included in other categories of financial assets. Subsequent to initial recognition, these assets are carried at fair value with changes in fair value recognised in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary instruments, which are recognised in profit or loss.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses.

### 4. 主要會計政策 (續)

#### 4.10 金融工具 (續)

##### (B) 於二零一七年十二月三十一日前應用的會計準則 (續)

###### (i) 金融資產 (續)

###### 可供出售金融資產

該等資產屬指定為可供出售或不計入其他類別金融資產之非衍生金融資產。於初步確認後，該等資產按公平值列賬，其公平值變動於其他全面收益確認，惟於損益中確認之減值虧損及貨幣工具的外匯收益及虧損除外。

並無活躍市場之市場報價而其公平值未能可靠計量之可供出售權益投資，以及與該等未報價權益工具有關並須以交付該等工具結算之衍生工具，按成本減可識別減值虧損計量。

## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.10 Financial instruments (Continued)

##### (B) Accounting policies applied until 31 December 2017 (Continued)

##### (ii) Impairment loss on financial assets

The Group assesses, at the end of each reporting period, whether there is any objective evidence that financial asset is impaired. Financial asset is impaired if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- granting concession to a debtor because of debtor's financial difficulty;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- a significant or prolonged decline in the fair value of an equity instrument below its cost.

#### 4. 主要會計政策 (續)

##### 4.10 金融工具 (續)

##### (B) 於二零一七年十二月三十一日前應用的會計準則 (續)

##### (ii) 金融資產減值虧損

於各報告期末，本集團評估是否有任何客觀證據表明金融資產出現減值。倘若有客觀證據證明，於金融資產初步確認後發生一項或多項事件對該金融資產之估計未來現金流量構成影響，而該影響能可靠估計，則該金融資產減值。減值證據可包括：

- 債務人之重大財政困難；
- 違約，例如無力償債或拖欠利息或本金；
- 因債務人之財政困難而向債務人授出寬免；
- 債務人可能陷入破產或其他財務重組；及
- 股本工具公平值大幅或長期下降至其成本以下水平。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.10 Financial instruments (Continued)

##### (B) Accounting policies applied until 31 December 2017 (Continued)

###### (ii) Impairment loss on financial assets (Continued)

###### *For loans and receivables*

An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. The carrying amount of financial asset is reduced through the use of an allowance account. When any part of financial asset is determined as uncollectible, it is written off against the allowance account for the relevant financial asset.

Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

###### *For available-for-sale financial assets*

Where a decline in the fair value constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognised in profit or loss.

Any impairment losses on available-for-sale debt investments are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

For available-for-sale equity investment, any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income.

### 4. 主要會計政策 (續)

#### 4.10 金融工具 (續)

##### (B) 於二零一七年十二月三十一日前應用的會計準則 (續)

###### (ii) 金融資產減值虧損 (續)

###### *就貸款及應收款項而言*

倘若有客觀證據顯示資產出現減值，則於損益中確認減值虧損，而減值虧損乃按該資產之賬面值與按原有實際利率折現之估計未來現金流量之現值間之差額計量。金融資產之賬面值會透過使用撥備賬扣減。倘若金融資產之任何部分被釐定為不可收回，則於相關金融資產之撥備賬進行撇銷。

當資產之可收回金額增加可客觀地與確認減值後發生之事件有關，則於後續期間撥回減值虧損，惟有關資產於撥回減值當日之賬面值不得超過並無確認減值時資產之攤銷成本。

###### *可供出售金融資產*

當公平值減少構成客觀減值憑證，虧損總額從權益中移除並於損益中確認。

至於可供出售債務投資，倘投資公平值的增加在客觀而言與確認減值虧損後發生的事項有關，則有關之任何減值虧損會於其後撥回損益。

就可供出售股本投資而言，緊隨減值虧損其後之任何公平值增加於其他全面收益中確認。



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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.10 Financial instruments (Continued)

##### (B) Accounting policies applied until 31 December 2017 (Continued)

##### (ii) Impairment loss on financial assets (Continued)

##### For available-for-sale financial assets (Continued)

For available-for-sale equity investment carried at cost, the amount of impairment loss is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss is not reversed.

##### (iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

##### Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade and other payables and borrowings are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

### 4. 主要會計政策 (續)

#### 4.10 金融工具 (續)

##### (B) 於二零一七年十二月三十一日前應用的會計準則 (續)

##### (ii) 金融資產減值虧損 (續)

##### 可供出售金融資產 (續)

就按成本列賬之可供出售股本投資而言，按資產之賬面值與按目前返還類似金融資產的市場利率貼現之估計未來現金流量之現值之差額計量。此等減值虧損概無撥回。

##### (iii) 金融負債

本集團視乎負債產生之目的，將其金融負債分類。按公平值計入損益之金融負債初步按公平值計量，而按攤銷成本計量之金融負債則初步按公平值扣除直接應佔所產生之成本計量。

##### 按攤銷成本計量之金融負債

按攤銷成本計量之金融負債（包括貿易及其他應付款項及借貸），隨後按攤銷成本採用實際利息法計量。相關利息開支於損益中確認。

當負債終止確認時，以及在攤銷過程中，收益或虧損於損益中確認。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.10 Financial instruments (Continued)

##### (B) Accounting policies applied until 31 December 2017 (Continued)

###### (iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

###### (v) Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in 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 (續)

#### 4.10 金融工具 (續)

##### (B) 於二零一七年十二月三十一日前應用的會計準則 (續)

###### (iv) 實際利息法

實際利息法乃計算金融資產或金融負債及按有關期間分配利息收入或利息開支之攤銷成本計算方法。實際利率乃透過金融資產或負債之預期年期或(如適用)較短期間準確貼現估計未來現金收款或付款之利率。

###### (v) 股本工具

股本工具為見證於本集團資產之餘額權益經扣除其所有負債後之任何合約。本公司發行之股本工具確認為扣除直接發行成本後收取之所得款項。

購回本公司自身股本工具直接於權益確認及扣除。概無就購買、出售、發行或註銷本公司自身股本工具而於損益中確認收益或虧損。

## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.10 Financial instruments (Continued)

###### (B) Accounting policies applied until 31 December 2017 (Continued)

###### (vi) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer 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 fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 Revenue.

###### (vii) Derecognition

The Group derecognises a financial asset when the contractual right to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKAS 39.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

#### 4. 主要會計政策 (續)

##### 4.10 金融工具 (續)

###### (B) 於二零一七年十二月三十一日前應用的會計準則 (續)

###### (vi) 金融擔保合約

金融擔保合約乃規定發行人向持有人支付指定金額，以補償持有人由於指定欠債人未能根據債務工具原訂或經修訂條款於到期時付款而蒙受的損失之合約。由本集團發出的並非指定為按公平值計入損益的金融擔保合約初步按公平值減發出金融擔保合約直接產生的交易成本予以確認。初步確認後，本集團按以下各項較高者計量金融擔保合約：(i)根據香港會計準則第37號撥備、或然負債及或然資產釐定的金額；及(ii)初步確認金額減（如適當）根據香港會計準則第18號收益確認的累計攤銷。

###### (vii) 終止確認

當與金融資產相關之未來現金流量合約權利屆滿，或當金融資產已經按照符合香港會計準則第39號終止確認之條件轉讓，則本集團終止確認該項金融資產。

當於相關合約之特定責任被解除、取消或屆滿時，即終止確認金融負債。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.11 Revenue recognition

##### (A) Accounting policies applied from 1 January 2018

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

### 4. 主要會計政策 (續)

#### 4.11 收益確認

##### (A) 自二零一八年一月一日起應用的會計政策

來自與客戶合約之收益乃於貨品或服務之控制權按反映本集團預期有權交換該等貨品或服務代價之金額(不包括代表第三方收取之該等金額)轉移至客戶時確認。收益不包括增值稅或其他銷售稅項且經扣除任何貿易賬款。

視乎合約條款及適用於合約之法例,貨品或服務之控制權可能隨時間或於某一時點轉移。倘本集團之履約屬以下情況,則貨品或服務之控制權可隨時間轉移:

- 提供客戶同時收取及消耗的所有利益;
- 隨本集團履約而創建或改良客戶控制的資產;或
- 並無創建對本集團具有替代用途之資產,並且本集團就迄今已完成之履約擁有可強制執行之收取付款之權利。

倘貨品或服務之控制權隨時間轉移,收益會於合約期間經參考已完成履約責任之進度確認。否則,收益會在客戶獲得貨品或服務之控制權時確認。



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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.11 Revenue recognition (Continued)

##### (A) Accounting policies applied from 1 January 2018 (Continued)

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amounts receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. For contracts where the period between the payment and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

##### (i) Sales of properties

Revenue is recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may be transferred over time or at a point in time. If properties have no alternative use to the Group contractually and the Group has an enforceable right to payment from the customers for performance completed to date, the Group satisfies the performance obligation over time and therefore, recognises revenue over time in accordance with the input method for measuring progress. Otherwise, revenue is recognised at a point in time when the customer obtains control of the completed property.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract.

### 4. 主要會計政策 (續)

#### 4.11 收益確認 (續)

##### (A) 自二零一八年一月一日起應用的會計政策 (續)

倘合約中包含向客戶轉移貨品或服務時為客戶提供超過一年的重大融資利益的融資成分，則收益按應收金額的現值計量，並使用與本集團與客戶於合約訂立時的單獨融資交易中反映的貼現率貼現，而利息收入按實際利率法單獨計量。倘合約中包含為貴集團提供重大融資利益的融資成分，則根據該合約確認的收入包括按實際利率法計算的合約負債所產生的利息開支。就許諾貨品或服務的付款至轉移期間為一年或以下的合約而言，交易價格不會使用香港財務報告準則第15號中的實用權宜方法就重大融資成分作出調整。

##### (i) 銷售物業

當資產的控制權轉移至客戶時，方可確認收益。視乎合約條款及合約適用的法律，資產控制權可於時間段或某一時點轉移。倘物業在本集團履約過程中並無其他用途，並且本集團就迄今已完成之履約擁有可強制執行之收取客戶付款之權利。本集團根據滿足在一段時間內履行義務的條件，按計量進度的輸入法確認收入。否則，收入會在當客戶獲得已完成物業的控制權時在某一時點確認。

完成履約責任的進度乃基於本集團完成履約責任的付出或投入計量，並參考截至報告期末產生的合約成本作為各合約的總估計成本的一定百分比。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.11 Revenue recognition (Continued)

##### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (i) Sales of properties (Continued)

For property development and sales contract for which the control of the property is transferred at a point in time, revenue is recognised when the customer obtains the physical possession or the legal title of the completed property and the Group has present right to payment and the collection of the consideration is probable.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component if it is significant.

###### (ii) Rental

Rental is recognised in the consolidated income statement on a straight-line basis over the lease term.

###### (iii) Sales of goods

Income from sales of goods is recognised at a point in time when the goods are delivered to customers and title has passed.

###### (iv) Service fees

Revenue from hotel operation and marine travelling services fees are recognised when services are rendered.

###### (v) Interest

Interest is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired receivables is recognised using the original effective interest rate.

### 4. 主要會計政策 (續)

#### 4.11 收益確認 (續)

##### (A) 自二零一八年一月一日起應用的會計政策 (續)

###### (i) 銷售物業 (續)

對於在某一時點轉移物業控制權的物業開發及銷售合約，收益於客戶獲得實物所有權或已完工物業的合法業權且本集團現時擁有收取付款的權利並很可能收回代價時確認。

於釐定交易價格時，若融資成分的影響重大，本集團將調整代價的許諾金額。

###### (ii) 租金

租金乃於綜合收益表內按直線法在租期內確認。

###### (iii) 銷售貨品

銷售貨品的收入乃於貨品交付客戶及業權轉移時的時間點確認。

###### (iv) 服務費

酒店經營的收益及海上旅遊服務費乃於提供服務時確認。

###### (v) 利息

利息採用實際利息法按時間比例確認入賬。當應收款項出現減值，本集團會按原定實際利率貼現的估計未來現金流量將賬面值撇減至其可收回金額，並繼續計算貼現率作為利息收入。已減值應收款項的利息收入以原本實際息率確認。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.11 Revenue recognition (Continued)

##### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (vi) Dividend

Dividend is recognised when the right to receive payment is established.

###### *Contract assets and liabilities*

A contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer that is not yet unconditional. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Contract asset is recognised when the customers retain retention money to secure the due performance of the contracts. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the considerations (including advances received from customers) exceeds the revenue recognised to date under the output method then the Group recognises a contract liability for the difference.

### 4. 主要會計政策 (續)

#### 4.11 收益確認 (續)

##### (A) 自二零一八年一月一日起應用的會計政策 (續)

###### (vi) 股息

股息在收取股息之權利確立時入賬。

###### *合約資產及負債*

合約資產指本集團尚未擁有向客戶轉移服務而收取代價之無條件權利相反，應收款項指本集團收取代價之無條件權利，即代價付款僅需隨時間流逝到期收回。

合約負債指本集團向客戶轉移本集團已自客戶收取代價（或應收代價金額）的服務的責任。

當客戶保留保固金以確保妥當履行合約時確認合約資產。先前確認為合約資產的任何款項於向客戶開具發票的時間點分類為貿易應收款項。倘代價（包括已收客戶墊款）迄今超過根據產出法確認的收益，則本集團就差額確認合約負債。



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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.11 Revenue recognition (Continued)

##### **(B) Accounting policies applied until 31 December 2017**

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

Revenue from sale of goods is recognised when goods are delivered and title has passed at which time all the following conditions are satisfied.

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

For contracts to buy or sell non-financial items which was accounted for as if the contracts were financial instruments (except for contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements), the net income from the contracts is recognised as revenue.

### 4. 主要會計政策 (續)

#### 4.11 收益確認 (續)

##### **(B) 於二零一七年十二月三十一日前應用的會計政策**

收益乃根據已收或應收代價的公平值計算，並指於一般業務過程中出售貨品及提供服務的應收款項，且已扣除折扣及相關銷售稅。

銷貨收益在貨品交付及所有權轉移且滿足以下所有條件之時確認。

- 本集團已將貨品所有權之主要風險及回報轉移予買方；
- 本集團對所售貨品不再擁有通常與所有權相關的持續管理參與權，亦無實際控制權；
- 收入金額能可靠計量；
- 與交易相關的經濟利益可能會流入本集團；及
- 交易已產生或將予產生的成本能可靠計量。

就非金融項目（按猶如合約為金融工具入賬）買賣合約而言（除非該合約是根據主體的預期購買、出售或使用要求，以獲取或交付非金融項目為目的而簽訂並繼續持有的），合約之收入淨額確認為收益。



## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.11 Revenue recognition (Continued)

###### (B) Accounting policies applied until 31 December 2017 (Continued)

Revenue from sale of properties in the ordinary course of business is recognised upon delivery of properties to the purchasers pursuant to the sales agreements. Deposits received from the purchasers prior to meeting the above criteria for revenue recognition are included in the consolidated statement of financial position under current liabilities.

Rental income, including rentals invoiced in advance from properties lent under operating leases, is recognised on a straight-line basis over the term of the leases.

Service income is recognised when services are provided.

Revenue from hotel is recognised upon the provision of the accommodation services. Revenue from food and beverage sales and other ancillary services are recognised upon the sales of goods and provision of services respectively.

Interest income (as the case may be, including the handling fees that are an integral part of the effective interest rate) from a 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 from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

#### 4. 主要會計政策 (續)

##### 4.11 收益確認 (續)

###### (B) 於二零一七年十二月三十一日前應用的會計政策 (續)

日常業務過程中銷售物業之收益乃於根據銷售協議將物業交付買方後確認。在以上收益確認條件達成前收取之按金記錄於綜合財務狀況表中流動負債下。

租金收入包括根據經營租約出租物業預收之租金按直線法於租約期予以確認。

服務收入在服務提供之時確認。

酒店收益乃於提供住宿服務後確認。食品和飲料銷售及其他輔助服務的收入乃分別於銷售食品及提供服務後確認。

當經濟利益可能將流入本集團且收入金額可予以合理地計量時，來自金融資產之利息收入（視情況而定，包括屬實際利率之組成部分之手續費）被確認。金融資產產生之利息收入乃按時間基準，並參照尚未償還本金額及按實際適用利率計算，而實際利率乃透過金融資產之預期可用年內以預計收取現金折現至該資產初步確認時之賬面淨值之利率。

投資產生之股息收入乃於股東收取款項之權利確立後予以確認（前提是經濟利益可能流入本集團且收入金額能可靠計量）。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.12 Capitalisation of borrowing costs

Borrowing costs attributable directly to the acquisition, construction or production of qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets. Income earned on temporary investments of specific borrowings pending their expenditure on those assets is deducted from borrowing costs capitalised. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### 4.13 Income taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

An exception to the general requirement on determining the appropriate tax rate used in measuring deferred tax amount is when an investment property is carried at fair value under HKAS 40 "Investment Property". Unless the presumption is rebutted, the deferred tax amounts on these investment properties are measured using the tax rates that would apply on sale of these investment properties at their carrying amounts at the reporting date. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

### 4. 主要會計政策 (續)

#### 4.12 資本化借款成本

收購、建造或生產須耗用較長時間方可作擬定用途或銷售之合資格資產直接產生之借款成本均撥充資本，作為該等資產成本之一部分。特定借款撥作該等資產支出前暫時用作投資所賺取之收入須自資本化之借款成本中扣除。所有其他借款成本於產生期間於損益中確認。

#### 4.13 所得稅

所得稅開支包括本期稅項及遞延稅項。

本期稅項乃根據日常業務之溢利或虧損，就所得稅而言毋須課稅或不可扣減之項目作出調整，按報告期末已制定或大致上制定之稅率計算。

遞延稅項乃以就財務報告而言資產與負債之賬面值與就稅務而言之相關數值間之暫時差額確認。除不影響會計或應課稅溢利之商譽及已確認資產與負債外，遞延稅項負債均會就所有應課稅暫時差額確認遞延稅項資產乃在可運用可扣稅暫時差額抵銷應課稅溢利之情況下確認。遞延稅項乃按適用於預期變現資產或清償負債賬面值的方式以及於報告期末已實施或大致上已實施之稅率計算。

對於計量遞延稅項金額時用於釐定適合稅率的一般規定而言，有一個例外情況，即投資物業是根據香港會計準則第40號「投資物業」而按公平值列賬。除非該假定被推翻，否則此等投資物業的遞延稅項金額是以出售此等投資物業時所適用的稅率以及按其於報告日期的賬面值而計量。若投資物業是可計提折舊並根據一個商業模式而持有，而該商業模式的目的是隨著時間推移而消耗該物業所體現的絕大部分經濟利益（而不是通過出售）時，該假定即被推翻。

## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.13 Income taxes (Continued)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, 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.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income.

Current tax assets and current tax liabilities are presented in net if, and only if,

- (a) the Group has the legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if,

- (a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
  - (i) the same taxable entity; or
  - (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### 4. 主要會計政策 (續)

##### 4.13 所得稅 (續)

遞延稅項負債乃就與於附屬公司投資之權益相關之應課稅暫時差額而確認，惟本集團可控制暫時差異之撥回及暫時差異可能不會於可見將來撥回時除外。

所得稅乃於損益中確認，除非該等稅項與於其他全面收益確認之項目有關，在此情況下，該等稅項亦於其他全面收益確認。

即期稅項資產與即期稅項負債只會於以下情況以淨額呈列：

- (a) 本集團依法有強制執行權可以將已確認金額對銷；及
- (b) 計劃以淨額基準結算或同時變現資產及結清負債。

本集團只會於以下情況以淨額呈列遞延稅項資產與遞延稅項負債：

- (a) 該實體依法有強制執行權可以將即期稅項資產與即期稅項負債對銷；及
- (b) 遞延稅項資產與遞延稅項負債是關於同一稅務機關就以下任何一項所徵收的所得稅：
  - (i) 同一應課稅實體；或
  - (ii) 計劃於各段未來期間（而預期在有關期間內將結清或收回大額的遞延稅項負債或資產）以淨額基準結算即期稅項負債與資產或同時實現資產及結清負債的不同應課稅實體。



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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.14 Leasing

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

##### *The Group as lessor*

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

##### *The Group as lessee*

Where the Group has the right to use of assets held under operating leases, payments made under the leases are charged to profit or loss on a straight line basis over the lease terms except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rental are charged to profit or loss in the accounting period in which they are incurred.

#### 4.15 Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which will probably result in an outflow of economic benefits that can be reasonably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

### 4. 主要會計政策 (續)

#### 4.14 租約

倘租約條款將所有權絕大部分風險及回報轉讓予承租人，則租賃被分類為融資租約。所有其他租約被分類為經營租約。

##### **本集團作為出租人**

經營租約之租金收入乃按相關租約年期以直線法於損益中確認。於磋商及安排經營租約時所產生之初步直接成本添加於租賃資產之賬面值，並以直線法於租期內確認為開支。

##### **本集團作為承租人**

倘本集團持有按經營租約持有之資產之使用權，根據租約所付款項會按租期以直線法自損益中扣除，惟倘另一基準更能代表租賃資產所產生利益之模式則除外。所獲租約優惠於損益中確認為所付總租金淨額之一部分。或有租金於產生之期間自損益中扣除。

#### 4.15 撥備及或然負債

因過去某一事件以致本集團出現可能導致可合理估計之經濟利益流出之法律或推定責任時，就時間或金額不明確之負債計提撥備。

倘若經濟利益不大可能需要流出，或倘若有關金額不能可靠估計時，則有關責任將獲披露為或然負債，除非經濟利益流出之可能性極微。有可能之責任（其存在僅由一項或多項未來事件之出現與否確定）亦披露為或然負債，除非經濟利益流出之可能性極微。



## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.16 Employee benefits

Payments to the defined contribution retirement benefits schemes are charged as an expense when employees have rendered services entitling them to the contributions.

##### **Retirement benefits**

Retirement benefits to employees are provided through defined contribution plans.

The Group operates the Mandatory Provident Fund Scheme (the “**MPF Scheme**”) under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. The MPF Scheme is a defined contribution retirement benefit plan and contributions to the scheme are made based on a percentage of the employees’ relevant income.

The employees of the Company’s subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries are required to contribute certain percentage of their payroll costs to the central pension scheme.

##### 4.17 Share-based payment transactions

##### **Equity-settled share-based payment transactions**

##### *Share options granted to employees*

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (the employee share-based compensation reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the employee share-based compensation reserve.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in the employee share-based compensation reserve will be transferred to accumulated profits.

#### 4. 主要會計政策 (續)

##### 4.16 僱員福利

向定額供款退休福利計劃所作之付款於僱員提供可獲取該等供款之服務時作為開支扣除。

##### **退休福利**

僱員之退休福利乃透過定額供款計劃提供。

本集團根據強制性公積金計劃條例為全部其合資格參與強積金計劃之僱員設立強制性公積金計劃(「**強積金計劃**」)。強積金計劃為定額供款退休福利計劃，而計劃供款乃按僱員相關收入之百分比作出。

本公司於中國經營之附屬公司之僱員須參加由地方市政府設立之中央退休金計劃。該等附屬公司須按其薪資成本之若干比例向中央退休金計劃供款。

##### 4.17 以股份為基礎之付款交易

##### **按權益結算以股份為基礎之付款交易**

##### *授予僱員之購股權*

所獲服務之公平值乃參考購股權於授出當日之公平值釐定，並於歸屬期間以直線法支銷，並於權益中作相應增加(以股份支付的僱員酬金儲備)。

於報告期末，本集團會修訂其對預計最終歸屬購股權數目之初始估計。於歸屬期內修訂估計所帶來之影響(如有)在損益中確認，以使累計費用反應經修訂之估計，並對以股份支付的僱員酬金儲備作出相應調整。

購股權獲行使時，過往於購股權儲備中確認之數額將轉移至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日仍未獲行使，過往確認於以股份支付的僱員酬金儲備之數額將轉入累計溢利。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.17 Share-based payment transactions (Continued)

##### **Equity-settled share-based payment transactions** (Continued)

###### *Share award scheme*

The cost of equity-settled transactions is recognised, together with a corresponding increase in the employee share-based compensation reserves in equity, over the period in which the granted conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The income statement expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

When the share award is cancelled, it is treated as if it vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

#### 4.18 Impairment losses of non-financial assets

Property, plant and equipment, prepaid land lease payments and interests in subsidiaries are subject to impairment testing.

All other non-financial assets are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value, reflecting market conditions 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 assessment of time value of money and the risk specific to the asset.

### 4. 主要會計政策 (續)

#### 4.17 以股份為基礎之付款交易 (續)

##### **按權益結算以股份為基礎之付款交易** (續)

###### *股份獎勵計劃*

權益結算交易之成本，連同以股份支付的僱員酬金之相應增加在批約條件得到履行期間內分期確認。在賦權日之前每個報告日，對於權益結算交易所確認之累計費用乃反映賦權期屆滿之程度及本集團對於最終賦權之權益工具數量之最佳估計。期內損益表費用或計入之金額乃代表該期期初及期末所確認累計費用之變動及於員工福利費用內確認。

倘股份獎勵取消，將其視為已於取消日賦權，並立即確認獎勵未確認之任何費用。

#### 4.18 非金融資產減值虧損

物業、廠房及設備、預付土地租約付款及於附屬公司之權益均須進行減值測試。

所有其他非金融資產在出現未必能收回賬面值之跡象時進行減值測試。

減值虧損乃按資產之賬面值超出其可收回數額之差額即時確認為支出。可收回數額為反映市況之公平值減銷售成本與使用價值兩者之較高者。評估使用價值時，估計未來現金流量採用稅前折現率折現至其現值，以反映現時市場對金錢時間值及有關資產特有風險之評估。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.18 Impairment losses of non-financial assets (Continued)

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

#### 4.19 Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major products and service lines.

The Group has identified the following reportable segments:

- Property development – holding land for property development projects;
- Property investment – providing rental services and holding investment properties for appreciation;
- Finance leasing – providing finance leasing services including arranging sale and leaseback transactions;
- Bulk commodity trade – trading of coal, steel and non-ferrous metal; and
- Hotel and marine travelling services – providing hotel and marine travelling services.

Each of these operating segments is managed separately as each of the products and service lines requires different resources as well as marketing approaches.

### 4. 主要會計政策 (續)

#### 4.18 非金融資產減值虧損 (續)

就評估減值而言，倘資產產生之現金流入大部分並不獨立於其他資產，可收回數額則按可獨立產生現金流入之最小資產組合（即現金產生單位）釐定。因此，部分資產乃個別進行減值測試，另有部分按現金產生單位進行測試。

#### 4.19 分類報告

本集團根據向執行董事呈報以供彼等就分配資源至本集團業務部分及檢討該等部分表現作出決定之定期內部財務資料識別經營分類及編製分類資料。向執行董事呈報之內部財務資料內之業務部分乃按本集團主要產品及服務線釐定。

本集團已識別以下可呈報分類：

- 物業發展—持有土地作物業發展項目用途；
- 物業投資—提供租賃服務及持有投資物業以待增值；
- 融資租賃—提供融資租賃服務（包括安排售後回租交易）；
- 大宗商品貿易—煤炭、鋼材及有色金屬貿易；及
- 酒店和海上旅遊服務—提供酒店和海上旅遊服務。

由於各產品及服務線需要不同資源以及市場推廣方法，故該等經營分類各自獨立管理。



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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.19 Segment reporting (Continued)

The measurement policies the Group uses for reporting segment results under HKFRS 8 are the same as those used in its financial statements prepared under HKFRSs. Segment results represent the results from each segment without allocation of results generated by head office and the inactive subsidiaries, directors' emoluments and fair value changes of investment properties. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

Segment assets include all assets other than assets held by head office and the inactive subsidiaries (mainly include other financial assets and bank balances and cash) and other unallocated assets that are not directly attributable to reportable segments. Segment liabilities exclude borrowings and liabilities incurred by head office and the inactive subsidiaries (mainly include other payables and deferred tax liabilities) and other unallocated liabilities that are not directly attributable to reportable segments.

Segment assets of property investment segment include investment properties but segment results exclude the related fair value changes for the year.

Save as the aforementioned, no asymmetrical allocations have been applied to reportable segments.

#### 4.20 Government grants

Government grants are recognised when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

### 4. 主要會計政策 (續)

#### 4.19 分類報告 (續)

本集團根據香港財務報告準則第8號用作呈報分類業績之計量政策與其根據香港財務報告準則編製之財務報表內採用者相同。分類業績為未分配來自總辦事處及不活躍附屬公司之業績、董事酬金以及投資物業之公平值變動及公司債券融資成本前，各分類之業績。此乃向主要營運決策者報告之計量方式，以便其分配資源及評估表現。

分類資產包括除總辦事處及不活躍附屬公司之資產（主要含其他金融資產及銀行結存及現金）及其他非可呈報經營分類直接應佔的未分配資產外的所有資產。分類負債不包括借貸以及總辦事處及不活躍附屬公司之負債（主要含其他應付款項及遞延稅項負債）及其他非可呈報經營分類直接應佔的未分配負債。

資產投資之分類資產包括投資物業，但分類業績不包括年內相關公平值變動。

除上文所披露者，本公司並無對呈報分類採用非對稱之分配。

#### 4.20 政府補助

當可以合理地確定將會收到政府補助且本集團將遵守其附帶條件時，政府補助將予以確認。用作補償本集團所產生開支之補助於產生開支之同一期間有系統地於損益中確認為收入。補償本集團資產成本之補助從資產賬面值中扣除，其後於該項資產之可使用年期以減少折舊開支方式於損益中實際確認。



## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.21 Related parties

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions apply:
- (i) 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).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).

#### 4. 主要會計政策 (續)

##### 4.21 關連方

- (a) 倘屬下列情況，則某人士或該人士的近親家族成員即被視為與本集團有關連：
- (i) 對本集團有控制權或共同控制權；
  - (ii) 對本集團有重大影響力；或
  - (iii) 為本集團或本公司母公司之主要管理人員。
- (b) 倘下列任何情況適用，則某實體即為與本集團有關連：
- (i) 該實體與本集團屬同一集團的成員公司（即各母公司、附屬公司及同系附屬公司互相關連）。
  - (ii) 一個實體為另一實體的聯營公司或合營企業（或為某一集團的成員公司的聯營公司或合營企業，而該另一實體為此集團的成員）。
  - (iii) 兩個實體皆為相同第三方的合營企業。
  - (iv) 一個實體為第三實體的合營企業，而另一實體為該第三實體的聯營公司。
  - (v) 該實體為本集團或與本集團有關連的實體的僱員福利而設的離職後福利計劃。
  - (vi) 該實體受(a)項所界定的人士控制或共同控制。
  - (vii) (a)(i)項所界定的人士對該實體有重大影響力，或為實體（或該實體的母公司）的高級管理人員。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.21 Related parties (Continued)

(b) (Continued)

- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

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 and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

### 5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors 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 underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Group makes estimates and assumptions concerning the future. Such 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 assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

### 4. 主要會計政策 (續)

#### 4.21 關連方 (續)

(b) (續)

- (viii) 該實體或其所屬集團旗下任何公司向本集團或本集團的母公司提供主要管理人員服務。

某人士的近親家族成員指在與實體交易時預期可影響該人士或受該人士影響的家族成員，包括：

- (i) 該人士的子女及配偶或同居伴侶；
- (ii) 該人士的配偶或同居伴侶的子女；及
- (iii) 該人士或該人士的配偶或同居伴侶的受養人。

### 5. 估計不明朗因素之主要來源

於應用本集團之會計政策時，董事須對無法從其他途徑得知之資產及負債之賬面值進行判斷、估計及假設。

估計及相關假設乃持續進行審閱。對會計估計之修訂乃於估計修訂期間（倘修訂僅影響該期間）或修訂期間及未來期間（倘修訂影響本期間及未來期間）確認。

本集團就未來作出有關估計及假設。該等估計及假設乃根據過往經驗及被視為相關之其他因素而作出。實際數字或有別於估計數字。下文論述對下一個財政年度資產及負債賬面值造成須作出大幅調整之重大風險之估計及假設：

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

### 5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### 5.1 Fair value of investment properties

Investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair value, the valuers have based on a method of valuation which involves certain estimates of market condition. In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the assumptions used in the valuation are reflective of the current market conditions. Changes to these assumptions would result in changes in the fair values of the Group's investment properties and the corresponding adjustments to the amount of gain or loss reported in the consolidated income statement.

#### 5.2 Estimated net realisable value on properties under development

In determining whether allowances should be made for the Group's properties under development, the Group takes into consideration the current market environment and the estimated market value less estimated costs to completion of the properties. An allowance is made if the estimated market value is less than the carrying amount. If the actual net realisable value on properties under development is less than expected as a result of change in market condition and/or significant variation in the budgeted development cost, material provision for impairment losses may result.

#### 5.3 Estimated net realisable value for properties held for sale

Management exercises its judgement in making allowance for properties held for sale with reference to the existing market environment, the sales performance in previous years and estimated market value of the properties, i.e. the estimated selling price less estimated costs of selling. A specific allowance for stocks of completed properties is made based on the estimation of net realisable value on the completed properties if the estimated market value of the property is lower than its carrying amount. If the actual net realisable values of the stocks of completed properties are less than expected as a result of change in market condition, material provision for impairment losses may result.

### 5. 估計不明朗因素之主要來源 (續)

#### 5.1 投資物業之公平值

投資物業乃按獨立專業估值師進行之估值以公平值列賬。在釐訂公平值時，估值師依據之估值方法涉及若干對市況之估計。在依賴估值報告之餘，本公司董事已行使其判斷力並信納估值採用之假設足以反映現時市況。該等假設之變更會導致本集團投資物業公平值發生變動，並須對綜合收益表內所呈報之收益或虧損金額作出相應調整。

#### 5.2 發展中物業之估計可變現淨值

於釐定應否就本集團之發展中物業計提撥備時，本集團會考慮目前市場環境及估計市值減估計物業完工成本。倘估計市值低於賬面值，則須作出撥備。倘發展中物業之實際可變現淨值因市況發生變化及／或預算發展成本出現重大變動而少於預期，則可能導致重大減值虧損撥備。

#### 5.3 持作銷售物業之估計可變現淨值

管理層對持作銷售物業之撥備作出判斷乃根據現有市場狀況、以往年度銷售表現及該等物業之估計市值（即估計銷售價減估計銷售費用）。若物業之估計市值低於其賬面值，則須根據已完成物業的存貨之估計可變現淨值，對已完成物業作出特別撥備。倘已完成物業之實際可變現淨值因市況發生變化而少於預期，則可能導致重大減值虧損撥備。



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

### 5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### 5.4 Impairment allowances on financial assets

The measurement of impairment losses under HKFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward-looking analysis.

#### 5.5 Valuation of financial assets at fair value through profit or loss

The fair value of financial assets designated as at fair value through profit or loss that are not traded in an active market is determined by using external valuations or valuation techniques. The Group uses a variety of methods and makes assumptions that are mainly based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, discounted cash flow analysis and other valuation techniques commonly used by other market participants. Changes in assumptions on the valuation techniques could affect the reported fair values of these financial assets. Further details are contained in note 42 to the financial statements.

### 5. 估計不明朗因素之主要來源 (續)

#### 5.4 金融資產減值撥備

根據香港財務報告準則第9號對所有類別的金融資產進行減值虧損計量須作出判斷，特別是在釐定減值虧損及評估信貸風險的大幅增加時，對未來現金流量的金額及發生的時間及抵押價值的估計。此等估計受多項因素影響，當中有關的變動可能導致須作出不同程度的撥備。

於各報告日期，本集團會通過對比由報告日期至初步確認日期之間的預計年期內發生的違約風險，評估自初步確認以來信貸風險是否有顯著增加。本集團就此會考慮相關及毋須付出過度成本或努力而可用的合理及具支持理據的資料，當中包括量化及質化資料以及前瞻性分析。

#### 5.5 按公平值計入損益的金融資產估值

並非於活躍市場買賣的按公平值計入損益的金融資產的公平值採用外部估值或估值方法釐定。本集團採用多種方法及作出多項主要以各報告日期市況為基準的假設。所用估值方法包括使用可資比較近期公平磋商交易、貼現現金流量分析及其他市場參與者普遍使用的其他估值方法。有關估值方法的假設變動可能影響該等金融資產的報告公平值。進一步詳情載於財務報表附註42。



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

### 5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### 5.6 Estimated provision for inventories

In determining the amount of allowance required for obsolete and slow-moving inventories, the Group would evaluate ageing analysis of inventories and compare the carrying value of inventories to their respective net realisable value. A considerable amount of judgement is required in determining such allowance. If conditions which have impact on the net realisable value of inventories deteriorate, additional allowances may be required.

#### 5.7 Depreciation and amortisation

The Group depreciates the property, plant and equipment and amortises the prepaid land lease payments in accordance with the accounting policies stated in notes 4.5 and 4.6. The estimated useful lives reflect the directors' estimates of the periods that the Group intends to derive future economic benefits from the use of these assets.

#### 5.8 Estimated impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows.

### 5. 估計不明朗因素之主要來源 (續)

#### 5.6 存貨的估計撥備

於釐定陳舊及滯銷存貨所需之撥備金額時，本集團須評估存貨之賬齡分析並將存貨之賬面值與其各自可變現淨值作比較。於釐定有關撥備時須進行大量判斷。若影響存貨可變現淨值之條件惡化，即須作出額外撥備。

#### 5.7 折舊及攤銷

本集團分別根據附註4.5及附註4.6所述之會計政策對物業、廠房及設備計算折舊及對預付土地租約付款計算攤銷。估計可使用年期為董事估計本集團擬從使用該等資產取得未來經濟利益之期間。

#### 5.8 非金融資產之估計減值

本集團於各報告日期評估全部非金融資產是否有任何減值跡象。非金融資產於有跡象顯示賬面值可能無法收回時進行減值測試。倘進行使用價值計算時，管理層須估計資產或現金產生單位之預期未來現金流量，及釐定合適之貼現率以計算該等現金流量現值。

## Notes to the Financial Statements

### 財務報表附註

#### 6. SEGMENT INFORMATION

The information reported to the executive directors of the Company, who are the chief operating decision makers for the purpose of resources allocation and assessment of performance, is the financial information of the Group as a whole as reported under HKFRSs. The Group's chief operating decision makers have identified the reportable segments of the Group as follows:

- (1) Property development – holding land for property development projects
- (2) Property investment – providing rental services and holding investment properties for appreciation
- (3) Finance leasing – providing finance leasing services including arranging sale and leaseback transactions
- (4) Bulk commodity trade – trading of coal, steel and non-ferrous metal
- (5) Hotel and marine travelling services – providing hotel and marine travelling services

#### Segment revenue and results

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

#### For the year ended 31 December 2018

	Property development	Property investment	Finance leasing	Bulk commodity trade	Hotel and marine travelling services	Total
	物業發展	物業投資	融資租賃	大宗商品貿易	酒店和海上旅遊服務	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Turnover as presented in consolidated income statement	60,993	2,638	53,264	865,237	38,760	1,020,892
Results						
Segment results (note (a))	20,477	2,293	44,136	4,339	(4,108)	67,137
Fair value gain on investment properties (note (b))						3,535
Gain on disposal of a subsidiary						110,799
Unallocated finance costs						(4,333)
Unallocated corporate expenses						(52,153)
Unallocated corporate income						43,929
Profit before income tax						168,914

綜合收益表呈列之營業額

業績  
分類業績(附註(a))

投資物業之公平值收益  
(附註(b))

出售一間附屬公司之收益

未分配融資成本

未分配企業開支

未分配企業收入

除所得稅前溢利

#### 6. 分類資料

向本公司執行董事(即主要營運決策者)所呈報以供分配資源及評估表現的資料乃根據香港財務報告準則所呈報本集團的整體財務資料。以下為本集團主要營運決策者已識別之本集團報告分類:

- (1) 物業發展—持有土地作物業發展項目用途
- (2) 物業投資—提供租賃服務及持有投資物業以待增值
- (3) 融資租賃—提供融資租賃服務(包括安排售後回租交易)
- (4) 大宗商品貿易—煤炭、鋼材及有色金屬貿易
- (5) 酒店和海上旅遊服務—提供酒店和海上旅遊服務

#### 分類收益及業績

以下為本集團按報告分類劃分之收益及業績分析:

#### 截至二零一八年十二月三十一日止年度

## Notes to the Financial Statements

### 財務報表附註

#### 6. SEGMENT INFORMATION (Continued)

##### Segment revenue and results (Continued)

For the year ended 31 December 2018 (Continued)

#### 6. 分類資料 (續)

##### 分類收益及業績 (續)

截至二零一八年十二月三十一日止年度  
(續)

	Property development	Property investment	Finance leasing	Bulk commodity trade	Hotel and marine travelling services	Unallocated	Total
	物業發展	物業投資	融資租賃	大宗商品貿易	酒店和海上旅遊服務	未分配	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Notes:	附註:						
(a) Amounts included in the measure of segment results	(a) 分類業績已計入之金額						
Interest income from deposits and other financial assets	2,365	-	2,952	320	1,304	38,897	45,838
Depreciation	(80)	-	(150)	(26)	(10,283)	(4,196)	(14,735)
Finance costs	-	-	(2,120)	(52)	-	(4,333)	(6,505)
Gain/(loss) on disposal of property, plant and equipment	-	-	-	1	(276)	-	(275)
(b) Amounts regularly provided to the chief operating decision maker for the analysis of the segment's performance	(b) 定期向主要營運決策者提供以供其分析分類表現之金額						
Fair value gain on investment properties	-	3,535	-	-	-	-	3,535

## Notes to the Financial Statements

### 財務報表附註

#### 6. SEGMENT INFORMATION (Continued)

##### Segment revenue and results (Continued)

For the year ended 31 December 2017

	Property development	Property investment	Finance leasing	Bulk commodity trade	Hotel and marine travelling services 酒店和 海上旅遊服務	Total
	物業發展 HK\$'000 港幣千元	物業投資 HK\$'000 港幣千元	融資租賃 HK\$'000 港幣千元	大宗商品貿易 HK\$'000 港幣千元	酒店和 海上旅遊服務 HK\$'000 港幣千元	總計 HK\$'000 港幣千元
Turnover as presented in consolidated income statement	109,212	2,412	52,693	1,145,872	42,930	1,353,119
Results						
Segment results (note (a))	24,253	2,151	44,630	9,523	(4,804)	75,753
Fair value gain on investment properties (note (b))						100
Fair value loss on held-for-trading securities						(106)
Interest income from entrusted loan receivables						537
Unallocated finance costs						(9,459)
Unallocated corporate expenses						(56,714)
Unallocated corporate income						43,489
Profit before income tax						53,600

#### 6. 分類資料 (續)

##### 分類收益及業績 (續)

截至二零一七年十二月三十一日止年度



## Notes to the Financial Statements

### 財務報表附註

#### 6. SEGMENT INFORMATION (Continued)

##### Segment revenue and results (Continued)

For the year ended 31 December 2017 (Continued)

	Property development	Property investment	Finance leasing	Bulk commodity trade	Hotel and marine travelling services	Unallocated	Total
	物業發展	物業投資	融資租賃	大宗商品貿易	酒店和海上旅遊服務	未分配	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Interest income from deposits, short-term investments and available-for-sale financial assets	669	-	4,804	298	962	42,277	49,010
Depreciation	(78)	-	(127)	(24)	(9,785)	(4,357)	(14,371)
Finance costs	-	-	(3,454)	(35)	-	(9,459)	(12,948)
Gain/(loss) on disposal of property, plant and equipment	-	-	-	-	159	(4)	155
Written off of prepayments	-	-	-	-	(4,464)	-	(4,464)
Reversal of other payables	-	-	-	-	1,629	-	1,629
Fair value gain on investment properties	-	100	-	-	-	-	100

Notes:

附註:

(a) Amounts included in the measure of segment results

(a) 分類業績已計入之金額

Interest income from deposits, short-term investments and available-for-sale financial assets

存款、短期投資及可供出售金融資產之利息收入

Depreciation

折舊

Finance costs

融資成本

Gain/(loss) on disposal of property, plant and equipment

出售物業、廠房及設備之收益/(虧損)

Written off of prepayments

預付款項註銷

Reversal of other payables

撥回其他應付款項

(b) Amounts regularly provided to the chief operating decision maker for the analysis of the segment's performance

(b) 定期向主要營運決策者提供以供其分析分類表現之金額

Fair value gain on investment properties

投資物業之公平值收益

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

### 6. SEGMENT INFORMATION (Continued)

#### Segment revenue and results (Continued)

Unallocated corporate income mainly comprised interest income from deposits and other financial assets (2017: interest income from deposits, short-term investments and available-for-sale financial assets and interest income from a related party) which are not directly attributable to the business activities of any operating segment.

Unallocated corporate expenses mainly comprised staff costs and legal and professional expenses of the Group's headquarter which are not directly attributable to the business activities of any operating segment.

Segment results do not include income tax expense, while segment liabilities include the current and deferred taxation except for those recognised by the head office and the inactive subsidiaries.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 4. Segment results represent the results from each segment without allocation of results generated by head office and the inactive subsidiaries, directors' emoluments and fair value changes of investment properties. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

### 6. 分類資料 (續)

#### 分類收益及業績 (續)

未分配企業收入主要包括來自存款及其他金融資產之利息收入(二零一七年:存款、短期投資及可供出售金融資產之利息收入以及來自關連方之利息收入),並不直接歸屬於任何經營分類的業務活動。

未分配企業開支主要包括本集團總部的員工成本以及法律及專業開支,並不直接歸屬於任何經營分類的業務活動。

分類業績不包括所得稅開支,而分類負債則包括當期及遞延稅項,由總辦事處及不活躍附屬公司確認者除外。

報告分類之會計政策與附註4所述本集團會計政策相同。分類業績為未分配來自總辦事處及不活躍附屬公司之業績、董事薪酬以及投資物業之公平值變動前,各分類之業績。此乃向主要營運決策者報告之計量方式,以便分配資源及評估表現。

## Notes to the Financial Statements

### 財務報表附註

#### 6. SEGMENT INFORMATION (Continued)

##### Segment assets and liabilities

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

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Segment assets	分類資產		
Property investment*	物業投資*	101,528	63,816
Property development	物業發展	849,182	802,344
Finance leasing	融資租賃	889,029	825,502
Bulk commodity trade	大宗商品交易	188,112	142,818
Hotel and marine travelling services	酒店和海上旅遊服務	208,104	253,779
Total segment assets	分類資產總值	<b>2,235,955</b>	2,088,259
Unallocated	未分配		
– prepaid land lease payments	– 預付土地租賃付款	–	157,589
– other financial assets	– 其他金融資產	695,666	–
– available-for-sale financial assets	– 可供出售金融資產	–	645,477
– deposits in other financial institution	– 於其他金融機構存款	15,026	78,566
– bank balances and cash	– 銀行結存及現金	552,011	505,126
– other unallocated assets	– 其他未分配資產	91,645	99,784
Consolidated assets	綜合資產	<b>3,590,303</b>	3,574,801

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Segment liabilities	分類負債		
Property investment	物業投資	9,065	8,651
Property development	物業發展	247,059	194,302
Finance leasing	融資租賃	91,494	18,965
Bulk commodity trade	大宗商品貿易	53,890	69,959
Hotel and marine travelling services	酒店和海上旅遊服務	37,005	42,180
Total segment liabilities	分類負債總額	<b>438,513</b>	334,057
Bank borrowings	銀行借貸	200,000	200,000
Other unallocated liabilities	其他未分配負債	54,646	54,297
Consolidated liabilities	綜合負債	<b>693,159</b>	588,354

\* Segment assets of property investment segment include investment properties but segment results exclude the related fair value gain of HK\$3,535,000 (2017: HK\$100,000) for the year.

\* 物業投資分類的分類資產包括投資物業，而分類業績則不包括年內相關公平值收益港幣3,535,000元（二零一七年：港幣100,000元）。

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

### 6. SEGMENT INFORMATION (Continued)

#### Segment assets and liabilities (Continued)

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

- all assets are allocated to reportable segments other than assets held by head office and the inactive subsidiaries; and
- all liabilities are allocated to reportable segments other than borrowings and liabilities incurred by head office and the inactive subsidiaries.

#### For the year ended 31 December 2018

Amounts included in the measure of segment assets:

	Property development 物業發展 HK\$'000 港幣千元	Property investment 物業投資 HK\$'000 港幣千元	Finance leasing 融資租賃 HK\$'000 港幣千元	Bulk commodity trade 大宗商品貿易 HK\$'000 港幣千元	Hotel and marine travelling services 酒店和海上旅遊服務 HK\$'000 港幣千元	Unallocated 未分配 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Additions to non-current assets (other than financial assets) 添置非流動資產 (金融資產除外)	14	39,162	85	-	35,652	72	74,985

#### For the year ended 31 December 2017

Amounts included in the measure of segment assets:

	Property development 物業發展 HK\$'000 港幣千元	Property investment 物業投資 HK\$'000 港幣千元	Finance leasing 融資租賃 HK\$'000 港幣千元	Bulk commodity trade 大宗商品貿易 HK\$'000 港幣千元	Hotel and marine travelling services 酒店和海上旅遊服務 HK\$'000 港幣千元	Unallocated 未分配 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Additions to non-current assets (other than financial assets) 添置非流動資產 (金融資產除外)	24	544	35	99	45,460	634	46,796

### 6. 分類資料 (續)

#### 分類資產及負債 (續)

為監控分類表現及於分類間分配資源：

- 除總辦事處及不活躍附屬公司持有之資產外，所有資產均分配至報告分類；及
- 除總辦事處及不活躍附屬公司產生之借貸及負債外，所有負債均分配至報告分類。

#### 截至二零一八年十二月三十一日止年度

計入分類資產計量之金額：

#### 截至二零一七年十二月三十一日止年度

計入分類資產計量之金額：



## Notes to the Financial Statements

### 財務報表附註

#### 6. SEGMENT INFORMATION (Continued)

##### Other segment information

The Group's significant operations, external customers and non-current assets (other than financial assets) during the years ended 31 December 2018 and 2017 were mainly located in Hong Kong (place of domicile) and the PRC. Geographical information of revenue from external customers is based on the location of the customers and the geographical location of the non-current assets (other than financial assets) is based on the physical location of the assets.

#### 6. 分類資料 (續)

##### 其他分類資料

於截至二零一八年及二零一七年十二月三十一日止年度，本集團之重要業務、外部客戶及非流動資產（金融資產除外）主要位於香港（註冊地）及中國。來自外部客戶之收益之地區資料乃根據客戶所在地而定，非流動資產（金融資產除外）之地理位置乃根據該等資產之實際位置而定。

		Revenue from external customers 來自外部顧客之收益		Non-current assets (other than financial assets) 非流動資產（金融資產除外）	
		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Hong Kong	香港	-	-	348	586
The PRC	中國	1,020,892	1,353,119	327,575	462,726
		<b>1,020,892</b>	<b>1,353,119</b>	<b>327,923</b>	<b>463,312</b>

There is no revenue from a customer contributing over 10% of the total turnover of the Group for the years ended 31 December 2017 and 2018.

截至二零一七年及二零一八年十二月三十一日止年度概無佔本集團營業總額10%以上的客戶貢獻之收益。

## Notes to the Financial Statements

### 財務報表附註

#### 6. SEGMENT INFORMATION (Continued)

Set out below is the disaggregation of the Group's turnover from major products and services:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元 (Note) (附註)
Sales of properties	出售物業	60,993	109,212
Consultancy service income from finance lease arrangements	融資租賃安排之諮詢服務收入	8,925	9,005
Bulk commodity trade	大宗商品貿易	865,237	1,145,872
Hotel and marine travelling services	酒店和海上旅遊服務	38,760	42,930
Revenue from contract with customers	來自與客戶合約之收益	973,915	1,307,019
Rental income	租金收入	2,638	2,412
Interest income from finance lease arrangements	來自融資租賃安排的利息收入	44,339	43,688
Total revenue	收益總額	<b>1,020,892</b>	1,353,119

Note: During the year, the Group has initially applied HKFRS 15 using the cumulative effect method. Under this method, the comparative information for the year ended 31 December 2017 is not restated and was prepared in accordance with HKAS 18.

#### 6. 分類資料 (續)

下文載列本集團來自主要產品及服務之營業額之分列賬款：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元 (Note) (附註)
Sales of properties	出售物業	60,993	109,212
Consultancy service income from finance lease arrangements	融資租賃安排之諮詢服務收入	8,925	9,005
Bulk commodity trade	大宗商品貿易	865,237	1,145,872
Hotel and marine travelling services	酒店和海上旅遊服務	38,760	42,930
Revenue from contract with customers	來自與客戶合約之收益	973,915	1,307,019
Rental income	租金收入	2,638	2,412
Interest income from finance lease arrangements	來自融資租賃安排的利息收入	44,339	43,688
Total revenue	收益總額	<b>1,020,892</b>	1,353,119

附註：年內，本集團初步應用香港財務報告準則第15號的累計影響法，且根據香港會計準則第18號，應用此方法於截至二零一七年十二月三十一日止年度不需重列比較資料。

#### 7. OTHER INCOME

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Interest income from:	來自以下項目之利息收入：		
– deposits and other financial assets (2017: deposits, short-term investments and available-for-sale financial assets)	– 存款及其他金融資產 (二零一七年：存款、短期投資及可供出售金融資產)	45,838	49,010
– entrusted loan receivables	– 應收委託貸款	–	537
– a related party	– 一名關連方	–	346
– a non-controlling shareholder of a subsidiary	– 一間附屬公司的一名非控股股東	196	978
Fair value gain on other financial assets measured at profit or loss	計入損益的其他金融資產之公平值收益	4,005	–
Government subsidies	政府補助	4,508	128
Reversal of other payables	撥回其他應付款項	326	1,629
Exchange gain, net	匯兌收益淨額	104	–
Others	其他	3,602	2,205
		<b>58,579</b>	54,833

#### 7. 其他收入

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Interest income from:	來自以下項目之利息收入：		
– deposits and other financial assets (2017: deposits, short-term investments and available-for-sale financial assets)	– 存款及其他金融資產 (二零一七年：存款、短期投資及可供出售金融資產)	45,838	49,010
– entrusted loan receivables	– 應收委託貸款	–	537
– a related party	– 一名關連方	–	346
– a non-controlling shareholder of a subsidiary	– 一間附屬公司的一名非控股股東	196	978
Fair value gain on other financial assets measured at profit or loss	計入損益的其他金融資產之公平值收益	4,005	–
Government subsidies	政府補助	4,508	128
Reversal of other payables	撥回其他應付款項	326	1,629
Exchange gain, net	匯兌收益淨額	104	–
Others	其他	3,602	2,205
		<b>58,579</b>	54,833

## Notes to the Financial Statements

### 財務報表附註

#### 8. FINANCE COSTS

#### 8. 融資成本

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Interest on corporate bonds	公司債券之利息	-	14,333
Interest on bank borrowings	銀行借貸之利息	<b>9,039</b>	7,385
		<b>9,039</b>	21,718
Less: Amounts capitalised on properties under development	減：發展中物業之撥作資本化之金額	<b>(2,534)</b>	(8,770)
		<b>6,505</b>	12,948

#### 9. INCOME TAX EXPENSE

#### 9. 所得稅開支

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits for both years.

香港利得稅乃就兩個年度內之估計應課稅溢利按16.5%之稅率計算。

Under the Law of the PRC on Enterprise Income Tax ("EIT") and Implementation Regulation, the PRC subsidiaries are subject to tax rate of 25%. The current tax also comprised land appreciation tax ("LAT") which is estimated in accordance with the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

根據中國企業所得稅（「企業所得稅」）法及企業所得稅法實施條例，中國附屬公司稅率為25%。即期稅項亦包括土地增值稅（「土地增值稅」）。土地增值稅乃根據相關中國稅法及條例所載之規定估計。土地增值稅已按增值額之累進稅率範圍撥備，且有若干可扣減項目。

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
The taxation charge comprises:	稅項支出包括：		
Current tax for the year:	本年度稅項：		
Hong Kong Profits Tax	香港利得稅	-	-
PRC EIT	中國企業所得稅	<b>45,339</b>	21,270
PRC LAT	中國土地增值稅	<b>4,719</b>	5,781
		<b>50,058</b>	27,051
Over-provision in prior years:	過往年度超額撥備：		
PRC EIT	中國企業所得稅	-	(190)
		<b>50,058</b>	26,861
Deferred tax (note 33)	遞延稅項 (附註33)	<b>7,441</b>	3,188
Income tax expense	所得稅開支	<b>57,499</b>	30,049

## Notes to the Financial Statements

### 財務報表附註

#### 9. INCOME TAX EXPENSE (Continued)

Reconciliation between income tax expense and accounting profit at applicable tax rates:

#### 9. 所得稅開支 (續)

按適用稅率計算之所得稅開支與會計溢利之對賬如下：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Profit before income tax	除所得稅前溢利	<b>168,914</b>	53,600
Tax calculated at PRC EIT rate of 25% (2017: 25%)	按中國企業所得稅率25% (二零一七年: 25%) 計算之稅項	<b>42,229</b>	13,400
Effect of different tax rates of group entities operating in jurisdictions other than the PRC	在除中國外其他司法權區經營之集團實體之不同稅率影響	<b>1,062</b>	1,370
PRC LAT	中國土地增值稅	<b>4,719</b>	5,781
Tax effect of expenses not deductible for tax purposes	納稅時不可扣除開支之稅務影響	<b>6,119</b>	6,957
Tax effect of income not taxable for tax purposes	毋須課稅收入之稅務影響	<b>(7,190)</b>	(5,811)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	<b>4,943</b>	6,313
Tax effect of temporary difference not recognised	未確認臨時性差額之稅務影響	<b>(940)</b>	(934)
Withholding tax for undistributed profits of PRC subsidiaries	中國附屬公司之未分配溢利之預扣稅	<b>6,557</b>	3,163
Over-provision in prior years	過往年度超額撥備	<b>-</b>	(190)
Income tax expense	所得稅開支	<b>57,499</b>	30,049



## Notes to the Financial Statements

### 財務報表附註

#### 10. PROFIT FOR THE YEAR

#### 10. 年內溢利

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Profit for the year is arrived at after charging/(crediting):	年內溢利已扣除／(計入)：		
Auditor's remuneration	核數師酬金		
– audit services	– 審計服務	1,070	1,070
– non-audit services	– 非審計服務	180	220
		<u>1,250</u>	<u>1,290</u>
Amortisation of prepaid land lease payments	預付土地租賃付款攤銷	5,471	5,429
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	14,747	14,442
Less: Amounts capitalised on properties under development	減：發展中物業之撥作資本化之金額	(12)	(71)
		<u>14,735</u>	<u>14,371</u>
Minimum lease payments in respect of rented premises	租賃物業之最低租賃付款	4,946	3,929
Contributions to retirement benefits schemes (including directors' emoluments)	退休金福利計劃供款(包括董事酬金)	10,740	9,141
Staff costs (including directors' emoluments)	員工成本(包括董事酬金)	52,055	53,083
Total staff costs	員工成本總計	62,795	62,224
Less: Amounts capitalised on properties under development	減：發展中物業之撥作資本化之金額	(2,141)	(1,969)
		<u>60,654</u>	<u>60,255</u>
Cost of inventories recognised as expenses	確認為開支之存貨成本	881,467	1,207,683
Exchange (gain)/loss, net	匯兌(收益)／虧損淨額	(104)	1,450
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備之虧損／(收益)	275	(155)
Impairment on financial assets	金融資產減值	55	–
Written off of prepayments	預付款項註銷	–	4,464
Written off of property, plant and equipment	物業、廠房及設備註銷	303	380
		<u>303</u>	<u>380</u>

## Notes to the Financial Statements

### 財務報表附註

#### 11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

##### (a) Directors' emoluments

Directors' emoluments disclosed pursuant to Section 383 of the Hong Kong Companies Ordinance (Cap.622) and the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap.622G) (the Regulation) are as follows:

##### For the year ended 31 December 2018

		Zhang Bin	Yuan Shaoli (note (a)) 袁紹理 (附註(a))	Wang Tianlin	Chang Qing	Lee Man Chun, Tony	He Jia	Total
		張斌 HK\$'000 港幣千元	袁紹理 (附註(a)) HK\$'000 港幣千元	王天霖 HK\$'000 港幣千元	常清 HK\$'000 港幣千元	李萬全 HK\$'000 港幣千元	何佳 HK\$'000 港幣千元	總計 HK\$'000 港幣千元
Fees	袍金	360	330	240	360	360	360	2,010
Salaries	薪金	-	-	-	-	-	-	-
Contribution to retirement benefits schemes	退休福利計劃供款	-	-	-	-	-	-	-
Total emoluments	總酬金	360	330	240	360	360	360	2,010

##### For the year ended 31 December 2017

		Yuan Shaoli	Wang Hongxin (note (b)) 王洪信 (附註(b))	Wang Tianlin	Zhang Bin	Chang Qing	Lee Man Chun, Tony	He Jia	Total
		袁紹理 HK\$'000 港幣千元	王洪信 (附註(b)) HK\$'000 港幣千元	王天霖 HK\$'000 港幣千元	張斌 HK\$'000 港幣千元	常清 HK\$'000 港幣千元	李萬全 HK\$'000 港幣千元	何佳 HK\$'000 港幣千元	總計 HK\$'000 港幣千元
Fees	袍金	360	165	240	305	360	360	360	2,150
Salaries	薪金	1,121	367	537	615	-	-	-	2,640
Contribution to retirement benefits schemes	退休福利計劃供款	132	72	150	147	-	-	-	501
Total emoluments	總酬金	1,613	604	927	1,067	360	360	360	5,291

Notes:

- (a) Mr. Yuan Shaoli has resigned as an executive director and ceased to act as the chairman of the board of the Company with effect from 1 December 2018.
- (b) Mr. Wang Hongxin has resigned as an executive director with effect from 15 June 2017.

#### 11. 董事及高級管理層酬金

##### (a) 董事酬金

根據香港法例第622章香港公司條例第383條及香港法例第622G章公司(披露董事利益資料)規例作出之董事酬金披露如下:

##### 截至二零一八年十二月三十一日止年度

##### 截至二零一七年十二月三十一日止年度

附註:

- (a) 袁紹理先生已辭任執行董事並不再擔任本公司董事會主席，自二零一八年十二月一日起生效。
- (b) 王洪信先生已辭任執行董事，自二零一七年六月十五日起生效。

## Notes to the Financial Statements

### 財務報表附註

#### 11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(Continued)

##### (b) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, none (2017: three) of the director(s) of the Company whose emoluments are included in (a) above. The emoluments of the remaining five (2017: two) individuals were as follows:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Salaries and other benefits	薪金及其他福利	3,652	1,799
Performance-based bonus	績效獎金	810	460
Contributions to retirement benefits schemes	退休福利計劃供款	90	36
		<b>4,552</b>	<b>2,295</b>

The emoluments of five (2017: two) of the highest paid individuals were within the following bands:

		Number of individuals 人員數目	
		2018 二零一八年	2017 二零一七年
Nil to HK\$1,000,000	港幣零元至港幣1,000,000元	3	1
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至港幣1,500,000元	2	1
		<b>5</b>	<b>2</b>

During the years ended 31 December 2018 and 2017, no remunerations were paid by the Group to the directors or the five (2017: two) highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

During the year ended 31 December 2018, three directors of the Company, namely Mr. Zhang Bin, Mr. Wang Tianlin and Mr. Yuan Shaoli, had waived their salaries of approximately HK\$800,000, HK\$496,000 and HK\$949,000 respectively (2017: none).

#### 11. 董事及高級管理層酬金 (續)

##### (b) 五名最高薪酬人士

本集團五名最高薪酬人士中，並無人士（二零一七年：三名）為本公司董事，其酬金於上文(a)項披露。五名（二零一七年：兩名）人士之酬金如下：

五名（二零一七年：兩名）最高薪酬人士之酬金介乎下列組別：

於截至二零一八年及二零一七年十二月三十一日止年度，本集團並無向任何董事或五名（二零一七年：兩名）最高薪酬僱員支付任何酬金，作為鼓勵其加入本集團或於其加入本集團時之獎勵，或作為其離職之補償。

於截至二零一八年十二月三十一日止年度，三名本公司董事（即張斌先生、王天霖先生及袁紹理先生）放棄彼等分別約港幣800,000元、港幣496,000元及港幣949,000元的薪金（二零一七年：無）。

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

### 11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

#### (c) Senior management's emolument

The remuneration paid to the senior management (other than the directors as disclosed in note 11 (a) above) for the year fell within the following band:

HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元
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### 11. 董事及高級管理層酬金 (續)

#### (c) 高級管理層酬金

於年內，向高級管理層（除上文附註11(a)披露的董事外）支付的酬金介乎下列組別：

Number of individuals 人員數目	
2018 二零一八年	2017 二零一七年

<u>1</u>	<u>1</u>
----------	----------

### 12. DIVIDENDS

No dividend in respect of the years ended 31 December 2018 and 2017 was proposed during the years ended 31 December 2018 and 2017, nor has any dividend proposed since the end of the reporting period.

### 13. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the earnings for the year attributable to owners of the Company of HK\$113,440,000 (2017: HK\$23,363,000) and on the weighted average number of 5,796,985,000 (2017: 5,796,985,000) ordinary shares in issue during the year excluding ordinary shares purchased by the Company for share award scheme.

There were no potential dilutive ordinary shares outstanding during both years and hence the diluted earnings per share is the same as basic earnings per share.

### 12. 股息

截至二零一八年及二零一七年十二月三十一日止年度，並無建議派發任何截至二零一八年及二零一七年十二月三十一日止年度的股息，自報告期末以來亦無建議派發任何股息。

### 13. 每股盈利

每股基本盈利乃按年內本公司擁有人應佔盈利港幣113,440,000元（二零一七年：港幣23,363,000元）及年內已發行之普通股（不包括本公司就股份獎勵計劃而購買之普通股）加權平均數5,796,985,000股（二零一七年：5,796,985,000股）為計算基準。

於兩個年度均無發行在外之潛在攤薄普通股，因此每股攤薄盈利與每股基本盈利相同。



## Notes to the Financial Statements

### 財務報表附註

#### 14. RETIREMENT BENEFITS SCHEMES

The Group participates in various defined contribution retirement benefits schemes. The Group participates in the MPF Scheme established under the Mandatory Provident Fund Ordinance for those employees who are eligible to participate in the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of trustees. Subject to a capped amount, the Group contributes 5% of the relevant income for each employee to the MPF Scheme, the amount of which is matched with that contributed by employees. Contributions to the MPF Scheme vest immediately.

The employees of the Company's subsidiaries in the PRC are members of a state-managed retirement benefits scheme operated by the PRC government. The subsidiaries are required to contribute 10% to 20% (2017: 10% to 20%) of payroll costs, subject to a capped amount for each employee to the retirement benefits scheme. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions.

During the year ended 31 December 2018, contributions totalling of HK\$10,740,000 (2017: HK\$9,141,000) were charged to the profit or loss for the year.

#### 14. 退休福利計劃

本集團參加多項定額供款退休福利計劃。本集團就合資格參與強積金計劃之僱員參與根據強制性公積金計劃條例設立之強制性公積金計劃。強積金計劃之資產均由受託人控制之基金持有，並與本集團之資產分開。本集團按有關工資成本之5%（有上限）為每位僱員向強積金計劃作出供款，而僱員亦須作出相應之供款。向強積金計劃作出的供款將即時歸屬。

本公司中國附屬公司之僱員為一項中國政府管理之國營退休福利計劃之成員。附屬公司須按工資成本之10%至20%（二零一七年：10%至20%）向退休福利計劃供款（每位僱員均有上限）。本集團就退休福利計劃之唯一責任是作出指定之供款。

於截至二零一八年十二月三十一日止年度，合共港幣10,740,000元（二零一七年：港幣9,141,000元）之供款已計入年度損益表。

# Notes to the Financial Statements

## 財務報表附註

### 15. PROPERTY, PLANT AND EQUIPMENT

### 15. 物業、廠房及設備

		Buildings	Furniture and equipment	Motor vehicles and vessels	Marine travel facilities and equipment 海上旅遊設施及設備	Construction-in-progress	Total
		樓宇 HK\$'000 港幣千元	傢俬及設備 HK\$'000 港幣千元	汽車及船舶 HK\$'000 港幣千元	設備 HK\$'000 港幣千元	在建工程 HK\$'000 港幣千元	總計 HK\$'000 港幣千元
<b>Cost</b>	<b>成本</b>						
At 31 December 2016	於二零一六年十二月三十一日	156,637	8,310	33,775	5,158	1,832	205,712
Currency realignment	貨幣調整	11,185	523	4,725	447	49	16,929
Additions	添置	-	882	43,464	1,906	-	46,252
Disposals	出售	-	(117)	(1,942)	-	-	(2,059)
Transfer	轉讓	-	-	1,501	-	(1,501)	-
Written-off	註銷	-	-	-	-	(380)	(380)
At 31 December 2017	於二零一七年十二月三十一日	167,822	9,598	81,523	7,511	-	266,454
Currency realignment	貨幣調整	(6,872)	(376)	(4,675)	(372)	(1,157)	(13,452)
Additions	添置	-	200	8,114	-	27,509	35,823
Disposals	出售	(6,380)	(718)	(1,178)	-	-	(8,276)
Disposal of a subsidiary	出售一間附屬公司	(27,132)	(29)	-	-	-	(27,161)
Transfer	轉讓	-	-	-	-	-	-
Written-off	註銷	(2,574)	-	-	-	-	(2,574)
At 31 December 2018	於二零一八年十二月三十一日	124,864	8,675	83,784	7,139	26,352	250,814
<b>Accumulated depreciation</b>	<b>累計折舊</b>						
At 31 December 2016	於二零一六年十二月三十一日	20,707	8,025	15,551	2,716	-	46,999
Currency realignment	貨幣調整	1,759	196	2,330	(25)	-	4,260
Provided for the year	年內撥備	6,438	888	6,342	774	-	14,442
Eliminated on disposals	出售時抵銷	-	(112)	(1,850)	-	-	(1,962)
At 31 December 2017	於二零一七年十二月三十一日	28,904	8,997	22,373	3,465	-	63,739
Currency realignment	貨幣調整	(1,298)	(632)	(1,578)	(37)	-	(3,545)
Provided for the year	年內撥備	6,633	833	6,316	965	-	14,747
Eliminated on disposals	出售時抵銷	(5,979)	(663)	(1,109)	-	-	(7,751)
Eliminated on disposal of a subsidiary	出售一間附屬公司時抵銷	(1,888)	(20)	-	-	-	(1,908)
Eliminated on written-off	註銷時抵銷	(2,271)	-	-	-	-	(2,271)
At 31 December 2018	於二零一八年十二月三十一日	24,101	8,515	26,002	4,393	-	63,011
<b>Carrying amounts</b>	<b>賬面值</b>						
At 31 December 2018	於二零一八年十二月三十一日	100,763	160	57,782	2,746	26,352	187,803
At 31 December 2017	於二零一七年十二月三十一日	138,918	601	59,150	4,046	-	202,715

## Notes to the Financial Statements

### 財務報表附註

#### 16. PREPAID LAND LEASE PAYMENTS

#### 16. 預付土地租賃付款

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Leasehold land in PRC: – Medium-term leases	中國之租賃土地： – 中期租約	<b>40,603</b>	202,446
		<b>2018 二零一八年 HK\$'000 港幣千元</b>	<b>2017 二零一七年 HK\$'000 港幣千元</b>
Opening net carrying amount	年初賬面淨值	<b>202,446</b>	194,236
Amortisation charge for the year	年內攤銷支出	<b>(5,471)</b>	(5,429)
Disposal of a subsidiary	出售一間附屬公司	<b>(152,905)</b>	–
Currency realignment	貨幣調整	<b>(3,467)</b>	13,639
Closing net carrying amount	年末賬面淨值	<b>40,603</b>	202,446
Analysed for reporting purposes as:	分析作呈報用途：		
Current assets	流動資產	<b>2,011</b>	5,665
Non-current assets	非流動資產	<b>38,592</b>	196,781
		<b>40,603</b>	202,446

As at 31 December 2018 and 2017, the Group's prepaid land lease payments represent up-front payments to acquire interest in the usage of land situated in the PRC, which are held under medium-term leases.

於二零一八年及二零一七年十二月三十一日，本集團之預付土地租賃付款指購入位於中國並按中期租約持有之土地使用權之預付款。

## Notes to the Financial Statements

### 財務報表附註

#### 17. INVESTMENT PROPERTIES

#### 17. 投資物業

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
<b>At fair value</b>	<b>按公平值</b>		
At 1 January	於一月一日	<b>63,816</b>	58,934
Currency realignment	貨幣調整	<b>(4,985)</b>	4,238
Gain on change in fair value recognised in profit or loss	於損益中確認之 公平值變動收益	<b>3,535</b>	100
Additions	添置	<b>39,162</b>	544
At 31 December	於十二月三十一日	<b>101,528</b>	63,816

The carrying amount of investment properties shown above represents properties situated in the PRC held under medium-term leases.

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

The fair values of the Group's investment properties at 31 December 2018 and 2017 have been arrived at on the basis of a valuation carried out on that date by Jones Lang Lasalle Corporate Appraisal and Advisory Limited, the independent qualified professional valuers. Jones Lang Lasalle Corporate Appraisal and Advisory Limited are members of the Hong Kong Institute of Surveyors and have appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations.

上文所示之投資物業之賬面值指根據中期租約於中國持有之物業。

本集團所有以經營租約持有以收取租金或作資本增值用途的物業權益乃採用公平值模式計量，並分類及列作投資物業。

本集團於二零一八年及二零一七年十二月三十一日之投資物業之公平值以獨立合資格專業估值師仲量聯行企業評估及諮詢有限公司於該日所採用之估值基準入賬。仲量聯行企業評估及諮詢有限公司為香港測量師學會會員，擁有合適資格，近期亦有相關地點類似物業之估值經驗。



## Notes to the Financial Statements

### 財務報表附註

#### 17. INVESTMENT PROPERTIES (Continued)

##### 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:

#### 17. 投資物業 (續)

##### 公平值等級

下表呈列於報告期末按經常性基準計量的本集團投資物業的公平值，歸類為香港財務報告準則第13號公平值計量定義的三級公平值等級。公平值計量歸類的層級經參考估值方法中使用的輸入參數的可觀察性及重要性釐定如下：

##### Fair value measurement as at 31 December 2018 於二零一八年十二月三十一日之公平值計量

		Level 1	Level 2	Level 3	Fair value as at 31 December 2018 於二零一八年 十二月三十一日 之公平值 HK\$'000 港幣千元
		一級 HK\$'000 港幣千元	二級 HK\$'000 港幣千元	三級 HK\$'000 港幣千元	
<b>Recurring fair value measurement</b>	<b>經常性公平值計量</b>				
Investment properties:	投資物業：				
Property units – the PRC	物業單位－中國	-	-	101,528	101,528

##### Fair value measurement as at 31 December 2017 於二零一七年十二月三十一日之公平值計量

		Level 1	Level 2	Level 3	Fair value as at 31 December 2017 於二零一七年 十二月三十一日 之公平值 HK\$'000 港幣千元
		一級 HK\$'000 港幣千元	二級 HK\$'000 港幣千元	三級 HK\$'000 港幣千元	
<b>Recurring fair value measurement</b>	<b>經常性公平值計量</b>				
Investment properties:	投資物業：				
Property units – the PRC	物業單位－中國	-	-	63,816	63,816

During the years ended 31 December 2018 and 2017, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

於截至二零一八年及二零一七年十二月三十一日止年度，並無一級與二級之間的轉移或於三級的轉入或轉出。根據本集團之政策，公平值等級間的轉移於其產生的報告期末確認。

## Notes to the Financial Statements

### 財務報表附註

#### 17. INVESTMENT PROPERTIES (Continued)

##### Fair value hierarchy (Continued)

The fair value of investment properties is a Level 3 recurring fair value measurement. A reconciliation of the opening and closing fair value balance is provided below.

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Opening balance (Level 3 recurring fair value)	年初餘額 (三級經常性公平值)	63,816	58,934
Currency realignment	貨幣調整	(4,985)	4,238
Fair value change	公平值變動	3,535	100
Additions	添置	39,162	544
Closing balance (Level 3 recurring fair value)	年末餘額 (三級經常性公平值)	<u>101,528</u>	<u>63,816</u>
Change in unrealised gains for the year included in profit or loss for assets held at 31 December	於十二月三十一日持有 資產計入損益的年內 未變現收益變動	<u>3,535</u>	<u>100</u>

##### Information about Level 3 fair value measurement – Property units in the PRC

Fair value is determined by applying the income approach for the years ended 31 December 2018 and 2017 and based on the estimated rental value of the properties. The valuation takes into account the expected vacancy rates and rental growth rates of the respective properties which are supported by the terms of the existing lease, other contracts and external evidence such as current market rents of similar properties.

#### 17. 投資物業 (續)

##### 公平值等級 (續)

投資物業之公平值屬三級經常性公平值計量。年初與年末公平值餘額之對賬如下。

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Opening balance (Level 3 recurring fair value)	年初餘額 (三級經常性公平值)	63,816	58,934
Currency realignment	貨幣調整	(4,985)	4,238
Fair value change	公平值變動	3,535	100
Additions	添置	39,162	544
Closing balance (Level 3 recurring fair value)	年末餘額 (三級經常性公平值)	<u>101,528</u>	<u>63,816</u>
Change in unrealised gains for the year included in profit or loss for assets held at 31 December	於十二月三十一日持有 資產計入損益的年內 未變現收益變動	<u>3,535</u>	<u>100</u>

##### 有關三級公平值計量之資料 – 於中國的物業單位

截至二零一八年及二零一七年十二月三十一日止年度，公平值乃透過採用收入法及根據該等物業之估計租賃價值釐定。估值乃計及輔以現有租約及其他合約條款以及外部證據（如同類物業之現行市場租金）之有關物業之預期空置率及租金增長率。

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

### 17. INVESTMENT PROPERTIES (Continued)

#### Fair value hierarchy (Continued)

#### Information about Level 3 fair value measurement – Property units in the PRC (Continued)

#### Significant unobservable inputs 重大不可觀察輸入數據

#### Range 範圍

#### Relationship of unobservable inputs to fair value 不可觀察輸入數據與公平值之關係

Term yield 年期回報率	3.0% – 4.0% per annum (2017: 3.0% – 3.5% per annum) 每年3.0% – 4.0% (二零一七年: 每年3.0% – 3.5%)	The higher the monthly rent, reversionary yield, expected vacancy rate and discount rate, the lower the fair value 月租、復歸回報率、預期空置率及貼現率愈高，則 公平值愈低
Adjustment on term yield 年期回報率之調整	1.0% (2017: 0.5%) 1.0% (二零一七年: 0.5%)	
Expected vacancy rate 預期空置率	0% – 8.0% (2017: 7.0% – 9.0%) 0% – 8.0% (二零一七年: 7.0% – 9.0%)	
Discount rate 貼現率	3.5% – 4.5% per annum (2017: 3.5% – 4.0% per annum) 每年3.5% – 4.5% (二零一七年: 每年 3.5% – 4.0%)	

There has been no change in the valuation technique used in the prior year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

於上一年度所採用之估值方法並無變動。於估計物業之公平值時，有關物業之最高及最佳用途即為其當前用途。

## Notes to the Financial Statements

### 財務報表附註

#### 18. INTERESTS IN SUBSIDIARIES

Particulars of the principal subsidiaries are as follows:

Company 公司	Place of incorporation/ operations 註冊成立/ 營業地點	Particulars of paid-up capital/ issued share capital 已繳足資本/ 已發行股本詳情	Equity interest owned by the Company 本公司 擁有之權益 %	Principal activities 主要業務
<b>Directly held:</b> 直接持有：				
Galactic Investment Limited 銀河投資有限公司	Hong Kong 香港	HK\$2 港幣2元	100	Investment holding 投資控股
<b>Indirectly held:</b> 間接持有：				
諸城鳳凰置地有限公司**	The PRC 中國	RMB50,000,000 人民幣 50,000,000元	100	Property development 物業發展
誠通大豐海港開發有限公司*	The PRC 中國	RMB150,000,001 人民幣 150,000,001元	66.67	Property development 物業發展
誠通融資租賃有限公司**	The PRC 中國	US\$40,000,000 40,000,000美元	100	Finance leasing 融資租賃
誠通發展貿易有限公司**	The PRC 中國	RMB100,000,000 人民幣 100,000,000元	100	Bulk commodity trade 大宗商品交易
誠通能源廣東有限公司**	The PRC 中國	RMB50,000,000 人民幣 50,000,000元	51	Bulk commodity trade 大宗商品交易
海南亞龍灣海底世界旅游有限公司**	The PRC 中國	RMB96,000,000 人民幣 96,000,000元	100	Provision of marine travelling services 提供海上旅遊服務
海南寰島海底世界酒店有限公司**	The PRC 中國	RMB8,000,000 人民幣8,000,000元	100	Hotel business 酒店管理

\* Established in the PRC as a Sino-foreign equity joint venture enterprise

\*\* A limited liability company established in the PRC

#### 18. 於附屬公司之權益

主要附屬公司詳情如下：

Company 公司	Place of incorporation/ operations 註冊成立/ 營業地點	Particulars of paid-up capital/ issued share capital 已繳足資本/ 已發行股本詳情	Equity interest owned by the Company 本公司 擁有之權益 %	Principal activities 主要業務
<b>Directly held:</b> 直接持有：				
Galactic Investment Limited 銀河投資有限公司	Hong Kong 香港	HK\$2 港幣2元	100	Investment holding 投資控股
<b>Indirectly held:</b> 間接持有：				
諸城鳳凰置地有限公司**	The PRC 中國	RMB50,000,000 人民幣 50,000,000元	100	Property development 物業發展
誠通大豐海港開發有限公司*	The PRC 中國	RMB150,000,001 人民幣 150,000,001元	66.67	Property development 物業發展
誠通融資租賃有限公司**	The PRC 中國	US\$40,000,000 40,000,000美元	100	Finance leasing 融資租賃
誠通發展貿易有限公司**	The PRC 中國	RMB100,000,000 人民幣 100,000,000元	100	Bulk commodity trade 大宗商品交易
誠通能源廣東有限公司**	The PRC 中國	RMB50,000,000 人民幣 50,000,000元	51	Bulk commodity trade 大宗商品交易
海南亞龍灣海底世界旅游有限公司**	The PRC 中國	RMB96,000,000 人民幣 96,000,000元	100	Provision of marine travelling services 提供海上旅遊服務
海南寰島海底世界酒店有限公司**	The PRC 中國	RMB8,000,000 人民幣8,000,000元	100	Hotel business 酒店管理

\* 於中國成立之中外合資經營企業

\*\* 一間於中國成立之有限公司



## Notes to the Financial Statements

### 財務報表附註

#### 18. INTERESTS IN SUBSIDIARIES (Continued)

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

None of the subsidiaries had any debt securities as at 31 December 2018 and 2017 or at any time during the respective year.

The following table lists out the information relating to 誠通大豐海港開發有限公司 and 誠通能源廣東有限公司, the subsidiaries of the Company which have material non-controlling interests ("NCI"). The summarised financial information presented below represents the amounts before any inter-company elimination.

#### 18. 於附屬公司之權益 (續)

上表列出本公司董事認為主要影響本集團年內業績或形成本集團大部分資產及負債之本公司附屬公司。本公司董事考慮到篇幅所限，故並無列出其他附屬公司之詳情。

於二零一八年及二零一七年十二月三十一日或於各年內任何時間，並無附屬公司擁有任何債務證券。

下表列出有關本公司持有重大非控股權益（「非控股權益」）的附屬公司誠通大豐海港開發有限公司及誠通能源廣東有限公司的資料。以下呈列之財務資料概要為未計任何公司間抵銷前之數額。

		誠通大豐海港開發有限公司		誠通能源廣東有限公司	
		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
<b>As at 31 December</b>	<b>於十二月三十一日</b>				
NCI percentage	非控股權益百分比	<b>33.33%</b>	33.33%	<b>49.00%</b>	49.00%
Current assets	流動資產	<b>410,006</b>	451,111	<b>77,935</b>	141,797
Non-current assets	非流動資產	<b>140</b>	213	<b>56</b>	105
Current liabilities	流動負債	<b>(79,615)</b>	(96,133)	<b>(24,681)</b>	(80,072)
Non-current liabilities	非流動負債	-	-	-	-
Net assets	資產淨值	<b>330,531</b>	355,191	<b>53,310</b>	61,830
Carrying amount of NCI	非控股權益賬面值	<b>110,166</b>	118,385	<b>26,122</b>	30,297
<b>For the year ended 31 December</b>	<b>截至十二月三十一日止年度</b>				
Turnover	營業額	<b>384</b>	-	<b>614,721</b>	684,775
(Loss)/profit for the year	年內(虧損)/溢利	<b>(7,209)</b>	(7,107)	<b>771</b>	5,218
Total comprehensive income	全面收益總額	<b>(24,659)</b>	16,757	<b>(1,164)</b>	9,204
(Loss)/profit allocated to NCI	分配至非控股權益之(虧損)/溢利	<b>(2,403)</b>	(2,369)	<b>378</b>	2,557
Dividend paid to NCI	已付非控股權益之股息	-	-	<b>3,604</b>	-
<b>For the year ended 31 December</b>	<b>截至十二月三十一日止年度</b>				
Cash flows from operating activities	經營活動產生之現金流量	<b>2,043</b>	(923)	<b>15,681</b>	33,316
Cash flows from investing activities	投資活動產生之現金流量	<b>196</b>	5,607	<b>24</b>	(99)
Cash flows from financing activities	融資活動產生之現金流量	-	-	<b>(7,356)</b>	(35)
Net cash inflows	現金流入淨額	<b>2,239</b>	4,684	<b>8,349</b>	33,182

## Notes to the Financial Statements

### 財務報表附註

#### 19. DEPOSITS PAID

Deposits paid for purchase of property, plant and equipment 就購買物業、廠房及設備已付之按金

2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
-	4,966

#### 20. PROPERTIES HELD FOR SALE/ PROPERTIES UNDER DEVELOPMENT

Properties held under development comprise leasehold land and certain construction costs in the PRC under medium-term lease for commercial use and long lease for residential use. The amount is expected to be recovered within the Group's operating cycle, thus, it is classified as current assets.

Upon completion of construction works, completed properties under development will be transferred to properties held for sale.

During the year ended 31 December 2018, no properties under development was transferred to properties held for sale (2017: HK\$147,243,000).

#### 21. PROPERTIES HELD FOR DEVELOPMENT

The properties held for development mainly comprises leasehold land in the PRC under medium-term and long leases without commencement of construction works. The amount is expected to be recovered within the normal operating cycle and therefore classified as current assets.

#### 22. INVENTORIES

Bulk commodities 大宗商品  
Merchandises and consumables 商品及消耗品

#### 20. 持作銷售物業／發展中物業

發展中物業包括根據商業用途中期租約及住宅用途長期租約於中國持有的租賃土地及若干建築成本。該款項預計將於本集團經營週期內收回，因此列為流動資產。

建設工程完工後，完工的發展中物業將轉入持作銷售物業。

於截至二零一八年十二月三十一日止年度，並無發展中物業轉入持作銷售物業（二零一七年：港幣147,243,000元）。

#### 21. 持作發展物業

持作發展物業主要包括根據中長期租約於中國持有、尚未開始施工的租賃土地。該款項預計將於一般經營週期內收回，因此列為流動資產。

#### 22. 存貨

2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
11,978	-
3,992	4,281
<b>15,970</b>	<b>4,281</b>

## Notes to the Financial Statements

### 財務報表附註

#### 23. TRADE AND OTHER RECEIVABLES

#### 23. 貿易及其他應收款項

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Trade and bills receivables (note a)	貿易應收款項及應收票據 (附註a)	8,475	20,659
Prepayments to suppliers	向供應商預付款項	111,353	71,493
Other prepayments and deposits (note b)	其他預付款項及按金(附註b)	43,747	7,147
Other receivables	其他應收款項	23,131	29,741
Total trade and other receivables (note c)	貿易及其他應收款項總額 (附註c)	<b>186,706</b>	129,040

Notes:

- (a) As at 31 December 2018 and 2017, trade receivables mainly arose from bulk commodity trading and no credit period was granted to customers (2017: 0 day to 45 days) of bulk commodity trading business.

Bills receivables were due within 1 year (2017: 1 year) from the date of issuance.

The Group normally grants credit terms to its customers according to industry practice together with consideration of their creditability and repayment history. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management.

The following is an ageing analysis of trade and bills receivables presented based on the invoice date at the end of the reporting period.

附註:

- (a) 於二零一八年及二零一七年十二月三十一日，貿易應收款項主要來自大宗商品貿易，而大宗商品貿易業務客戶並無獲授予除賬期(二零一七年：0至45天)。

應收票據自發行日期起計一年(二零一七年：一年)內到期。

本集團通常根據業內常規並考慮客戶的信用程度及償還記錄，向彼等授出除賬期。本集團力求對其未收回之應收款項維持嚴格的控制。逾期結餘定期由高級管理層檢視。

於報告期末按發票日期呈報之貿易應收款項及應收票據之賬齡分析如下：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Within 90 days	90天內	378	16,999
91 – 180 days	91至180天	8,097	3,660
		<b>8,475</b>	20,659

## Notes to the Financial Statements

### 財務報表附註

#### 23. TRADE AND OTHER RECEIVABLES (Continued)

Notes:(Continued)

(a) (Continued)

The ageing analysis of trade and bills receivables presented that are not considered to be credit-impaired is as follows:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Not yet past due	尚未逾期	8,097	20,659
Less than one month past due	逾期少於一個月	378	-
		<b>8,475</b>	<b>20,659</b>

(b) During the year ended 31 December 2017, the Group has written off prepayments of HK\$4,464,000 which were considered as uncollectable.

(c) As at 31 December 2018, loss allowance of HK\$177,000 (2017: nil) were made against the gross amount of trade and other receivables.

Movement in the loss allowance account in respect of trade and other receivables during the year is as follows:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Balance at 31 December under HKAS 39	根據香港會計準則第39號 於十二月三十一日的結餘	-	-
Impact on initial application of HKFRS 9 (note 2.1)	首次應用香港財務報告準則 第9號之影響(附註2.1)	17	-
Adjusted balance at 1 January	於一月一日的經調整結餘	17	-
Impairment losses recognised during the year	於年內確認的減值虧損	160	-
Balance at 31 December	於十二月三十一日的結餘	<b>177</b>	<b>-</b>

#### 23. 貿易及其他應收款項 (續)

附註:(續)

(a) (續)

未被視為信貸減值之貿易應收款項及應收票據之賬齡分析如下:

	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Not yet past due	8,097	20,659
Less than one month past due	378	-
	<b>8,475</b>	<b>20,659</b>

(b) 於截至二零一七年十二月三十一日止年度，本集團已註銷一筆被視為無法收回的預付款項港幣4,464,000元。

(c) 於二零一八年十二月三十一日，已就貿易及其他應收款項總額計提虧損撥備港幣177,000元(二零一七年:無)。

年內貿易及其他應收款項於虧損撥備賬中的變動詳情如下:

	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Balance at 31 December under HKAS 39	-	-
Impact on initial application of HKFRS 9 (note 2.1)	17	-
Adjusted balance at 1 January	17	-
Impairment losses recognised during the year	160	-
Balance at 31 December	<b>177</b>	<b>-</b>



## Notes to the Financial Statements

### 財務報表附註

#### 24. LOANS RECEIVABLE

As at 31 December 2018, the Group had 11 (2017: 9) sale and leaseback agreements pursuant to which the customers (the "lessees") sold their equipment and facilities to the Group and leased back the equipment and facilities with the lease period of 1 to 3 years (2017: 3 years) from the date of inception. In addition, the ownership of leased assets will be transferred to the lessees at a purchase option of RMB1 upon the settlement of the receivable and the interest accrued under the sale and leaseback arrangements. The lessees retain control of the equipment and facilities before and after entering into the sale and leaseback arrangements which do not therefore constitute a lease for accounting purposes. Rather, the arrangements have been accounted for as a secured loan in accordance with HKAS 39 Financial Instruments: Recognition and Measurement in previous years and continues to be accounted for as financial assets at amortised cost in accordance with HKFRS 9 Financial Instruments in current year.

#### 24. 應收貸款

於二零一八年十二月三十一日，本集團共有十一份（二零一七年：九份）售後回租協議，據此，客戶（「承租方」）將其設備及設施出售予本集團，並於協議生效之日起一至三年（二零一七年：三年）之租賃期內租回該等設備及設施。此外，於售後回租安排項下應收款項及應計利息結清後，將在承租方以人民幣1元行使購買權的情況下，把租賃資產的所有權轉讓予承租方。在訂立該等售後回租安排前後，承租方保留設備及設施的控制權，故就會計核算而言並不構成一項租賃，而有關安排已於過往年度根據香港會計準則第39號「金融工具：確認及計量」作為一項有抵押貸款列賬，並將繼續於本年度根據香港財務報告準則第9號「金融工具」入賬為以攤銷成本入賬的金融資產。

	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Analysed for reporting purposes as:		
Current assets	421,236	358,359
Non-current assets	245,700	383,902
	<b>666,936</b>	<b>742,261</b>

As at 31 December 2018, effective interest rates ranged from approximately 5.22% to 8.12% (2017: 6.50% to 8.20%) per annum.

於二零一八年十二月三十一日，實際年利率介乎約5.22%至8.12%（二零一七年：6.50%至8.20%）。

The loans receivable under the sale and leaseback arrangements are secured by the land and buildings, leased equipment and facilities and customers' deposits and the Group has obtained guarantees provided by the controlling shareholders or related parties of the lessees. The Group is not permitted to sell or repledge the collateral in absence of default by the lessees. The lessees are obliged to settle the amounts according to the terms set out in the relevant contracts.

售後回租安排項下應收貸款以土地及樓宇、租賃設備及設施以及客戶存款作抵押，且本集團獲得承租方的控股股東或關連方提供之擔保。在承租方未違約的情況下，本集團不得出售該抵押品或將其轉押。承租方有義務根據相關合約所載條款結算相關款項。

As at 31 December 2018 and 2017, the fair value of loans receivable approximates to its carrying amount.

於二零一八年及二零一七年十二月三十一日，應收貸款的公平值與其賬面值相若。

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

### 24. LOANS RECEIVABLE (Continued)

Movement in the loss allowance account in respect of loans receivable during the year is as follows:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Balance at 31 December under HKAS 39	根據香港會計準則第39號 於十二月三十一日的結餘	-	-
Impact on initial application of HKFRS 9 (note 2.1)	首次應用香港財務報告準則 第9號之影響(附註2.1)	233	-
Adjusted balance at 1 January	於一月一日的經調整結餘	233	-
Impairment losses reversed during the year	於年內撥回的減值虧損	(105)	-
Exchange difference	匯兌差額	(7)	-
Balance at 31 December	於十二月三十一日的結餘	<u>121</u>	<u>-</u>

### 24. 應收貸款 (續)

年內應收貸款於虧損撥備賬中的變動詳情如下:

	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
	-	-
	233	-
	233	-
	(105)	-
	(7)	-
	<u>121</u>	<u>-</u>

### 25. AMOUNT DUE FROM A NON-CONTROLLING SHAREHOLDER OF A SUBSIDIARY

The amount due from a non-controlling shareholder of a subsidiary has been fully repaid during the year ended 31 December 2018.

As at 31 December 2017, the amount due from a non-controlling shareholder of a subsidiary was unsecured, repayable on demand and bore interest at 5.70% per annum.

### 25. 應收一間附屬公司一名非控股股東款項

應收一間附屬公司一名非控股股東款項已於截至二零一八年十二月三十一日止年度悉數償還。

於二零一七年十二月三十一日，應收一間附屬公司一名非控股股東款項為無抵押、按要求償還及按年利率5.70%計息。

## Notes to the Financial Statements

### 財務報表附註

#### 26. OTHER FINANCIAL ASSETS/AVAILABLE-FOR-SALE FINANCIAL ASSETS/HELD-FOR-TRADING SECURITIES

#### 26. 其他金融資產／可供出售金融資產／持作買賣證券

	At 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 港幣千元	At 1 January 2018 於二零一八年 一月一日 HK\$'000 港幣千元	At 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 港幣千元
<b>Non-current:</b>			
<b>Financial assets measured at FVOCI (non-recycling)</b>			
– Equity investments	4,984	5,246	–
<b>Available-for-sale financial assets</b>			
– Unlisted equity investments, at cost	–	–	5,246
<b>Current:</b>			
<b>Financial assets measured at FVOCI (non-recycling)</b>			
Equity investments			
– Shares listed in Hong Kong	104,140	170,180	–
<b>Financial assets measured at FVOCI (recycling)</b>			
Debt investments			
– Term note with interest of 8.125% per annum, dual-listed in Singapore and Ireland	–	167,180	–
<b>Financial assets measured at FVPL</b>			
– Shares listed in Hong Kong	1,125	1,173	–
– Unlisted investments (note(a))	421,847	322,910	–
– Fund investments	–	41,271	–
<b>Financial assets at amortised cost</b>			
– Unlisted investments with interest ranging from 4.0% to 7.0% per annum	74,100	–	–
– Structured bank deposits with interest ranging from 2.9% to 4.5% per annum	239,400	–	–

## Notes to the Financial Statements

### 財務報表附註

#### 26. OTHER FINANCIAL ASSETS/AVAILABLE-FOR-SALE FINANCIAL ASSETS/HELD-FOR-TRADING SECURITIES (Continued)

#### 26. 其他金融資產／可供出售金融資產／持作買賣證券（續）

		At 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 港幣千元	At 1 January 2018 於二零一八年 一月一日 HK\$'000 港幣千元	At 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 港幣千元
<b>Held-for-trading securities</b>	<b>持作買賣證券</b>	-	-	1,173
<b>Available-for-sale financial assets</b> <i>(note (b))</i>	<b>可供出售金融資產 (附註(b))</b>			
Listed debt investments, at fair value:	以公平值入賬的上市債務投資：			
- Term note with interest of 8.125% per annum, dual-listed in Singapore and Ireland	- 於新加坡及愛爾蘭兩地上市按年8.125%的附息票據	-	-	167,180
<b>Listed equity investments, at fair value:</b>	<b>以公平值入賬的上市權益投資：</b>			
- Shares listed in Hong Kong	- 於香港上市的股份	-	-	170,180
<b>Fund investments, at fair value</b>	<b>以公平值入賬的基金投資</b>	-	-	41,271
<b>Unlisted investments, at cost</b>	<b>以成本入賬的非上市投資</b>			
- Investment with interest ranging from 3.3% to 7.7% per annum	- 介乎按年3.3%至7.7%的附息投資	-	-	321,600
		<b>840,612</b>	<b>702,714</b>	<b>701,404</b>

Notes:

- (a) The balances represented the trust products issued by PRC banks and financial institutions which invested in underlying assets without open or active quotations.
- (b) Available-for-sale financial assets were reclassified to financial assets measured at FVPL and FVOCI upon the initial application of HKFRS 9 at 1 January 2018 (see note 2.1).

附註：

- (a) 該等結存為中國之銀行及金融機構所發行之信託產品，其投資於並無公開或活躍報價之相關資產。
- (b) 於二零一八年一月一日首次應用香港財務報告準則第9號後，可供出售金融資產重新分類為按公平值計入損益及按公平值變動計入其他全面收益計量之金融資產（見附註2.1）。



## Notes to the Financial Statements

### 財務報表附註

#### 27. DEPOSITS IN OTHER FINANCIAL INSTITUTION

During the year ended 31 December 2015, the Company entered into a financial services agreement with China Chengtong Finance Corporation Ltd. ("**Chengtong Finance**"), a wholly-owned subsidiary of CCHG, pursuant to which Chengtong Finance agreed to provide the Group with a range of financial services, including the deposit services, up to 31 December 2017. Such financial services agreement expired on 31 December 2017.

On 29 December 2017, Chengtong Finance entered into a new financial services agreement ("**New Financial Services Agreement**") with the Company pursuant to which Chengtong Finance agreed to provide the Group with a range of financial services, including the deposit services, for a term from 1 January 2018 to 31 December 2020. Details in relation to the New Financial Services Agreement are set out in the Company's announcement dated 29 December 2017.

As at 31 December 2018, the Group has had current deposits of HK\$112,338,000 (2017: HK\$86,200,000) with Chengtong Finance with interest ranged from 0.42% to 1.62% (2017: 0.42% to 1.62%) per annum.

#### 28. BANK BALANCES AND CASH AND PLEDGED BANK DEPOSITS AND OTHER CASH FLOW INFORMATION

##### (a) Bank balances and cash and pledged bank deposits

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
<b>Bank balances and cash</b>	<b>銀行結存及現金</b>		
Cash at banks and in hand	銀行及手頭現金	791,265	749,708
<b>Pledged bank deposits</b>	<b>已抵押銀行存款</b>		
Deposits pledged against banking facilities granted to mortgagees	就授予按揭人之銀行融資抵押之存款	1,257	1,321
Other secured deposits	其他抵押存款	2,558	2,685
		<b>3,815</b>	<b>4,006</b>

#### 27. 其他金融機構存款

截至二零一五年十二月三十一日止年度，本公司與誠通財務有限責任公司（（「誠通財務」），誠通控股之全資附屬公司）訂立金融服務協議，據此，誠通財務同意向本集團提供一系列金融服務，包括存款服務，直至二零一七年十二月三十一日為止。該金融服務協議於二零一七年十二月三十一日到期。

於二零一七年十二月二十九日，誠通財務與本公司訂立新金融服務協議（「新金融服務協議」），據此，誠通財務同意向本集團提供一系列金融服務，包括存款服務，期限自二零一八年一月一日起至二零二零年十二月三十一日止。有關新金融服務協議之詳情載於本公司日期為二零一七年十二月二十九日之公告內。

於二零一八年十二月三十一日，本集團存放於誠通財務的活期存款為港幣112,338,000元（二零一七年：港幣86,200,000元），年利率介乎0.42%至1.62%（二零一七年：0.42%至1.62%）。

#### 28. 銀行結存及現金以及已抵押銀行存款及其他現金流量資料

##### (a) 現金結存及現金以及已抵押銀行存款

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

### 28. BANK BALANCES AND CASH AND PLEDGED BANK DEPOSITS AND OTHER CASH FLOW INFORMATION (Continued)

#### (a) Bank balances and cash and pledged bank deposits (Continued)

- (i) For the year ended 31 December 2018, bank balances deposited in Hong Kong banks carry interest ranged from 0.01% to 0.50% (2017: from 0.01% to 0.10%) per annum.

Bank balances deposited in PRC banks carry interest at benchmark rate offered by The People's Bank of China.

- (ii) Bank balances and cash and pledged bank deposits held by the Company's PRC subsidiaries and deposited with banks in the PRC amounting to HK\$560,614,000 (2017: HK\$717,232,000) were denominated in RMB which are not a freely convertible currency in the international market. The RMB exchange rate is determined by the Government of the PRC and the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the Government of the PRC.

- (iii) As at 31 December 2017, the Group had time deposits of HK\$12,000,000 placed with banks with original maturity period of six months and earned interest income at interest rate of 1.3% per annum. The entire amount of time deposits as of 31 December 2017 was included in "bank balances and cash".

- (iv) As required by the PRC State-Owned Land and Resource Bureau, certain property development companies of the Group are required to place in designated bank accounts the pre-sale proceeds of properties to finance the construction of the related properties. The deposits can only be used for purchases of construction materials and payments of construction fees of the relevant property projects when approval from the PRC State-Owned Land and Resource Bureau is obtained. The directors considered these bank deposits form part of the Group's normal operating fund, which was included in "bank balances and cash", and was presented as part of cash and cash equivalents.

The cash deposited in the designated bank accounts for the aforesaid specific usage as at 31 December 2018 amounted to HK\$16,746,000 (2017: HK\$33,421,000).

### 28. 銀行結存及現金以及已抵押銀行存款及其他現金流量資料 (續)

#### (a) 現金結存及現金以及已抵押銀行存款 (續)

- (i) 截至二零一八年十二月三十一日止年度，於香港銀行之銀行結存的年利率介乎0.01%至0.50%（二零一七年：介乎0.01%至0.10%）。

於中國之銀行之銀行結存按中國人民銀行公佈之基準利率計息。

- (ii) 本公司之中國附屬公司所持金額為港幣560,614,000元（二零一七年：港幣717,232,000元）之銀行結存及現金以及已抵押銀行存款以人民幣列值，並存放於中國之銀行，惟人民幣不可於國際市場自由兌換。人民幣之匯率由中國政府釐定，而自中國匯出有關資金須受中國政府實施之外匯管制所規限。

- (iii) 於二零一七年十二月三十一日，本集團於銀行存有定期存款港幣12,000,000元，原有期限為六個月，並按年利率1.3%賺取利息收入。截至二零一七年十二月三十一日之定期存款總金額已計入「銀行結存及現金」。

- (iv) 根據中國國土資源部的規定，本集團若干物業發展公司須向指定銀行戶口存入物業預售所得的款項，作為興建相關物業的資金。該存款僅可用作購買建築材料及於中國國土資源部批准相關物業項目後支付建造費用。董事認為，有關銀行存款構成本集團一般營運資金的一部分，並已計入「銀行結存及現金」及作為現金及現金等價物的一部分列賬。

於二零一八年十二月三十一日，在指定銀行戶口存放作上述特定用途之現金為港幣16,746,000元（二零一七年：港幣33,421,000元）。

## Notes to the Financial Statements

### 財務報表附註

#### 28. BANK BALANCES AND CASH AND PLEDGED BANK DEPOSITS AND OTHER CASH FLOW INFORMATION (Continued)

##### (b) Other cash flow information

Reconciliation of liabilities arising from financing activities:

		<b>Bank borrowings (note 31) 銀行借貸 (附註31) HK\$'000 港幣千元</b>
At 1 January 2018	於二零一八年一月一日	<b>214,400</b>
Changes from financing cash flows:	來自融資現金流量的變動:	
Proceeds from new bank loans	新銀行貸款所得款項	<b>77,350</b>
Repayment of bank loans	償還銀行貸款	<b>(14,280)</b>
Interest paid	已付利息	<b>(9,039)</b>
Total changes from financing cash flows	來自融資現金流量的變動總額	<b>54,031</b>
Exchange adjustments	匯兌調整	<b>(3,370)</b>
Other changes:	其他變動:	
Interest expenses	利息開支	<b>6,505</b>
Capitalised borrowing costs	資本化借貸成本	<b>2,534</b>
Total other changes	其他變動總額	<b>9,039</b>
At 31 December 2018	於二零一八年十二月三十一日	<b>274,100</b>

#### 28. 銀行結存及現金以及已抵押銀行存款及其他現金流量資料 (續)

##### (b) 其他現金流量資料

融資活動產生的負債對賬：

## Notes to the Financial Statements

### 財務報表附註

#### 28. BANK BALANCES AND CASH AND PLEDGED BANK DEPOSITS AND OTHER CASH FLOW INFORMATION (Continued)

##### (b) Other cash flow information (Continued)

Reconciliation of liabilities arising from financing activities:  
(Continued)

		Bank borrowings (note 31) 銀行借貸 (附註31) HK\$'000 港幣千元	Corporate bonds 公司債券 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 January 2017	於二零一七年一月一日	77,280	667,219	744,499
Changes from financing cash flows:	來自融資現金流量的變動:			
Proceeds from new bank loans	新銀行貸款所得款項	200,000	–	200,000
Repayment of bank loans	償還銀行貸款	(65,550)	–	(65,550)
Repayment of corporate bonds	償還公司債券	–	(678,000)	(678,000)
Interest paid	已付利息	(7,385)	(9,540)	(16,925)
Total changes from financing cash flows	來自融資現金流量的變動總額	127,065	(687,540)	(560,475)
Exchange adjustments	匯兌調整	2,670	5,988	8,658
Other changes:	其他變動:			
Interest expenses	利息開支	1,404	11,544	12,948
Capitalised borrowing costs	資本化借貸成本	5,981	2,789	8,770
Total other changes	其他變動總額	7,385	14,333	21,718
At 31 December 2017	於二零一七年十二月三十一日	214,400	–	214,400

#### 28. 銀行結存及現金以及已抵押銀行存款及其他現金流量資料 (續)

##### (b) 其他現金流量資料 (續)

融資活動產生的負債對賬：(續)



## Notes to the Financial Statements

### 財務報表附註

#### 29. TRADE AND OTHER PAYABLES

#### 29. 貿易及其他應付款項

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Trade payables (note (a))	貿易應付款項 (附註(a))	13,030	14,941
Other payables and accruals	其他應付款項及應計款項	52,516	40,547
Deposits received	已收按金	14,820	-
Advances received	已收墊款	-	55,867
Accrual of construction costs	應計工程費用	40,360	45,514
		<b>120,726</b>	<b>156,869</b>

Note:

(a) The ageing analysis of the trade payables presented based on the invoice date at the end of the reporting period is as follows:

附註:

(a) 於報告期末按發票日期呈報的貿易應付款項之賬齡分析如下:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Within one year	一年內	10,105	11,500
Over one year but less than two years	超過一年但少於兩年	-	67
Over two years but less than three years	超過兩年但少於三年	2,925	3,374
		<b>13,030</b>	<b>14,941</b>

#### 30. CONTRACT LIABILITIES

#### 30. 合約負債

The Group has recognised the following revenue-related contract liabilities:

本集團已確認下列收益相關合約負債:

		31 December 2018 二零一八年 十二月三十一日 HK\$'000 港幣千元	1 January 2018 (Note) 二零一八年 一月一日 (附註) HK\$'000 港幣千元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 港幣千元
Contract liabilities related to property sales	有關物業銷售的合約負債	163,266	128,921	-
Contract liabilities related to bulk commodity trade	有關大宗商品貿易的合約負債	43,830	55,867	-
		<b>207,096</b>	<b>184,788</b>	<b>-</b>

Note: The Group has initially applied HKFRS 15 using the cumulative effect method and adjusted the opening balances at 1 January 2018.

附註: 本集團已初步應用香港財務報告準則第15號使用累計影響法, 並調整於二零一八年一月一日年初結餘。

## Notes to the Financial Statements

### 財務報表附註

#### 30. CONTRACT LIABILITIES (Continued)

##### Movements in contract liabilities

		2018 二零一八年 HK\$'000 港幣千元
Balance at 1 January	於一月一日的結餘	184,788
- Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	- 合約負債因年內確認於年初計入合約負債之收益而減少	(81,953)
- Increase in contract liabilities as a result of billing in advance of bulk commodity trade	- 合約負債因大宗商品貿易提前開票而增加	43,830
- Increase in contract liabilities as a result of receiving sales deposits and instalments during the year in respect of properties still under construction as at 31 December 2018	- 合約負債因年內收取於二零一八年十二月三十一日仍在建物業之銷售按金及分期付款而增加	60,431
Balance at 31 December	於十二月三十一日的結餘	207,096

As at 31 December 2018, the amount of HK\$207,096,000 unsatisfied performance obligations resulting from property sales and bulk commodity trade were expected to be recognised as income within one year.

於二零一八年十二月三十一日，物業銷售及大宗商品貿易產生的港幣207,096,000元的未達成履約責任預期於一年內確認為收入。

#### 31. BANK BORROWINGS

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
<b>Unsecured bank borrowings</b>	<b>無抵押銀行借貸</b>		
Short-term bank loans	短期銀行貸款	274,100	214,400

The short-term bank loans were unsecured and repayable within one year from the end of the reporting period.

短期銀行貸款乃無抵押，並自報告期末起一年內須予償還。

The effective interest rates of the bank loans ranged from 2.67% to 5.90% per annum at 31 December 2018 (2017: 2.62% to 5.22%).

於二零一八年十二月三十一日，該等銀行貸款的實際年利率介乎2.67%至5.90% (二零一七年：2.62%至5.22%)。

## Notes to the Financial Statements

### 財務報表附註

### 32. UNSECURED OTHER LOAN

Unsecured other loan from third parties is unsecured, repayable on demand and interest-free.

### 33. DEFERRED TAX

#### Deferred tax liabilities

The followings are the major deferred tax liabilities and movement thereon during the current and prior year:

		Revaluation of prepaid land lease payments and properties 預付土地 租賃付款及 物業重估 HK\$'000 港幣千元	Undistributed profits of PRC subsidiaries* 中國附屬公司 未分配利潤* HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
<b>At 31 December 2016</b>	<b>於二零一六年 十二月三十一日</b>			
Charge to profit or loss (note 9)	於損益中扣除(附註9)	55,113	17,975	73,088
Exchange differences	匯兌差額	25	3,163	3,188
		3,938	1,421	5,359
<b>At 31 December 2017</b>	<b>於二零一七年 十二月三十一日</b>			
Charge to profit or loss (note 9)	於損益中扣除(附註9)	59,076	22,559	81,635
Disposal of a subsidiary (note 37)	出售一間附屬公司(附註37)	884	6,557	7,441
Transferred to current tax payable	轉移至應付即期稅項	(21,240)	-	(21,240)
Exchange differences	匯兌差額	-	(13,090)	(13,090)
		(2,099)	(853)	(2,952)
<b>At 31 December 2018</b>	<b>於二零一八年 十二月三十一日</b>	<b>36,621</b>	<b>15,173</b>	<b>51,794</b>

\* Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC entities to a non-PRC holding company from 1 January 2008 onwards.

\* 根據中國企業所得稅法，自二零零八年一月一日起對中國公司就所獲溢利向非中國控股公司宣派的股息徵收預扣稅。

### 32. 無抵押其他貸款

第三方提供之無抵押其他貸款均為無抵押、須應要求償還及免息。

### 33. 遞延稅項

#### 遞延稅項負債

於本年度及以往年度產生之重大遞延稅項負債及其變動載列如下：

## Notes to the Financial Statements

### 財務報表附註

#### 33. DEFERRED TAX (Continued)

##### Deferred tax assets

The Group has estimated unused tax losses not recognised in the consolidated financial statements as follows:

Estimated unused tax losses	估計未動用稅項虧損
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No deferred tax asset in respect of the abovementioned estimated unused tax losses have been recognised due to unpredictability of future profit streams. Included in the unrecognised estimated unused tax losses are losses of approximately HK\$63,543,000 (2017: HK\$67,133,000) that will expire on various dates within five years from the reporting dates. Other estimated unused tax losses may be carried forward indefinitely.

#### 33. 遞延稅項 (續)

##### 遞延稅項資產

本集團未於綜合財務報表中確認之估計未動用稅項虧損載列如下：

<b>2018</b> <b>二零一八年</b> <b>HK\$'000</b> <b>港幣千元</b>	2017 二零一七年 HK\$'000 港幣千元
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<b>138,426</b>	140,828
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鑒於未能預測日後溢利，故並無就上述估計未動用稅項虧損確認遞延稅項資產。未確認估計未動用稅項虧損中包括約港幣63,543,000元（二零一七年：港幣67,133,000元）將於報告日期起計五年內不同日期到期之虧損。其他估計未動用稅項虧損可無限期結轉。

#### 34. SHARE CAPITAL

#### 34. 股本

##### THE GROUP AND THE COMPANY 本集團及本公司

		2018 二零一八年		2017 二零一七年	
		Number of shares 股份數目 '000 千股	HK\$'000 港幣千元	Number of shares 股份數目 '000 千股	HK\$'000 港幣千元
Issued and fully paid:	已發行及已繳足：				
At 1 January and 31 December	於一月一日及十二月三十一日	<b>5,808,735</b>	<b>2,185,876</b>	5,808,735	2,185,876



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

### 35. SHARE OPTION SCHEME AND SHARE AWARD SCHEME

#### (a) Share option scheme

The Company has adopted the share option scheme (the “**Scheme**”) on 27 June 2013. The purpose of the Scheme is to provide incentives or rewards to participants thereunder for their contribution to the Group and/or to enable the Group to recruit and retain high-caliber employees and attract human resources that are valuable to the Group and any invested entity.

Eligible participants of the Scheme include (a) any employee (whether full-time or part-time, including any executive director but excluding any non-executive director of the Company) of, or any individual for the time being seconded to work for the Company, any subsidiary or any entity in which any member of the Group holds any equity interest (“**Invested Entity**”) or any employee or officer of the controlling shareholder of the Company; (b) any non-executive director (including independent non-executive directors) of the Company, any subsidiary or any Invested Entity; (c) any suppliers of goods or services to any member of the Group or any Invested Entity; (d) any customer of the Group or any Invested Entity; (e) any person or entity that provides research development or other technological support to the Group or any Invested Entity; (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued or proposed to be issued by any member of the Group or any invested entity; (g) any adviser (professional or otherwise) or consultant to the Group relating to any area of business or business development of any member of the Group or any Invested Entity; and (h) any joint venture or business partner of the Group who have contributed or may contribute to the development and growth of the Group. For the purposes of the Scheme, the offer may be made to any company wholly owned by one or more eligible participants. The Scheme shall be valid and effective for a period of 10 years commencing on the date it was adopted and will end on 26 June 2023.

An offer of the grant of an option under the Scheme (the “**Option**”) may be accepted within 21 days from the date of grant together with a remittance of HK\$1.00 by way of consideration for the grant thereof. An Option may be exercised during such period as the board of directors may in its absolute discretion determine, save that such period shall not be more than 10 years from the date of grant. The maximum number of shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes adopted by the Group shall not exceed 30% of the share capital of the Company in issue from time to time.

### 35. 購股權計劃及股份獎勵計劃

#### (a) 購股權計劃

本公司已於二零一三年六月二十七日採納購股權計劃（「**計劃**」）。計劃旨在鼓勵或獎賞對本集團作出貢獻之參與者及／或使本集團能招攬及挽留高質素僱員以及吸納對本集團及任何投資實體而言屬寶貴之人力資源。

計劃的合資格參與者包括：(a)本公司、本集團的任何附屬公司或任何本集團成員持有任何股權的實體（「**投資實體**」）的任何僱員（全職或兼職，包括本公司任何執行董事，但不包括任何非執行董事）或暫時被調派到本公司、本集團的任何附屬公司或投資實體的人士，或本公司控股股東的任何僱員或高級人員；(b)本公司、任何附屬公司或任何投資實體的任何非執行董事（包括獨立非執行董事）；(c)本集團任何成員公司或任何投資實體的任何貨物或服務供應商；(d)本集團或任何投資實體的任何客戶；(e)向本集團或任何投資實體提供研發或其他技術支援的任何個人或實體；(f)本集團或任何投資實體的任何股東或本集團任何成員公司或任何投資實體發行或擬發行的任何證券的任何持有人；(g)本集團或本集團任何成員公司或任何投資實體有關本集團任何業務範疇或業務發展的任何顧問（專業或非專業）或專家顧問；及(h)為本集團的發展與成長作出貢獻或可能作出貢獻的本集團之任何合營企業或商業夥伴。就計劃而言，可向由一名或多名資格參與者全資擁有的任何公司授出購股權。計劃應自採納之日起生效，有效期為10年並將於二零二三年六月二十六日結束。

計劃項下授出的購股權（「**購股權**」）可於授出之日起21日內於接受所授出的購股權後匯款支付港幣1.00元作為授出購股權的代價而被接納。此期間內，董事會可按其絕對酌情權決定行使購股權，惟該期間不得超過授出日期10年。所有根據購股權計劃及本集團任何其他購股權計劃已授予而尚未行使的未兌現購股權獲行使後可供配發及發行的股份最大數額不得超過本公司不時發行的已發行股本總額30%。

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

### 35. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (Continued)

#### (a) Share option scheme (Continued)

The subscription price for the shares on the exercise of the Option shall be determined at the discretion of the board of directors which shall not be less than the higher of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the date of grant; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant, and (iii) the nominal value of the Company's shares (*note*). Holding period will be determined by directors upon granting.

During the years ended 31 December 2018 and 2017, no share option was granted, exercised, cancelled or lapsed under the Scheme. There was no option outstanding as at 31 December 2018 and 2017.

*Note:* Pursuant to the Companies Ordinance, which came into operation on 3 March 2014, the shares of the Company have ceased to have nominal value.

#### (b) Share award scheme

The previous share award scheme of the Company (the "**Expired Scheme**") was approved and adopted by the board of directors on 25 April 2012. The Expired Scheme had a term of five years from its adoption date and has expired on 24 April 2017. On 24 April 2017, a total of 11,750,000 shares remain to be held by the trustee for the purpose of the Expired Scheme.

In order to continue to provide a means to (i) recognise the contributions by certain selected employees and to give incentives to them for the continual operation and development of the Group; and (ii) attract suitable personnel for the growth and further development of the Group, the Company has adopted a new share award scheme (the "**New Scheme**") which became effective on 1 July 2017 (the "**Effective Date**"). Subject to any early termination as may be determined by the board of directors, the New Scheme remains valid and effective for 5 years commencing from the Effective Date.

### 35. 購股權計劃及股份獎勵計劃 (續)

#### (a) 購股權計劃 (續)

於行使購股權時的股份認購價應由董事會酌情釐定，且不得低於下列三者之最高者：(i)本公司股份於授出購股權日期在聯交所每日報價表所報之收市價；(ii)本公司股份於緊接授出購股權日期前五個交易日在聯交所每日報價表所報之平均收市價及(iii)本公司股份之面值(附註)。董事將於授出後釐定持有期間。

於截至二零一八年及二零一七年十二月三十一日止年度，概無購股權在該計劃下被授出、行使、取消或失效。於二零一八年及二零一七年十二月三十一日，概無尚未行使的購股權。

附註：根據於二零一四年三月三日生效之公司條例，本公司股份不再具有面值。

#### (b) 股份獎勵計劃

董事會先前於二零一二年四月二十五日批准及採納本公司股份獎勵計劃(「**已到期計劃**」)。已到期計劃自其採納日期起為期五年，並已於二零一七年四月二十四日到期。於二零一七年四月二十四日，合共11,750,000股股份仍由受託人就已到期計劃持有。

為繼續提供方法(i)表揚若干選定員工所作出的貢獻，並就本集團的持續經營及發展鼓勵員工；及(ii)就本集團增長及進一步發展吸引合適人員，本公司已採納新股份獎勵計劃(「**新計劃**」)，於二零一七年七月一日(「**生效日期**」)生效。新計劃自生效日期起開始五年間維持有效，惟董事會可決定提前予以終止。

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

### 35. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (Continued)

#### (b) Share award scheme (Continued)

The board of directors or the trustee shall not make any further award of shares to the selected employees which will result in the total number of shares awarded by the board of directors under the New Scheme exceeding 1% of the total ordinary shares in the share capital of the Company as at the Effective Date.

Upon the New Scheme becoming effective, the 11,750,000 shares held by the trustee under the Expired Scheme will continue to be held by the trustee for the purpose of the New Scheme.

During the years ended 31 December 2018 and 2017, no ordinary share of the Company was purchased by the trustee for the purpose of the New Scheme or the Expired Scheme and no award of share was granted to the selected employees under the New Scheme or the Expired Scheme.

As at 31 December 2018, the trustee held 11,750,000 shares of the Company (2017: 11,750,000) for the purpose of the New Scheme.

### 36. RESERVES

#### THE GROUP

Details of changes in reserves accounts of the Group are set out in the consolidated statement of changes in equity on pages 94 and 95.

#### *Shares held for share award scheme*

Shares held for share award scheme is comprised of the consideration paid for the shares held for the share award scheme.

#### *Employee share-based compensation reserve*

It represents the cumulative expenses recognised on the granting of share-based compensation to the employees over the vesting period.

#### *Other reserve*

It represents the difference between the consideration and the carrying amount of the net assets attributable to the additional interests in subsidiaries being acquired from non-controlling equity holders.

#### *Exchange reserve*

It comprises all foreign exchange differences arising on translation operation to presentation currency.

### 35. 購股權計劃及股份獎勵計劃 (續)

#### (b) 股份獎勵計劃 (續)

董事會或受託人不應向選定員工授出任何額外獎勵股份，其將導致董事會根據新計劃所授出的股份總數超過於生效日期本公司股本中普通股總數的1%。

於新計劃生效後，受託人根據已到期計劃所持有的11,750,000股股份將繼續由受託人就新計劃持有。

於截至二零一八年及二零一七年十二月三十一日止年度，受託人並無就新計劃或已到期計劃購買本公司普通股，且概無根據新計劃或已到期計劃向選定員工授出獎勵股份。

於二零一八年十二月三十一日，就新計劃而言，受託人持有本公司11,750,000股（二零一七年：11,750,000股）股份。

### 36. 儲備

#### 本集團

本集團儲備賬目變動詳情載於第94頁及95頁之綜合權益變動表。

#### *為股份獎勵計劃持有之股份*

為股份獎勵計劃持有之股份包括就股份獎勵計劃而持有之股份而支付的代價。

#### *以股份支付的僱員酬金儲備*

指於歸屬期間向僱員授予以股份支付酬金時確認的累計開支。

#### *其他儲備*

指代價及自非控股股東收購附屬公司的額外權益歸屬於淨資產賬面值之間的差異。

#### *匯兌儲備*

包括呈列貨幣折算所產生的所有外匯差額。



# Notes to the Financial Statements

## 財務報表附註

### 36. RESERVES (Continued)

### 36. 儲備 (續)

#### THE COMPANY

#### 本公司

		Shares held for share award scheme	Employee share-based compensation reserve	Financial assets at fair value through other comprehensive income reserve	Available-for-sale financial assets revaluation reserve	Exchange reserve	Accumulated profits	Total
		為股份獎勵計劃持有之股份 HK\$'000 港幣千元	以股份支付的僱員酬金儲備 HK\$'000 港幣千元	按公平值計入其他全面收益儲備之金融資產 HK\$'000 港幣千元	可供出售金融資產重估儲備 HK\$'000 港幣千元	匯兌儲備 HK\$'000 港幣千元	累計溢利 HK\$'000 港幣千元	總計 HK\$'000 港幣千元
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>	(6,494)	702	-	6,402	(68,519)	65,398	(2,511)
Profit for the year	年內溢利	-	-	-	-	-	31,003	31,003
Other comprehensive income:	其他全面收益:							
Exchange differences arising on translation to presentation currency	折算呈列貨幣產生的匯兌差額	-	-	-	-	28,543	-	28,543
Net change in fair value of available-for-sale financial assets	可供出售金融資產之公平值淨變動	-	-	-	(14,894)	-	-	(14,894)
Transfer to profit or loss upon disposal of available-for-sale financial assets	出售可供出售金融資產後轉至損益	-	-	-	(483)	-	-	(483)
Total comprehensive income for the year	年內全面收益總額	-	-	-	(15,377)	28,543	31,003	44,169
<b>At 31 December 2017 as originally presented</b>	<b>於二零一七年十二月三十一日初步呈列</b>	(6,494)	702	-	(8,975)	(39,976)	96,401	41,658
Effect of adjustment on adoption of HKFRS 9	採納香港財務報告準則第9號的調整影響	-	-	(9,167)	8,975	-	192	-
<b>At 1 January 2018 (restated)</b>	<b>於二零一八年一月一日 (經重列)</b>	(6,494)	702	(9,167)	-	(39,976)	96,593	41,658
Loss for the year	年內虧損	-	-	-	-	-	(10,565)	(10,565)
Other comprehensive income:	其他全面收益:							
Exchange differences arising on translation to presentation currency	折算呈列貨幣產生的匯兌差額	-	-	-	-	(64,725)	-	(64,725)
Net change in fair value of financial assets at fair value through other comprehensive income	按公平值變動計入其他全面收益之金融資產之公平值淨變動	-	-	7,421	-	-	-	7,421
Transfer to profit or loss upon disposal of debt investments measured at fair value through other comprehensive income	出售按公平值變動計入其他全面收益計量的債務投資後轉至損益	-	-	1,746	-	-	-	1,746
Total comprehensive income for the year	年內全面收益總額	-	-	9,167	-	(64,725)	(10,565)	(66,123)
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	(6,494)	702	-	-	(104,701)	86,028	(24,465)



## Notes to the Financial Statements

### 財務報表附註

#### 37. DISPOSAL OF A SUBSIDIARY

On 29 October 2018, the Group entered into a property rights transaction contract with an independent third party to dispose of its 100% equity interest in Haikou Cuidao Hotspring Resort Hotel Company Limited (“**Haikou Cuidao**”) at cash consideration of RMB195,864,000 (approximately HK\$233,079,000). Haikou Cuidao is principally engaged in hotel management services in the PRC. The disposal was completed on 14 December 2018 and the Group recognised a gain on disposal of a subsidiary of approximately HK\$110,799,000.

The net assets of Haikou Cuidao at the date of disposal were as follows:

#### 37. 出售一間附屬公司

於二零一八年十月二十九日，本集團與獨立第三方以現金代價人民幣195,864,000元（約為港幣233,079,000元）出售其於海口翠島溫泉度假酒店有限公司（「**海口翠島**」）之100%權益訂立產權交易合約。海口翠島主要於中國從事酒店管理服務。出售事項於二零一八年十二月十四日完成並且本集團確認出售一間附屬公司之收益約為港幣110,799,000元。

海口翠島於出售日期之資產淨值如下：

		HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	25,253
Prepaid land lease payments	預付土地租賃付款	152,905
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	505
Bank balances and cash	銀行結存及現金	192
Accruals and other payables	應計款項及其他應付款項	(36,925)
Deferred tax liabilities	遞延稅項負債	(21,240)
Net assets disposed of	已出售資產淨值	<u>120,690</u>
Total consideration – satisfied by cash	總代價 – 以現金支付	<u>233,079</u>
<b>Gain on disposal of a subsidiary</b>	<b>出售一間附屬公司之收益</b>	
Consideration	代價	233,079
Net assets disposed of	已出售資產淨值	(120,690)
Release of exchange reserve	解除匯兌儲備	(486)
Amount payable to the buyer in respect of the post agreement date results borne by the Group	就本集團所承擔協議日期後業績應付買方之款項	<u>(1,104)</u>
Gain on disposal	出售所得收益	<u>110,799</u>
Net cash inflow arising on disposal of a subsidiary:	出售一間附屬公司產生之現金流入淨額：	
– Cash consideration received	– 已收現金代價	233,079
– Amount paid to the buyer in respect of the post agreement date result borne by the Group	– 就本集團所承擔協議日期後業績已付買方之款項	(1,104)
– Bank balances and cash disposed of	– 已出售銀行結存及現金	<u>(192)</u>
		<u>231,783</u>

## Notes to the Financial Statements

### 財務報表附註

#### 38. OPERATING LEASE COMMITMENTS

##### (a) Operating lease commitments as lessee

At 31 December 2018, the Group has commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		<b>2018</b> <b>二零一八年</b> <b>HK\$'000</b> <b>港幣千元</b>	2017 二零一七年 HK\$'000 港幣千元
Within one year	一年內	<b>5,049</b>	5,043
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)	<b>3,636</b>	8,055
		<b>8,685</b>	13,098

Leases are negotiated for terms ranging from one to five years (2017: one to ten years). None of these leases include contingent rentals.

##### (b) Operating lease commitments as lessor

At 31 December 2018, the Group has contracted with tenants for the following future minimum lease receivables:

		<b>2018</b> <b>二零一八年</b> <b>HK\$'000</b> <b>港幣千元</b>	2017 二零一七年 HK\$'000 港幣千元
Within one year	一年內	<b>1,183</b>	2,829
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)	<b>4,070</b>	5,911
Over five years	超過五年	<b>855</b>	900
		<b>6,108</b>	9,640

Leases are negotiated for terms ranging from one to ten years (2017: one to ten years).

#### 38. 經營租約承擔

##### (a) 作為承租人之經營租約承擔

於二零一八年十二月三十一日，本集團在不可解除經營租約下就下列期間到期之租賃物業之未來最低租金付款承擔如下：

	<b>2018</b> <b>二零一八年</b> <b>HK\$'000</b> <b>港幣千元</b>	2017 二零一七年 HK\$'000 港幣千元
Within one year	<b>5,049</b>	5,043
In the second to fifth years inclusive	<b>3,636</b>	8,055
	<b>8,685</b>	13,098

租約協定之租期介乎一年至五年（二零一七年：一年至十年）。該等租約均不包括或有租約。

##### (b) 作為出租人之經營租約承擔

於二零一八年十二月三十一日，本集團已與租戶訂約，未來最低應收租金如下：

	<b>2018</b> <b>二零一八年</b> <b>HK\$'000</b> <b>港幣千元</b>	2017 二零一七年 HK\$'000 港幣千元
Within one year	<b>1,183</b>	2,829
In the second to fifth years inclusive	<b>4,070</b>	5,911
Over five years	<b>855</b>	900
	<b>6,108</b>	9,640

租約協定之租期介乎一年至十年（二零一七年：一年至十年）。

## Notes to the Financial Statements

### 財務報表附註

#### 39. RELATED PARTY TRANSACTIONS

##### (a) Transactions and balances with related parties

Save as disclosed elsewhere in the financial statements, during the year, the Group had also entered into the following significant transactions with the following related parties:

Name of related parties 關連方名稱	Nature of transactions/balances 交易／結餘性質	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
<b>The wholly-owned subsidiaries of the ultimate holding company: 最終控股公司之全資附屬公司：</b>			
中國寰島(集團)公司	Interest income 利息收入	-	346
	Other receivables 其他應收款項	380	465
Chengtong Finance (note 27) 誠通財務(附註27)	Deposits 存款	112,338	86,200
	Interest income 利息收入	1,445	4,961
Hainan Huandao Taide Hotel Property Management Co. Ltd 海南寰島泰得酒店物業管理有限公司	Property management expenses 物業管理費用	271	553
	Other payables 其他應付款項	-	949
China Paper Industry Investment Company Limited 中國紙業投資有限公司	Trade receivables 貿易應收款項	-	6,406
	Sale of coal 銷售煤炭	6,861	8,245

Save as disclosed above, other balances with related parties at the end of the respective reporting dates are set out in the consolidated statement of financial position and note 25.

#### 39. 關連方交易

##### (a) 與關連方之交易及結餘

除本財務報表其他部分所披露者外，年內，本集團亦與下列關連方進行以下重大交易：

除上文所披露者外，於各報告期末與關連方之其他結餘載於綜合財務狀況表以及附註25。

## Notes to the Financial Statements

### 財務報表附註

#### 39. RELATED PARTY TRANSACTIONS (Continued)

##### (b) Transactions and balances with other government-related entities

The Group itself is part of a larger group of companies controlled by CCHG (CCHG and its subsidiaries are referred to as the “**CCHG Group**”) which is a stated-owned enterprise under the direct supervision of the State Council of the PRC. The directors of the Company consider that the Company is ultimately controlled by the government of the PRC and the Group operates in an economic environment currently dominated by entities controlled, jointly controlled or significantly influenced by the PRC government (“**government-related entities**”).

Apart from transactions with CCHG Group, the Group has transactions with other government-related entities including but not limited to the finance lease arrangements.

Details of the transactions and balances with relevant government-related entities are set out below:

##### Transactions with government-related entities:

Interest income	利息收入	44,339	43,688
Consultancy service income from finance lease arrangements	融資租賃安排的諮詢服務收入	8,925	9,005

In addition, the Group has entered into various transactions, including other purchases and operating expenses with other government-related entities. In the opinion of the directors, except for the transactions and balances disclosed above, other transactions and balances are considered as individually and collectively insignificant to the operation of the Group for both years.

In addition, the Group has bank deposits, financial assets investments, and other general banking facilities with certain banks and financial institutions which are government-related entities in its ordinary course of business. In view of the nature of those banking transactions, the directors of the Company are of the opinion that separate disclosure would not be material to the financial statements.

#### 39. 關連方交易 (續)

##### (b) 與其他政府關連實體之交易及結餘

本集團自身為中國國務院直接監管之國有企業誠通控股（誠通控股及其附屬公司合稱「**誠通控股集團**」）旗下一個大型公司集團之一部分。本公司董事認為，本公司受中國政府最終控制，而本集團目前營運所處的經濟環境受中國政府控制、聯合控制或有重大影響之實體（「**政府關連實體**」）主導。

除與誠通控股集團之交易外，本集團還與其他政府關連實體進行交易，包括但不限於融資租賃安排。

與相關政府關連實體之交易以及結餘之詳情載列如下：

2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
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##### 與政府關連實體之交易：

44,339	43,688
8,925	9,005

此外，本集團亦與其他政府關連實體進行多項交易，包括其他採購及經營開支。董事認為，除上文披露的交易及結餘外，其他交易及結餘（個別及共同衡量）對本集團兩個年度的業務營運而言並不重大。

此外，本集團於日常業務過程中亦與屬政府關連實體之若干銀行及金融機構進行涉及銀行存款、金融資產投資及其他一般銀行融資活動。鑒於該等銀行交易的性質，本公司董事認為單獨披露對財務報表並無重大影響。



## Notes to the Financial Statements

### 財務報表附註

#### 39. RELATED PARTY TRANSACTIONS

(Continued)

(c) The remunerations of key management personnel, which are the directors during the year, were as follows:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Short-term employee benefits	短期僱員福利	2,010	4,790
Post-employment benefits	離職後福利	-	501
		<b>2,010</b>	<b>5,291</b>

(d) In March 2016, the Group entered into a guarantee agreement with China Chengtong Coal Investment Limited ("Chengtong Coal"), a subsidiary of the ultimate holding company of the Company. Pursuant to the agreement, the Group has provided a guarantee by pledging its office premises with net book value of approximately HK\$45,367,000 (2017: HK\$50,812,000) as at 31 December 2018 and issuing a guarantee letter to the extent of approximately RMB53,540,000 (approximately HK\$61,036,000) for a period of three years (or such shorter period as may be approved by the court). The Group also entered into a deed of counter-indemnity ("Indemnity Deed") with China Chengtong Hong Kong Company Limited ("CCHK"), an intermediate holding company of the Company, pursuant to which CCHK agreed to indemnify the Group in full for its liabilities and loss, if any, which may arise from the above guarantee provided by the Group. Further details of the guarantee agreement and Indemnity Deed are disclosed in note 43 (b).

Pursuant to the guarantee agreement, Chengtong Coal shall pay an annual arrangement fee of 1% over the guarantee amount to the Group. During the year ended 31 December 2018, the Group recognised guarantee income of HK\$633,000 (2017: HK\$614,000) to the profit or loss for the year.

#### 39. 關連方交易 (續)

(c) 年內主要管理人員(即董事)之薪酬如下:

	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Short-term employee benefits	2,010	4,790
Post-employment benefits	-	501
	<b>2,010</b>	<b>5,291</b>

(d) 於二零一六年三月，本集團與本公司最終控股公司的附屬公司中國誠通煤業投資有限公司(「誠通煤業」)訂立擔保協議。根據該協議，本集團透過質押其於二零一八年十二月三十一日賬面淨值約港幣45,367,000元(二零一七年：港幣50,812,000元)的辦公物業，並具以約人民幣53,540,000元(約港幣61,036,000元)為限的擔保函以提供擔保，期限為三年(或可能由法院批准的較短期限)。本集團亦與本公司中介控股公司中國誠通香港有限公司(「誠通香港」)訂立彌償契據(「彌償契據」)，據此，誠通香港同意全額彌償本集團可能因上述由本集團所提供的擔保而產生的負債及虧損(如有)。擔保協議及彌償契據的進一步詳情於附註43(b)中披露。

根據擔保協議，誠通煤業須按擔保金額的1%向本集團支付年度安排費用。截至二零一八年十二月三十一日止年度，本集團於年內損益中確認港幣633,000元(二零一七年：港幣614,000元)的擔保收入。

## Notes to the Financial Statements

### 財務報表附註

#### 40. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The Group monitors capital on the basis of the total debt to total assets ratio. This ratio is calculated as total debt divided by total assets. Total debt is calculated as bank borrowings and unsecured other loan disclosed in notes 31 and 32 respectively.

The directors of the Company review the capital structure on a continuous basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt.

The total debt to total assets ratio at the end of reporting period was as follows:

#### 40. 資本風險管理

本集團的資本管理旨在確保本集團內的所有實體均可持續經營，同時透過優化債務及股本結餘為股東謀求最大回報。自上一年度起，本集團之整體戰略保持不變。

本集團利用債務總額與總資產之比率監察其資本。此比率按照債務總額除以總資產計算。債務總額分別為附註31及32披露的銀行借貸及無抵押其他貸款。

本公司董事會按持續基準對資本架構進行檢討。檢討工作之一部分乃本公司董事對資本成本及各類資本的相關風險進行審議。根據本公司董事的推薦建議，本集團將透過支付股息、發行新股、購回股份以及發行新債券，使整體資本架構保持平衡。

於報告期末的債務總額與總資產之比率如下：

		<b>2018</b> <b>二零一八年</b> <b>HK\$'000</b> <b>港幣千元</b>	2017 二零一七年 HK\$'000 港幣千元
<b>Current liabilities</b>	<b>流動負債</b>		
Bank borrowings	銀行借貸	<b>274,100</b>	214,400
Unsecured other loans	無抵押其他貸款	<b>600</b>	600
Total debt	債務總額	<b>274,700</b>	215,000
Total assets	總資產	<b>3,590,303</b>	3,574,801
Total debt to total assets ratio	債務總額與總資產之比率	<b>7.7%</b>	6.0%

## Notes to the Financial Statements

### 財務報表附註

#### 41. FINANCIAL RISK MANAGEMENT

##### Categories of financial instruments

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Financial assets	金融資產		
Measured at FVPL	按公平值計入損益計量	422,972	1,173
Measured at FVOCI	按公平值計入 其他全面收益計量	109,124	-
Measured at amortised costs	按攤銷成本計量	1,959,296	-
Available-for-sale financial assets	可供出售金融資產	-	705,477
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)	-	1,651,492
Financial liabilities	金融負債		
At amortised costs	攤銷成本	395,426	315,733

##### Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, loans receivable, other financial assets, pledged bank deposits, deposits in other financial institution, bank balances and cash, trade and other payables, bank borrowings and unsecured other loans (2017: trade and other receivables, loans receivable, amount due from a non-controlling shareholder of a subsidiary, available-for-sale financial assets, held-for-trading securities, pledged bank deposits, deposits in other financial institution, bank balances and cash, trade and other payables, bank borrowings and unsecured other loans). Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include currency risk, price risk, interest rate risk, credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

##### Currency risk

As at 31 December 2018, except for the following, the Group do not have significant financial assets or financial liabilities denominated in currencies other than their functional currencies at the end of the reporting period.

The carrying amounts of the Group's financial assets denominated in currencies other than the functional currencies of the respective group companies as at 31 December 2018 and 2017 are as follows:

#### 41. 財務風險管理

##### 金融工具分類

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Financial assets	金融資產		
Measured at FVPL	按公平值計入損益計量	422,972	1,173
Measured at FVOCI	按公平值計入 其他全面收益計量	109,124	-
Measured at amortised costs	按攤銷成本計量	1,959,296	-
Available-for-sale financial assets	可供出售金融資產	-	705,477
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)	-	1,651,492
Financial liabilities	金融負債		
At amortised costs	攤銷成本	395,426	315,733

##### 財務風險管理目標及政策

本集團的主要金融工具包括貿易及其他應收款項、應收貸款、其他金融資產、已抵押銀行存款、其他金融機構存款、銀行結存及現金、貿易及其他應付款項、銀行借貸及無抵押其他貸款(二零一七年:貿易及其他應收款項、應收貸款、應收一間附屬公司一名非控股股東款項、可供出售金融資產、持作買賣證券、已抵押銀行存款、其他金融機構存款、銀行結存及現金、貿易及其他應付款項、銀行借貸及無抵押其他貸款)。金融工具詳情於各附註披露。與該等金融工具有關的風險包括貨幣風險、價格風險、利率風險、信貸風險及流動資金風險。有關如何降低該等風險的政策載列於下文。本集團管理層管理及監控該等風險，以確保及時有效地採取適當措施。

##### 貨幣風險

於二零一八年十二月三十一日，除以下所述者外，本集團於報告期末概無以其功能貨幣以外之貨幣計值之重大金融資產及金融負債。

於二零一八年及二零一七年十二月三十一日，本集團以各集團公司功能貨幣以外貨幣計值之金融資產之賬面值載列如下：

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

### 41. FINANCIAL RISK MANAGEMENT (Continued)

#### Financial risk management objectives and policies (Continued)

#### Currency risk (Continued)

USD

美元

**Assets**  
**資產**

<b>2018</b>	<b>2017</b>
<b>二零一八年</b>	<b>二零一七年</b>
<b>HK\$'000</b>	<b>HK\$'000</b>
<b>港幣千元</b>	<b>港幣千元</b>

**216,051**

**235,389**

The Group currently does not have a foreign currency hedging policy but the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

#### Sensitivity analysis

As at 31 December 2018 and 2017, financial assets denominated in USD belongs to the group companies of which their functional currency is HK\$. As HK\$ is pegged to USD, the Group considers that the currency risk arising from transactions in USD is not significant.

### 41. 財務風險管理 (續)

#### 財務風險管理目標及政策 (續)

#### 貨幣風險 (續)

本集團目前並無外幣對沖政策，但管理層會監察外匯風險，並將於有必要時考慮對沖重大外匯風險。

#### 敏感度分析

於二零一八年及二零一七年十二月三十一日，以美元計值之金融資產乃屬於集團公司，而其功能貨幣為港幣。由於港幣與美元掛鈎，本集團認為，以美元進行交易所產生之貨幣風險並不重大。



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

### 41. FINANCIAL RISK MANAGEMENT (Continued)

#### Financial risk management objectives and policies (Continued)

##### Price risk

Certain of the Group's other financial assets (2017: the Group's held-for-trading securities and certain available-for-sale financial assets) are measured at fair value at the end of each reporting date with reference to the quoted prices. Therefore, the Group is exposed to equity price risk and the management of the Group will monitor the price movements and take appropriate actions when is required.

Sensitivity analysis is performed by management to assess the exposure of the Group's financial results to price risks of listed other financial assets (2017: available-for-sale financial assets carried at fair value) at the end of each of the reporting period. If the prices of the respective instruments held by the Group had been 5% (2017: 5%) higher/lower as at 31 December 2018, the profit for the year and other comprehensive income would have been approximately HK\$56,000 and HK\$5,207,000 (2017: other comprehensive income HK\$18,932,000) higher/lower respectively.

##### Interest rate risk

The cash flow interest rate risk relates primarily to the Group's variable rate deposits and bank balances, loans receivable, other financial assets/available-for-sale financial assets, amount due from a non-controlling shareholder of a subsidiary and bank borrowings. The fair value interest rate risk relates primarily to these respective instruments. The Group currently does not have an interest rate hedging policy. However, the management of the Group monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

### 41. 財務風險管理 (續)

#### 財務風險管理目標及政策 (續)

##### 價格風險

本集團若干其他金融資產(二零一七年: 本集團的持作買賣證券及若干可供出售金融資產)乃參照報價,並按各報告日期末之公平值計量。因此,本集團面臨股票價格風險,而本集團管理層將監控價格波動並於需要時採取適當措施。

管理層進行敏感度分析以評估於各報告期末本集團財務業績所面臨之上市其他金融資產(二零一七年:以公平值列賬之可供出售金融資產)的價格風險。於二零一八年十二月三十一日,倘本集團持有的各項工具的價格增加/減少5%(二零一七年:5%),則年內溢利及其他全面收益將分別增加/減少約港幣56,000元及港幣5,207,000元(二零一七年:其他全面收益港幣18,932,000元)。

##### 利率風險

現金流量利率風險主要與本集團浮動利率之存款及銀行結存、應收貸款、其他金融資產/可供出售金融資產、應收一間附屬公司一名非控股股東款項及銀行借貸有關。公平值利率風險主要與各項工具有關。本集團現時無利率對沖政策。然而,本集團管理層會監察利率風險,並將於在必要時考慮對沖重大利率風險。

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

### 41. FINANCIAL RISK MANAGEMENT (Continued)

#### Financial risk management objectives and policies (Continued)

##### **Interest rate risk** (Continued)

The Group has exposure to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate. The directors consider the interest bearing instruments are with maturity within 1 year and their interest rate risk is not significant as these financial assets are within short maturity period and thus it is not included in sensitivity analysis.

##### **Sensitivity analysis**

The sensitivity analysis below have been determined based on the exposure to interest rates after considering the impact of the interest expenses being capitalised as properties under development at the end of the reporting period. A 50 basis points (2017: 50 basis points) increase or decrease is used which represents management's assessment of the reasonably possible change in interest rates.

As at 31 December 2018, if interest rates on interest bearing instruments with maturity over 1 year had been 50 basis points higher/lower and all of other variables were held constant, the post-tax result would increase/decrease by approximately HK\$805,000 (2017: HK\$746,000).

##### **Credit risk**

The Group's credit risk is primarily attributable to trade and other receivables, loans receivable, other financial assets, deposits in other financial institution and bank balances. In order to minimise the credit risk, the management of the Group has reviewed the recoverable amount of each aforesaid individual assets at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

### 41. 財務風險管理 (續)

#### 財務風險管理目標及政策 (續)

##### **利率風險** (續)

因現行市場利率波動，本集團面臨現金流量利率風險。董事認為，計息工具之還款期為一年以內，由於該等金融資產屬短還款期，其利率風險不屬重大，因此並未將其納入敏感度分析。

##### **敏感度分析**

下列敏感度分析乃基於所面臨之利率風險，並已考慮報告期末利息支出資本化為發展中物業之影響。所採用之上下浮動50個基點（二零一七年：50個基點）代表管理層對利率之合理可能變動之評估。

於二零一八年十二月三十一日，倘到期日超過一年的計息工具之利率上下浮動50個基點，而所有其他變量保持不變，則除稅後業績將增加／減少約港幣805,000元（二零一七年：港幣746,000元）。

##### **信貸風險**

本集團之信貸風險主要來自貿易及其他應收款項、應收貸款、其他金融資產、其他金融機構存款及銀行結存。為盡量降低信貸風險，本集團管理層於報告期末檢討上述各個別資產之可收回金額，以確保就無法收回金額作出足夠之減值虧損撥備。就此而言，本集團管理層認為本集團之信貸風險大大降低。

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

### 41. FINANCIAL RISK MANAGEMENT (Continued)

#### Financial risk management objectives and policies (Continued)

##### **Credit risk** (Continued)

##### *Impairment and provisioning policies*

The Group's policy requires the review of individual outstanding amounts at least monthly or more regularly depending on individual circumstances or market condition.

The Group has adopted HKFRS 9 on 1 January 2018, where the impairment requirements under HKFRS 9 are based on an expected credit loss model. The Group applies simplified approach to measure ECL on trade and bills receivable; and general approach to measure ECL on deposits and other receivables, loans receivable, other financial assets at amortised cost, deposits in other financial institution and bank balances. Under the simplified approach, the Group measures the loss allowance at an amount equal to lifetime ECL. Under the general approach, financial assets migrate through the following three stages based on the change in credit risk since initial recognition: Stage 1: 12-month ECL, Stage 2: Lifetime ECL — not credit-impaired and Stage 3: Lifetime ECL — credit-impaired.

When determining whether the risk of default has increased significantly since initial recognition, the Group considers both quantitative and qualitative information and analysis based on the Group's historical experience and expert credit risk assessment, including forward-looking information. The trade and other receivables and loans receivable use the number of days past due ("**DPD**") and loan-to-collateral value ("**LTV**") to determine significant increase in credit risk.

The ECL are assessed by the Group on semi-annual basis. Based on DPD, LTV and internally derived credit ratings, deposits and other receivables, loans receivable, other financial assets measured at amortised cost and bank balances are classified into 3 stages.

### 41. 財務風險管理 (續)

#### 財務風險管理目標及政策 (續)

##### **信貸風險** (續)

##### *減值及撥備政策*

本集團的政策要求至少每月或在特定情況或市況下更為頻繁地對個別未清償款項進行審查。

本集團已於二零一八年一月一日採納香港財務報告準則第9號，而香港財務報告準則第9號項下的減值規定乃以預期信貸虧損模式為依據。本集團應用簡化方式計量貿易應收款項及應收票據的預期信貸虧損，並應用一般方法計量按金及其他應收款項、應收貸款、按攤銷成本入賬的其他金融資產、於其他金融機構存款及銀行結存的預期信貸虧損。根據簡化方式，本集團基於等同於賬齡預期信貸虧損的金額計量虧損撥備。按照一般方法，金融資產乃基於初步確認後的信貸風險變動，透過下列三個階段予以轉撥：第1階段：12個月的預期信貸虧損、第2階段：賬齡預期信貸虧損—並無信貸減值及第3階段：賬齡預期信貸虧損—信貸減值。

於釐定自初始確認以來違約風險是否大幅增加時，本集團兼顧量化及質化資料以及基於本集團過往經驗及專家信貸風險評估的分析，包括前瞻性資料。貿易及其他應收款項以及應收貸款採用逾期天數（「**逾期天數**」）及貸款與抵押品價值比（「**貸款與抵押品價值比**」）釐定信貸風險是否大幅增加。

本集團每半年評估預期信貸虧損。根據逾期天數、貸款與抵押品價值比及內部制定的信貸評級，按金及其他應收款項、應收貸款、按攤銷成本入賬的其他金融資產及銀行結存分為三個階段。



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

### 41. FINANCIAL RISK MANAGEMENT (Continued)

#### Financial risk management objectives and policies (Continued)

##### **Credit risk** (Continued)

##### *Impairment and provisioning policies*

When estimating the ECL on loan and advances to customers, the Group has incorporated forward-looking economic information through the use of industry trend and experienced credit judgement to reflect the qualitative factors.

As at 31 December 2018, other than those financial assets whose carrying amounts best represent the maximum exposure to credit risk, the Group's maximum exposure to credit risk which will cause a financial loss to the Group arising from the amount of financial guarantees provided by the Group is disclosed in note 43. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except that the credit risks associated with loans receivable as disclosed in note 24 respectively.

##### *Financial assets with credit risk exposure*

##### Trade and bills receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, no trade and bills receivables was due from the group's largest customer as well as the five largest customers within the Group's business.

Receivables that were neither past due nor impaired related to customers for whom there was no recent history of default.

### 41. 財務風險管理 (續)

#### 財務風險管理目標及政策 (續)

##### 信貸風險 (續)

##### 減值及撥備政策

於估計給予客戶貸款及墊款的預期信貸虧損時，本集團已納入前瞻性經濟資料，包括透過使用行業趨勢及基於經驗的信貸判斷以反映質化因素。

於二零一八年十二月三十一日，除賬面值最能代表最高信貸風險的金融資產外，本集團面臨的將因本集團提供財務擔保的金額而導致本集團蒙受財務虧損的最高信貸風險於附註43披露。本集團並無持有任何抵押品或其他信貸增強措施以保障其金融資產相關信貸風險，惟分別誠如附註24所披露之應收貸款相關信貸風險除外。

##### 面臨信貸風險的金融資產

##### 貿易應收款項及應收票據

本集團所面臨的信貸風險主要受各客戶的個別特性影響，而非取決於客戶經營所在的行業或國家。因此高度集中的信貸風險主要產生於本集團與個別客戶有重大業務往來之時。於報告期末，概無應收本集團最大客戶以及本集團業務的前五大客戶的貿易應收款項及應收票據。

尚未逾期或減值的應收款項與客戶有關，彼等並無近期拖欠記錄。



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

### 41. FINANCIAL RISK MANAGEMENT (Continued)

#### Financial risk management objectives and policies (Continued)

##### **Credit risk** (Continued)

##### *Loans receivable*

Before accepting any new lessee under sale and leaseback arrangement, the Group assesses the credit quality of each potential lessee and defined limits for each lessee. The Group also demands certain lessee to provide corporate guarantees from their respective shareholders or related parties or land and building as collateral to the Group at the time the sale and leaseback arrangement is entered into. In addition, the Group has reviewed the repayment history of sale and leaseback payments from each lessee with reference to the repayment schedule from the date of loans receivable to determine the recoverability of the loans receivable. Also, the Group take into account information specific to the customers as well as pertaining to the economic environment in which the customers operate.

##### *Bank balances, deposit in other financial institution and other financial assets at amortised cost*

As at 31 December 2018 and 2017, the Group has bank balances and cash, deposits and other financial assets in certain corporations and banks in the PRC and Hong Kong. The credit risk on these deposits and other financial assets is insignificant as the counterparties are financial institutions with high credit-rating or with good reputation.

As at 31 December 2018, trade receivables of HK\$378,000 was past due but not credit-impaired. All other trade and bills receivables are not past due as at 31 December 2018.

### 41. 財務風險管理 (續)

#### 財務風險管理目標及政策 (續)

##### **信貸風險** (續)

##### *應收貸款*

在接納售後回租安排下任何新的承租人之之前，本集團會評估各潛在承租人之信用狀況，並界定各承租人之限額。在訂立售後回租安排時，本集團亦要求某些承租人向本集團提供其各股東或關連方之企業擔保或土地及建築物作為抵押品。此外，本集團已參照應收貸款日期起之還款時間表，檢討各承租人之售後回租款項過往支付記錄，以確定應收貸款之可收回水平。此外，本集團會計及客戶持定資料及與客戶運營所處經濟環境有關的資料。

##### *銀行結存、其他金融機構存款按攤銷成本入賬之其他金融資產*

於二零一八年及二零一七年十二月三十一日，本集團於中國及香港若干公司及銀行擁有銀行結存及現金、存款及其他金融資產。該等存款及其他金融資產相關之信貸風險不屬重大，因為交易對方是具備高信貸評級或享負盛名之金融機構。

於二零一八年十二月三十一日，貿易應收款項港幣378,000元已逾期惟未信貸減值。所有其他貿易應收款項及應收票據於二零一八年十二月三十一日尚未逾期。

## Notes to the Financial Statements

### 財務報表附註

#### 41. FINANCIAL RISK MANAGEMENT (Continued)

##### Financial risk management objectives and policies (Continued)

##### Credit risk (Continued)

The expected loss rate applied is approximately 0.1%. Movement in the loss allowance account in respect of trade and other receivables and loans receivable during the year is as follows:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Balance at 31 December under HKAS 39	根據香港會計準則第39號 於十二月三十一日的結存	-	-
Impact on initial application of HKFRS 9 (note 2.1)	首次應用香港財務報告準則 第9號之影響(附註2.1)	250	-
Adjusted balance at 1 January	於一月一日之經調整結存	250	-
Impairment losses recognised during the year	於年內確認之減值虧損	55	-
Exchange difference	匯兌差額	(7)	-
Balance at 31 December	於十二月三十一日之結存	298	-

The origination of new trade and other receivables and loans receivable net of those settled resulted in an increase in loss allowance of HK\$55,000 during the year ended 31 December 2018.

As at 31 December 2018, the Group has concentration of credit risk with (a) six (2017: two) customers from bulk commodities trading, with aggregated amount of trade and bills receivables of HK\$8,097,000 (2017: trade receivables of HK\$15,728,000); (b) eleven (2017: nine) lessees from sale and leaseback arrangements, with aggregated amount of loans receivable of HK\$666,936,000 (2017: HK\$742,261,000). To monitor the credit risk exposure, the management of the Group has reviewed the recoverability of each debtor periodically.

#### 41. 財務風險管理 (續)

##### 財務風險管理目標及政策 (續)

##### 信貸風險 (續)

所應用的預期虧損率為約0.1%。年內貿易及其他應收款項以及應收貸款於虧損撥備賬中的變動詳情如下：

新增貿易及其他應收款項及應收貸款(扣除已結算部分)導致截至二零一八年十二月三十一日止年度之虧損撥備增加港幣55,000元。

於二零一八年十二月三十一日，本集團之信貸風險集中於：(a)與六名(二零一七年：兩名)客戶之大宗商品貿易，貿易應收款項及應收票據總額為港幣8,097,000元(二零一七年：貿易應收款項港幣15,728,000元)；(b)與十一名(二零一七年：九名)承租人之售後回租安排，應收貸款總額為港幣666,936,000元(二零一七年：港幣742,261,000元)。為監控信貸風險，本集團之管理層已定期檢討各名債務人所欠債項之可收回水平。

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

### 41. FINANCIAL RISK MANAGEMENT (Continued)

#### Financial risk management objectives and policies (Continued)

##### **Liquidity risk**

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management of the Group monitors the utilisation of bank loans and ensures compliance with loan covenants.

##### *Liquidity table*

The following table details 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 financial liabilities based on the earliest date on which the Group can be demanded for repayment. The table includes both interest and principal cash flows.

### 41. 財務風險管理 (續)

#### 財務風險管理目標及政策 (續)

##### **流動資金風險**

就流動資金風險管理而言，本集團對現金及現金等價物進行監察及維持至本集團管理層均視為足以為本集團營運提供資金及減低現金流量波動所帶來影響的水平。本集團管理層監控銀行貸款的使用，確保符合貸款契約。

##### *流動資金表*

下表詳細載列本集團的非衍生金融負債根據議定還款期的餘下合約期。下表乃根據本集團於可被要求償還金融負債的最早日期的金融負債未貼現現金流量編製。該表包括利息及本金現金流量。

## Notes to the Financial Statements

### 財務報表附註

#### 41. FINANCIAL RISK MANAGEMENT (Continued)

##### Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

Liquidity table (Continued)

At 31 December 2018

	Weighted average interest rate per annum	Within 1 year or on demand	Total undiscounted cash flows	Carrying amount
	加權平均年利率	一年內或按要求 HK\$'000 港幣千元	未貼現現金 流量總計 HK\$'000 港幣千元	賬面值 HK\$'000 港幣千元
Trade and other payables	貿易及其他應付款項	-	120,726	120,726
Bank borrowings	銀行借貸	3.80%	284,496	274,100
Unsecured other loan	無抵押其他貸款	-	600	600
		<b>405,822</b>	<b>405,822</b>	<b>395,426</b>
Financial guarantee issued	已出具之財務擔保			
Maximum amount guaranteed	已擔保最高金額	<b>211,918</b>	<b>211,918</b>	-

At 31 December 2017

	Weighted average interest rate per annum	Within 1 year or on demand	Total undiscounted cash flows	Carrying amount
	加權平均年利率	一年內或按要求 HK\$'000 港幣千元	未貼現現金 流量總計 HK\$'000 港幣千元	賬面值 HK\$'000 港幣千元
Trade and other payables	貿易及其他應付款項	-	100,733	100,733
Bank borrowings	銀行借貸	2.75%	220,307	214,400
Unsecured other loan	無抵押其他貸款	-	600	600
		<b>321,640</b>	<b>321,640</b>	<b>315,733</b>
Financial guarantee issued	已出具之財務擔保			
Maximum amount guaranteed	已擔保最高金額	<b>124,639</b>	<b>124,639</b>	-

#### 41. 財務風險管理 (續)

##### 財務風險管理目標及政策 (續)

##### 流動資金風險 (續)

流動資金表 (續)

於二零一八年十二月三十一日

於二零一七年十二月三十一日



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

### 42. FAIR VALUE OF FINANCIAL INSTRUMENTS

#### (a) Financial assets measured at fair value

##### (i) Fair value hierarchy

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: Quoted prices in active markets for identical items (unadjusted);

Level 2 valuations: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 valuations: Fair value measured using significant unobservable inputs.

### 42. 金融工具之公平值

#### (a) 以公平值入賬的金融資產

##### (i) 公平值等級

下表呈列於報告期末按經常性基準計量的本集團金融工具的公平值，歸類為香港財務報告準則第13號「公平值計量」定義的三級公平值等級。公平值計量歸類的層級經參考估值方法中使用的輸入參數的可觀察性及重要性釐定如下：

一級評估：相同項目於活躍市場之報價（未經調整）；

二級評估：除計入一級的報價之外，資產或負債的直接（即價格）或間接（即從價值衍生得出）可觀察輸入數據；

三級評估：使用重大不可觀察輸入數據計量的公平值。

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

### 42. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

(a) Financial assets measured at fair value (Continued)

(i) Fair value hierarchy (Continued)

### 42. 金融工具之公平值 (續)

(a) 以公平值入賬的金融資產 (續)

(i) 公平值等級 (續)

Fair value measurement as at 31 December 2018  
於二零一八年十二月三十一日的公平值計量

	Level 1	Level 2	Level 3	Fair value as at 31 December 2018 於二零一八年 十二月三十一日 的公平值
	一級 HK\$'000 港幣千元	二級 HK\$'000 港幣千元	三級 HK\$'000 港幣千元	HK\$'000 港幣千元
<b>Recurring fair value measurement</b>				
Financial assets:				
Other financial assets:				
Financial assets measured at FVOCI (non-recycling):				
Unlisted equity investment	-	-	4,984	4,984
Financial assets measured at FVOCI (non-recycling):				
Shares listed in Hong Kong	104,140	-	-	104,140
Financial assets measured at FVPL:				
- shares listed in Hong Kong	1,125	-	-	1,125
- unlisted investments	-	-	421,847	421,847
	<u>1,125</u>	<u>-</u>	<u>421,847</u>	<u>421,847</u>

## Notes to the Financial Statements

### 財務報表附註

#### 42. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

##### (a) Financial assets measured at fair value (Continued)

##### (i) Fair value hierarchy (Continued)

		Fair value measurement as at 31 December 2017 於二零一七年十二月三十一日的公平值計量			Fair value as at 31 December 2017 於二零一七年 十二月三十一日 的公平值
		Level 1	Level 2	Level 3	
		一級 HK\$'000 港幣千元	二級 HK\$'000 港幣千元	三級 HK\$'000 港幣千元	HK\$'000 港幣千元
<b>Recurring fair value measurement</b>	<b>經常性公平值計量</b>				
Financial assets:	金融資產:				
Available-for-sale financial assets (note)	可供出售金融資產 (附註)	378,631	-	-	378,631
Held-for-trading securities	持作買賣證券	1,173	-	-	1,173

There were no transfers amongst Level 1, Level 2 and Level 3 in the fair value hierarchy during both years.

*Note:*

Available-for-sale financial assets measured at fair value were reclassified to financial assets measured at FVOCI and financial assets measured at FVPL respectively upon the adoption of HKFRS 9 at 1 January 2018 (note 2.1).

#### 42. 金融工具之公平值 (續)

##### (a) 以公平值入賬的金融資產 (續)

##### (i) 公平值等級 (續)

Fair value measurement as at 31 December 2017  
於二零一七年十二月三十一日的公平值計量

		Level 1	Level 2	Level 3	Fair value as at 31 December 2017 於二零一七年 十二月三十一日 的公平值
		一級 HK\$'000 港幣千元	二級 HK\$'000 港幣千元	三級 HK\$'000 港幣千元	HK\$'000 港幣千元
<b>Recurring fair value measurement</b>	<b>經常性公平值計量</b>				
Financial assets:	金融資產:				
Available-for-sale financial assets (note)	可供出售金融資產 (附註)	378,631	-	-	378,631
Held-for-trading securities	持作買賣證券	1,173	-	-	1,173

於兩個年度內公平值等級的一級、二級及三級之間概無轉移。

*附註:*

於二零一八年一月一日採納香港財務報告準則第9號後(附註2.1),以公平值入賬的可供出售金融資產分別重新分類為按公平值變動計入其他全面收益之金融資產及按公平值計入損益之金融資產。

## Notes to the Financial Statements

### 財務報表附註

#### 42. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

##### (a) Financial assets measured at fair value (Continued)

##### (ii) Valuation techniques and inputs used in Level 3 fair value measurements

	Valuation techniques	Significant unobservable inputs	Range
	估值方法	重大不可觀察輸入數據	範圍
<b>Financial assets:</b>			
Other financial assets:			
- financial assets measured at FVOCI: unlisted equity investment	Discounted cash flow 貼現現金流量	Discount rate and discount for lack of marketability 貼現率及缺乏市場流動性貼現	Discount rate: 15.3%; Discount for lack of marketability: 20% 貼現率: 15.3%; 缺乏市場流動性貼現: 20%
- financial assets measured at FVPL: unlisted investments	Discounted cash flow 貼現現金流量	Expected yield and discount rate 預期回報及貼現率	Expected yield: 3.30%-8.90%; Discount rate: 2.57%-4.90% 預期回報: 3.30%-8.90%; 貼現率: 2.57%-4.90%

##### (b) Fair values of financial assets and liabilities carried at other than fair value

The directors of the Company consider that the carrying amounts of the Group's financial instruments that are not measured at fair value are approximate to their fair values.

#### 43. CONTINGENT LIABILITIES

- (a) At 31 December 2018, the Group had contingent liabilities in relation to guarantees of approximately HK\$211,918,000 (2017: HK\$124,639,000) given to banks in respect of mortgage loans granted to purchasers of certain property units.

Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with any accrued interest and penalty owed by the defaulted purchasers to the banks, and the Group is entitled to take over the legal title and possession of the related properties. In the opinion of the directors of the Company, the financial impact arising from providing the above financial guarantees is insignificant and accordingly, they are not accounted for in these financial statements.

#### 42. 金融工具之公平值 (續)

##### (a) 以公平值入賬的金融資產 (續)

##### (ii) 三級公平值計量使用的估值方法及輸入數據

##### (b) 按公平值以外列賬的金融資產及負債的公平值

本公司董事認為，本集團並非按公平值計量的金融工具的賬面值與其公平值相若。

#### 43. 或有負債

- (a) 於二零一八年十二月三十一日，本集團擁有與擔保相關的或有負債約港幣211,918,000元（二零一七年：港幣124,639,000元），擔保是因銀行向若干物業單位買家授予按揭貸款而提供。

根據擔保條款，若該等買家拖欠按揭付款，本集團有責任向銀行償還違約買家未償還的按揭本金，連同任何應計利息和罰金，而本集團有權接管相關物業的法定業權及所有權。本公司董事認為，提供上述財務擔保所產生的財務影響微不足道，故並未在該等財務報表中入賬。



## Notes to the Financial Statements

### 財務報表附註

#### 43. CONTINGENT LIABILITIES (CONTINUED)

- (b) On 29 March 2016, the Group entered into a guarantee agreement with Chengtong Coal, a subsidiary of the ultimate holding company of the Company, pursuant to which the Group has provided a guarantee by pledging its office premises (categorised as buildings in note 15) with net book value of approximately HK\$45,367,000 as at 31 December 2018 (2017: HK\$50,812,000) and issuing a guarantee letter to the Supreme People's Court of Guangxi Zhuang Autonomous Region to the extent of approximately RMB53,540,000 (approximately HK\$61,036,000) for a period of three years (or such shorter period as may be approved by the court). The guarantee was for the purpose of supporting a property preservation order on certain subject assets under litigation between Chengtong Coal and its debtors.

On 29 March 2016, the Group also entered into the Indemnity Deed with CCHK pursuant to which CCHK agreed to indemnify the Group in full for its liabilities and loss, if any, which may arise from the above guarantee provided by the Group.

Details in relation to the guarantee agreement and the Indemnity Deed were set out in the Company's announcement dated 29 March 2016.

In the opinion of the directors of the Company, the financial impact arising from providing the above financial guarantees is insignificant and accordingly, they were not accounted for in these financial statements.

As at 31 December 2018 and 2017, the Group was not involved in any litigation or arbitration of material importance and there was no litigation or claim of material importance known to the directors of the Company to be pending or threatened against the Group.

#### 44. CAPITAL COMMITMENTS

Contracted but not provided for:  
Purchase of property, plant and equipment

已訂約但未撥備：  
購買物業、廠房及設備

21,601

4,472

#### 43. 或有負債 (續)

- (b) 於二零一六年三月二十九日，本集團與誠通煤業（本公司最終控股公司的附屬公司）訂立擔保協議，據此，本集團已透過質押其於二零一八年十二月三十一日賬面淨值約港幣45,367,000元（二零一七年：港幣50,812,000元）的辦公室物業及向廣西壯族自治區高級人民法院出具金額約人民幣53,540,000元（約港幣61,036,000元）為限的保函，期限為三年（或法院可能批准的較短期限），以提供擔保。向誠通煤業提供的擔保用作支持就誠通煤業與其債務人的訴訟中若干主要資產的財產保全令。

於二零一六年三月二十九日，本集團亦與誠通香港訂立彌償契據，據此，誠通香港同意悉數彌償本集團因本集團提供上述擔保而可能產生的負債及虧損（如有）。

有關擔保協議及彌償契據的詳情載於本公司日期為二零一六年三月二十九日的公告。

本公司董事認為，提供上述財務擔保產生的財務影響微不足道，故並未在該等財務報表中入賬。

於二零一八年及二零一七年十二月三十一日，本集團概無涉及任何重大訴訟或仲裁，本公司董事亦不知悉有任何尚未了結或將針對本集團而提出的重大訴訟或索償。

#### 44. 資本承擔

2018  
二零一八年  
HK\$'000  
港幣千元

2017  
二零一七年  
HK\$'000  
港幣千元

## Notes to the Financial Statements

### 財務報表附註

#### 45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 45. 本公司財務狀況表

	Notes 附註	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment		289	512
Interests in subsidiaries		-	-
Amounts due from subsidiaries		173,044	173,043
		<b>173,333</b>	173,555
<b>Current assets</b>			
Other receivables, prepayments and deposits		3,040	4,316
Available-for-sale financial assets		-	208,451
Amounts due from subsidiaries		1,965,734	2,008,157
Bank balances and cash		222,234	35,746
		<b>2,191,008</b>	2,256,670
<b>Current liabilities</b>			
Other payables		2,930	2,691
Bank borrowings		200,000	200,000
		<b>202,930</b>	202,691
Net current assets		<b>1,988,078</b>	2,053,979
Net assets		<b>2,161,411</b>	2,227,534
<b>EQUITY</b>			
Share capital	34	2,185,876	2,185,876
Reserves	36	(24,465)	41,658
Total equity		<b>2,161,411</b>	2,227,534

Approved and authorised for issue by the board of directors on 25 February 2019 and signed on its behalf by:

由董事會於二零一九年二月二十五日批准及授權發行並由其代表簽署：

**Zhang Bin**  
張斌  
Director  
董事

**Wang Tianlin**  
王天霖  
Director  
董事

## Principal Properties 主要物業

### A. INVESTMENT PROPERTIES

### A. 投資物業

Location	地點	Group's effective interest 本集團之實質權益	Approximate site area 概約地盤面積 (sq. m.) (平方米)	Approximate gross floor area 概約總樓面積 (sq. m.) (平方米)	Usage 用途	Category of lease 租約類別
Phase I, Chengtong Xiang Xie Li, No. 1 Mizhou West Road, Zhucheng City, Shandong Province, the PRC	中國山東省諸城市 密州西路一號 誠通香樹里第一期	100%	Note (a) 附註(a)	4,849	Commercial 商業	Medium-term lease 中期租約
Phase III, Chengtong Xiang Xie Li, No. 1 Mizhou West Road, Zhucheng City, Shandong Province, the PRC	中國山東省諸城市 密州西路一號 誠通香樹里第三期	100%	Note (a) 附註(a)	2,716	Commercial 商業	Medium-term lease 中期租約
Hanan Building No.5 Guoxing Avenue, Haikou City, Hainan Province, the PRC	中國海南省海口市 國興大道5號 海南大廈	100%	27,590	1,339	Commercial 商業	Medium-term lease 中期租約

### B. PROPERTIES HELD FOR DEVELOPMENT

### B. 持作發展物業

Location	地點	Group's effective interest 本集團之實質權益	Approximate site area 概約地盤面積 (sq. m.) (平方米)	Usage 用途	Category of lease 租約類別
A piece of land situated at south of Shugang Highway, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市 疏港公路南側之 一幅土地	66.67%	549,600	Industrial 工業	Medium-term lease 中期租約
Lot No. 1, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市 大豐海洋經濟開發區 口岸服務區1號地塊	66.67%	84,648	Residential and commercial 住宅及商業	Commercial – Medium-term lease Residential – Long lease 商業 – 中期租約 住宅 – 長期租約
South Portion of Lot No. 2, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市 大豐海洋經濟開發區 口岸服務區2號 地塊南側	66.67%	28,956	Residential and commercial 住宅及商業	Commercial – Medium-term lease Residential – Long lease 商業 – 中期租約 住宅 – 長期租約
Lot No. 3, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市 大豐海洋經濟開發區 口岸服務區3號地塊	66.67%	244,248	Residential and commercial 住宅及商業	Commercial – Medium-term lease Residential – Long lease 商業 – 中期租約 住宅 – 長期租約

## Principal Properties 主要物業

### C. PROPERTIES UNDER DEVELOPMENT

Location	地點	Group's effective interest 本集團之實益權益	Approximate site area 概約地盤面積 (sq. m.) (平方米)	Usage 用途	Category of lease 租約類別	Stage of completion 完成階段	Expected completion date 預計完成日期
North Portion of Lot No. 2, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市大豐海洋經濟開發區口岸服務區2號地塊北側	66.67%	Note (b) 附註(b)	Residential and commercial 住宅及商業	Commercial – Medium-term lease Residential – Long lease 商業 – 中期租約 住宅 – 長期租約	Part of Section II work in progress 部分二標段工程進行中	Remaining Section II is expected to be completed in year 2019 餘下二標段預計於二零一九年完成
A parcel of land designated as No. 01213003 and located on the northern side of Mizhou West Road Eastern Section, Zhucheng City, Shandong Province, the PRC	中國山東省諸城市密州西路東段北側之一幅土地(地段編號第01213003號)	100%	Note (a) 附註(a)	Residential 住宅	Long lease 長期租約	Phase III work in progress 三期工程進行中	Phase III is expected to be completed in year 2020 三期預計於二零二零年完成

### C. 發展中物業

### D. PROPERTIES HELD FOR SALE

Location	地點	Group's effective interest 本集團之實益權益	Approximate site area 概約地盤面積 (sq. m.) (平方米)	Approximate saleable gross floor area 概約可售總樓面面積 (sq. m.) (平方米)	Usage 用途	Category of lease 租約類別
North Portion of Lot No. 2, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市大豐海洋經濟開發區口岸服務區2號地塊北側	66.67%	Note (b) 附註(b)	20,470 (Section I and II) 20,470 (一標段及二標段)	Residential and commercial 住宅及商業	Commercial – Medium-term lease Residential – Long lease 商業 – 中期租約 住宅 – 長期租約
A parcel of land designated as No. 01213003 and located on the northern side of Mizhou West Road Eastern Section, Zhucheng City, Shandong Province, the PRC	中國山東省諸城市密州西路東段北側之一幅土地(地段編號第01213003號)	100%	Note (a) 附註(a)	30,795 (Phase I, II and III) 30,795 (一期、二期及三期)	Residential and commercial 住宅及商業	Commercial – Medium-term lease Residential – Long lease 商業 – 中期租約 住宅 – 長期租約

### D. 持作銷售物業

Note (a): Part of a parcel of land designated as No. 01213003 and located on the northern side of Mizhou West Road Eastern Section, Zhucheng City, Shandong Province, the PRC, total site area is 146,006 sq.m.

Note (b): Part of North Portion of Lot No. 2, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC, total site area is 118,974 sq.m.

附註(a): 屬中國山東省諸城市密州西路東段北側之一幅土地(地段編號第01213003號)之一部分,總地盤面積為146,006平方米。

附註(b): 屬中國江蘇省大豐市大豐海洋經濟開發區口岸服務區2號地塊北側之一部分,總地盤面積為118,974平方米。



## Financial Summary 財務概要

A summary of the published results and of the assets and liabilities of the Group for the year ended 31 December 2018 and the last four financial years, as extracted from the audited financial statements and reclassified as appropriate, is set out below. This summary does not form part of the audited financial statements.

以下為本集團截至二零一八年十二月三十一日止年度及過往四個財政年度之已刊發業績及資產與負債之概要，乃摘錄自該等經審核財務報表並已作出適當之重新分類。此摘要並不構成該等經審核財務報告之一部分。

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	2014 二零一四年 HK\$'000 港幣千元
<b>RESULTS</b>	<b>業績</b>					
Turnover	營業額	<b>1,020,892</b>	1,353,119	716,559	576,533	3,224,100
Profit/(loss) attributable to owners of the Company	本公司擁有人應佔溢利/(虧損)	<b>113,440</b>	23,363	63,804	81,830	(51,417)
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
<b>Non-current assets</b>	<b>非流動資產</b>					
Property, plant and equipment	物業、廠房及設備	<b>187,803</b>	202,715	158,713	179,059	187,722
Prepaid land lease payments	預付土地租賃付款	<b>38,592</b>	196,781	188,949	206,579	51,760
Investment properties	投資物業	<b>101,528</b>	63,816	58,934	58,468	58,086
Deposits paid	已付按金	-	4,966	37,027	39,341	29,181
Loans receivable	應收貸款	<b>245,700</b>	383,902	353,654	261,493	194,173
Other financial assets	其他金融資產	<b>4,984</b>	-	-	-	-
Available-for-sale financial asset	可供出售金融資產	-	5,246	-	-	-
<b>Current assets</b>	<b>流動資產</b>					
Properties held for sale	持作銷售物業	<b>202,005</b>	251,688	159,716	242,917	287,498
Properties held for development	持作發展物業	<b>281,386</b>	296,196	276,450	293,728	311,006
Properties under development	發展中物業	<b>152,233</b>	109,824	241,042	169,581	160,469
Inventories	存貨	<b>15,970</b>	4,281	6,145	22,922	23,191
Trade and other receivables	貿易及其他應收款項	<b>186,706</b>	129,040	97,879	73,492	403,444
Loans receivable	應收貸款	<b>421,236</b>	358,359	309,545	162,969	85,538
Prepaid land lease payments	預付土地租賃付款	<b>2,011</b>	5,665	5,287	5,414	2,007
Entrusted loan receivables	應收委託貸款	-	-	7,840	59,140	107,525
Other financial assets	其他金融資產	<b>840,612</b>	-	-	-	-
Available-for-sale financial assets	可供出售金融資產	-	700,231	513,130	410,136	-
Held-for-trading securities	持作買賣證券	-	1,173	1,279	1,234	1,703
Short-term investments	短期投資	-	-	13,440	16,660	594,720
Tax recoverable	可收回稅項	<b>2,119</b>	3,004	-	-	-
Structured bank deposits	結構性銀行存款	-	-	-	167,790	662,760
Pledged bank deposits	已抵押銀行存款	<b>3,815</b>	4,006	1,640	1,737	1,774,816
Deposits in other financial institution	其他金融機構存款	<b>112,338</b>	86,200	428,186	355,650	-
Bank balances and cash	銀行結存及現金	<b>791,265</b>	749,708	929,903	1,048,218	728,127
Amount due from a non-controlling shareholder of a subsidiary	應收一間附屬公司一名非控股股東款項	-	18,000	21,318	21,641	21,686
Loan to a related party	給予一名關連方的貸款	-	-	36,823	38,888	54,454
Total assets	總資產	<b>3,590,303</b>	3,574,801	3,846,900	3,837,057	5,739,866

# Financial Summary

## 財務概要

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	2014 二零一四年 HK\$'000 港幣千元
<b>Current liabilities</b>	<b>流動負債</b>					
Trade and other payables	貿易及其他應付款項	(120,726)	(156,869)	(127,834)	(107,333)	(2,798,209)
Contract liabilities	合約負債	(207,096)	-	-	-	-
Deposits received from sale of properties	出售物業之已收按金	-	(128,921)	(72,920)	(53,294)	(58,728)
Taxation payable	應付稅項	(38,843)	(5,929)	(3,148)	(2,218)	(26,029)
Bank borrowings	銀行借貸	(274,100)	(214,400)	(77,280)	-	(68,157)
Unsecured other loans	無抵押其他貸款	(600)	(600)	(600)	(600)	(600)
Corporate bonds	公司債券	-	-	(667,219)	-	-
<b>Non-current liabilities</b>	<b>非流動負債</b>					
Deferred tax liabilities	遞延稅項負債	(51,794)	(81,635)	(73,088)	(74,608)	(52,584)
Corporate bonds	公司債券	-	-	-	(694,757)	(721,610)
Total liabilities	負債總額	<u>(693,159)</u>	<u>(588,354)</u>	<u>(1,022,089)</u>	<u>(932,810)</u>	<u>(3,725,917)</u>



**中國誠通發展集團有限公司**  
**China Chengtong Development**  
**Group Limited**