



National Investments

National Investments Fund Limited

國盛投資基金有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號: 1227)

Annual Report

2018 年報

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Corporate Information 公司資料

DIRECTORS

Executive Directors

Wong Danny F. (resigned on 18 March 2019)
Chan Cheong Yee

Non-Executive Director

Xie Xiangrong (*Chairperson*)

Independent Non-Executive Directors

Chan So Fong
Li Li
Liao Kai
Liu Jin

CHIEF EXECUTIVE OFFICER

Dai Wei (*resigned on 13 March 2019*)

COMPANY SECRETARY

Ho Yuk Ming Hugo

INVESTMENT MANAGER

Avia Asset Management Limited
Unit A, Level 9, Fortis Tower
77-79 Gloucester Road
Wanchai, Hong Kong

CUSTODIAN

Bank of Communications Trustee Limited
1st Floor, Far East Consortium Building
121 Des Voeux Road Central
Hong Kong

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

16th Floor
Guangdong Finance Building
88 Connaught Road West
Hong Kong

REGISTERED OFFICE

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

董事會

執行董事

汪曉峰(於二零一九年三月十八日辭任)
陳昌義

非執行董事

謝湘蓉(主席)

獨立非執行董事

陳素芳
李力
廖凱
劉進

行政總裁

戴維(於二零一九年三月十三日辭任)

公司秘書

何育明

投資經理

輝亞資產管理有限公司
香港灣仔
告士打道77-79號
富通大廈9樓A室

託管商

交通銀行信託有限公司
香港
德輔道中121號
遠東發展大廈1樓

主要營業地點

香港
干諾道西88號
粵財大廈
16樓

註冊辦事處

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

Audit Committee

Li Li (*Chairman*)
Chan So Fong
Liao Kai
Liu Jin

Nomination Committee

Chan So Fong (*Chairman*)
Li Li
Liao Kai
Liu Jin

Remuneration Committee

Liu Jin (*Chairman*)
Chan So Fong
Li Li
Liao Kai

Investment Committee

Wong Danny F. (*Chairman*) (resigned on 18 March 2019)
Chan Cheong Yee

Authorised Representatives

Chan Cheong Yee
Ho Yuk Ming Hugo

Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited
Industrial and Commercial Bank of China (Asia) Limited

LEGAL ADVISER AS TO HONG KONG LAWS

King & Wood Mallesons

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

審核委員會

李力(*主席*)
陳素芳
廖凱
劉進

提名委員會

陳素芳(*主席*)
李力
廖凱
劉進

薪酬委員會

劉進(*主席*)
陳素芳
李力
廖凱

投資委員會

汪曉峰(*主席*)(於二零一九年三月十八日辭任)
陳昌義

授權代表

陳昌義
何育明

主要往來銀行

香港上海滙豐銀行有限公司
中國工商銀行(亞洲)有限公司

香港法律顧問

金杜律師事務所

核數師

國衛會計師事務所有限公司
執業會計師

開曼群島股份過戶登記處

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

Corporate Information
公司資料

**HONG KONG BRANCH SHARE REGISTRAR
AND TRANSFER OFFICE**

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

STOCK CODE

The Stock Exchange of Hong Kong Limited: 1227

WEBSITE

<http://www.nif-hk.com>
(information contained in this website does not form part of this report)

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心22樓

股份代號

香港聯合交易所有限公司：1227

網址

<http://www.nif-hk.com>
(此網站所刊載資料並不構成本年報之一部份)



Key Financial Highlights and Ratios

主要財務摘要及比率

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	Change 變動
RESULTS	業績			
Revenue	收益	9,690	2,915	232.42%
Loss before taxation	除稅前虧損	(59,654)	(123,593)	(51.73%)
Loss for the year	年內虧損	(59,654)	(123,593)	(51.73%)
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(59,654)	(123,593)	(51.73%)
Basic and diluted loss per share	每股基本及攤薄虧損	(HK\$15.96) cents港仙	(HK\$48.56) cents港仙	(67.13%)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	Change 變動
KEY ITEMS IN CONSOLIDATED STATEMENT OF FINANCIAL POSITION	綜合財務報表之 關鍵項目			
Equity attributable to owners of the Company	本公司擁有人應佔權益	(100,495)	(47,443)	111.82%
Total assets	資產總值	59,604	174,931	(65.93%)
Cash and bank balances	現金及銀行結存	111	34,794	(99.68%)
Net liabilities per share (Note 1)	每股負債淨額(附註1)	(HK\$23.24) cents港仙	(HK\$19.75) cents港仙	(17.67%)
Net cash per share (Note 2)	每股現金淨額(附註2)	HK\$0.03 cents港仙	HK\$14.49 cents港仙	(99.79%)

		2018 二零一八年	2017 二零一七年	Change 變動
MARGIN, LIQUIDITY AND GEARING RATIOS	利率、流動資金及 資產負債比率			
Net loss margin ratio (Note 3)	淨虧損率(附註3)	(615.62%)	(4,239.90%)	(85.48%)
Current ratio (Note 4)	流動比率(附註4)	0.05	0.56	(91.07%)
Quick ratio (Note 5)	速動比率(附註5)	0.05	0.56	(91.07%)
Gearing ratio (Note 6)	資產負債比率(附註6)	N/A不適用	N/A不適用	N/A不適用

Notes:

- Net asset value per share is calculated based on the number of 432,406,964 shares (2017: 240,226,091 shares).
- Net cash per share is calculated based on the number of 432,406,964 shares (2017: 240,226,091 shares).

附註:

- 每股資產淨值乃按432,406,964股(二零一七年: 240,226,091股)股份數目計算。
- 每股現金淨額乃按432,406,964股(二零一七年: 240,226,091股)股份數目計算。

Key Financial Highlights and Ratios 主要財務摘要及比率

- | | | | |
|----|--|----|--|
| 3. | Net loss margin is calculated by dividing loss for the year by revenue and multiplying the resulting value by 100%. | 3. | 淨虧損率乃按年內虧損除以收益再乘100%計算。 |
| 4. | Current ratio is calculated by dividing current assets by current liabilities. | 4. | 流動比率乃按流動資產除流動負債計算。 |
| 5. | Quick ratio is calculated by dividing current assets (net of work in progress) by current liabilities. | 5. | 速動比率乃按流動資產(扣除未完成項目)除流動負債計算。 |
| 6. | Gearing ratio is calculated by dividing total debt by total equity. Total debt comprises short-term loans, obligations under finance leases, promissory notes and interest-bearing other payables. | 6. | 資產負債比率乃按債務總額除權益總額計算。債務總額包括短期貸款、融資租賃承擔、承兌票據及其他計息應付款項。 |



Chairman's Statement 主席報告

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of National Investments Fund Limited (the “**Company**”), I am pleased to submit the annual report (“**this report**”) of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2018 (the “**Year**”).

The Company is an investment company and the Group is principally engaged in investments in a diversified portfolio of listed and unlisted companies.

During the Year, the Board exercised caution while actively managing its investment portfolio in accordance with the Company's investment objective and policy for the best interest of our shareholders. The operating revenue of the Group was approximately HK\$9.69 million, representing a significant increase of approximately 232.42% from approximately HK\$2.92 million in the last year. The increase in revenue was mainly due to the increase in dividend income generated from the investment portfolios during the Year. The loss attributable to owners of the Company has been significantly decreased to approximately HK\$59.65 million for the Year (2017: loss of approximately HK\$123.59 million) as a result of the decrease in the impairment loss during the Year.

During the Year, the Group did not invest any listed securities and has been focusing on the investment of unlisted companies. As at 31 December 2018, the Group's investment portfolio in unlisted securities consists of equity securities of approximately HK\$51.31 million (2017: approximately HK\$88.20 million) and debt securities of approximately HK\$2.18 million (2017: approximately HK\$20.49 million).

Meanwhile, the Group has adopted and maintained a prudent yet proactive investment approach and will closely monitor the performance of the investment portfolios. It has been the business strategy of the Group to identify suitable investment opportunities with potential assets appreciation that will furtherance the investments objectives of the Company and also to generate better returns for the Group and the Shareholders. During the Year, the Group disposed Medisun Holdings (Overseas) Limited (“**Medisun**”), which was previously held as to approximately 29.997% indirectly by the Company (the “**Disposal**”). Medisun is principally engaged in the businesses of development of bio-pharmaceutical and regenerative medicine system and product. We expect that the Disposal represents an opportunity for the Group to divest and realise its investment in Medisun so as to reallocate the Group's financial resources in order to optimize the operational efficiency, to enhance the return to the Group and to improve cash flow of the Group.

本人謹代表國盛投資基金有限公司(「**本公司**」)董事(「**董事**」)會(「**董事會**」)欣然呈報本公司及其附屬公司(統稱「**本集團**」)截至二零一八年十二月三十一日止年度(「**本年度**」)年度報告(「**本報告**」)。

本公司為一間投資公司，而本集團之主要業務為投資於上市及非上市公司之多元化投資組合。

於本年度，董事會在審慎行事的同時，積極按照本公司之投資目標和策略及以我們的股東的最佳利益為本管理其投資組合。本集團的營運收益約為9,690,000港元，較上年約2,920,000港元大幅增加約232.42%。收益增加乃主要由於本年度來自投資組合所得股息收入增加。本公司擁有人應佔虧損於本年度大幅減少至約59,650,000港元(二零一七年：虧損約為123,590,000港元)，乃由於減值虧損有所減少。

於本年度，本集團並無投資於任何上市證券，而專注非上市公司之投資。於二零一八年十二月三十一日，本集團於非上市證券之投資組合包含股本證券約51,310,000港元(二零一七年：約88,200,000港元)及債務證券約2,180,000港元(二零一七年：約20,490,000港元)。

同時，本集團已採取並維持謹慎而積極的投資方針，並將密切監察投資組合的表現。本集團的業務策略一直為識別合適並具資產升值潛力之投資機遇，推進本公司投資目標，並為本集團及股東帶來更佳回報。於本年度，本集團出售Medisun Holdings (Overseas) Limited (「**Medisun**」)，其原由本公司持有約29.997%權益(「**出售事項**」)。Medisun主要業務為開發生物製藥及再生醫學系統及產品。我們預期出售事項乃本集團出讓並變現其於Medisun之投資，使本集團的財務資源得以重新配置，從而優化營運效益，提升本集團之回報，改善本集團之現金流。

Chairman's Statement

主席報告

We will continue to explore new investment opportunities around the world, hoping to further expand the Group's scale and increase its profitability through acquisitions, with the aim to bring stable, long-term high returns to our shareholders.

In closing, on behalf of the Board, I would like to express my sincere gratitude to our shareholders and business partners for their continuous support and confidence in the Group. I must also thank our staff for their efforts and dedication. Our people are the backbone of our Group and the architects of our future.

Xie Xiangrong

Chairperson

Hong Kong, 26 March 2019

我們將繼續探討環球新投資機遇，以求藉進行收購進一步擴展本集團規模並提升其盈利能力，目標為我們的股東帶來穩定、長期高回報。

最後，本人代表董事會衷心感謝尊貴股東及業務夥伴一直信任和鼎力支持，同時由衷感激員工不懈努力。我們的員工乃本集團的支柱、塑造集團未來的設計師。

謝湘蓉

主席

香港，二零一九年三月二十六日



Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Revenue

During the Year, the Group's operating revenue was approximately HK\$9.69 million, which represented a significant increase of approximately 232.42% as compared to the operating revenue of approximately HK\$2.92 million for the year of 2017 (the "FY2017"). The increase in revenue was mainly due to the increase in dividend income generated from the unlisted investment portfolios during the Year. During the Year, the Group had received the distribution of 1,815,405 shares of a company as dividend from an investee company and the appraised value of the shares as at 30 June 2018 was approximately HK\$7,350,000 by making reference to the valuation report prepared by an independent valuer.

Other Income

Other income for the Year was approximately HK\$1.87 million, which represented a significant decrease of approximately HK\$2.66 million as compared to the other income of approximately HK\$4.53 million for the FY2017. The decrease was mainly due to the decrease of waiver of payment of consultancy fee of approximately HK\$3.31 million which was one-off benefits for the FY2017. Other income mainly comprised the gain on settlement of short-term loans and sundry income during the Year.

Finance Costs

Finance costs for the Year was approximately HK\$6.68 million, which represented a significant decrease of approximately HK\$8.74 million as compared to the finance costs of approximately HK\$15.42 million for the FY2017. The decrease was mainly due to the decrease of interest expenses on other payables (include interest payables to promissory notes) of approximately HK\$9.21 million during the Year.

Loss Attributable to Owners of the Company

Loss attributable to owners of the Company was approximately HK\$59.65 million for the Year (FY2017: loss of approximately HK\$123.59 million). The decrease of loss was mainly due to the decrease in impairment losses of approximately HK\$33.71 million were made on financial assets at fair value through profit or loss, other tangible assets and other receivables and the Group has successfully implemented the costs control plans during Year.

財務回顧

收益

於本年度，本集團營運收益約為9,690,000港元，較二零一七年年度的(「二零一七年財政年度」)之營運收益約2,920,000港元大幅增加約232.42%。收益增加乃主要由於本年度來自非上市投資組合之股息收入增加。本年度，本集團獲一間被投資公司分派1,815,405股公司股份作為股息。經參考由一名獨立估值師編製的估值報告，該等股份於二零一八年六月三十日的估價約為7,350,000港元。

其他收入

本年度其他收入約為1,870,000港元，相較二零一七年財政年度的約4,530,000港元的其他收入大幅減少約2,660,000港元。有關減少主要是由於豁免支付顧問費用減少約3,310,000港元所致，此為二零一七年財政年度的一性次獲利。其他收入主要包括本年度結算短期貸款之收益及雜項收入。

融資成本

本年度的的融資成本約為6,680,000港元，相較二零一七年財政年度的約15,420,000港元的融資成本大幅減少約8,740,000港元。有關減少主要是由於本年度其他應付款項的利息開支(包括承兌票據之應付利息)減少約9,210,000港元所致。

本公司擁有人應佔虧損

本年度本公司擁有人應佔虧損約為59,650,000港元(二零一七年財政年度：虧損約為123,590,000港元)。虧損減少乃主要由於於損益表按公允價值列賬之金融資產、於其他有形資產按公允價值列賬之金融資產及其他應收款項所計提之減值虧損減少約33,710,000港元，及本集團於本年度成功實施成本控制方案。

Management Discussion and Analysis 管理層討論及分析

Consolidated Statements of Financial Position of the Company

As at 31 December 2018, the Group had a net liabilities of approximately HK\$100.50 million (as at 31 December 2017: net liabilities of approximately HK\$47.44 million). The increase in net liabilities was mainly resulted from the loss suffered by the Group during the Year.

BUSINESS REVIEW

The Company is an investment company and the Group is principally engaged in investments in a diversified portfolio of listed and unlisted companies.

During the Year, the Group did not invest any listed securities and has been focusing on the investment of unlisted companies. As at 31 December 2018, the Group's investment portfolio in unlisted securities consists of equity securities of approximately HK\$51.31 million (2017: approximately HK\$88.20 million) and debt securities of approximately HK\$2.18 million (2017: approximately HK\$20.49 million). Impairment losses of HK\$64.52 million were made on the unlisted investments during the Year.

As disclosed in the announcement of the Company dated 20 November 2018, the Group, as the vendor, had entered into a sale and purchase agreement with an independent third party as the purchaser, pursuant to which the Group conditionally agreed to sell, and the purchaser agreed to acquire approximately 29.997% of the entire issued share capital of Medisun Holdings (Overseas) Limited at the consideration of HK\$20,000,000. The aforesaid disposal constitutes a very substantial disposal of the Company under Chapter 14 of the Listing Rules and is subject to the shareholders' approval. It is expected that the aforesaid disposal, once completed, will provide the Group with additional cash flow and further strengthen its financial position.

本公司綜合財務狀況報表

於二零一八年十二月三十一日，本集團淨負債狀況約為100,500,000港元(於二零一七年十二月三十一日：淨負債狀況約為47,440,000港元)。淨負債狀況增加乃主要有於本集團於本年度承受虧損。

業務回顧

本公司為一間投資公司，而本集團主要從事於包含上市及非上市公司之多元化組合進行投資。

於本年度，本集團並無投資於任何上市證券，而專注非上市公司之投資。於二零一八年十二月三十一日，本集團於非上市證券之投資組合包含股本證券約51,310,000港元(二零一七年：約88,200,000港元)及債務證券約2,180,000港元(二零一七年：約20,490,000港元)。於本年度對非上市投資計提64,520,000港元之減值虧損。

如本公司於二零一八年十一月二十日之公告所披露，本集團(作為賣方)與獨立第三方(作為買方)訂立買賣協議，據此，本集團已有條件同意出售且獨立第三方已有條件同意購買Medisun Holdings (Overseas) Limited全部已發行股本約29.997%，代價為20,000,000港元。根據上市規則第14章，上述出售事項構成本公司一項非常重大出售事項，須待股東批准方可作實。預期上述出售事項完成後將為本集團提供更多現金流，進一步加強其財務狀況。



PROSPECT

Our vision is to become a well-known investment company in Hong Kong. We plan to invest in listed and non-listed securities with high quality to strive for short-term and medium-term gains from capital appreciation in the course of securitisation of corporate assets invested, and apply the same as our key operation strategy and income source.

Looking into the year of 2019, the unresolved trade disputes between United States and China are still major obstacles for the global economy. As the global economic growth has peaked and the central banks have normalized monetary policy, it is expected that the investment market will be more volatile in 2019. The risk of a recession in 2019 is still low, but as the economy is nearing its peak, market sentiment is becoming more cautious and volatility is increasing.

The Group will continue to implement diversified investment strategy aimed at identifying suitable investment opportunities with potential of asset appreciation to bring about better return to the Group and the Shareholders. The Group will also continue to adopt and maintain a prudent but proactive investment approach and will keep closely on monitoring the performance of the investment portfolios and is confident that the investment portfolios will deliver results and add value to the shareholders of the Company.

前景

我們的理念是成為香港知名投資公司。我們計劃投資高質素上市及非上市證券，力求來自所投資企業資產證券化過程中資本升值的短期及長期獲利，亦對主要經營策略及收入來源採用同樣計劃。

展望二零一九年，美國與中國之間未解決貿易紛爭仍為環球經濟之主要障礙。環球經濟增長已過高峰點，中央銀行已將貨幣政策正常化，預期二零一九年投資市場將出現更多波動。二零一九年發生蕭條的風險仍低，惟隨著經濟臨近高峰點，市場氣氛逐漸審慎，波動性正在上升。

本集團將繼續實施多元化投資策略，旨在識別合適並具資產升值潛力之投資機遇，為本集團及股東帶來更佳回報。本集團將持續採取及維持審慎而積極投資方式，並將繼續密切監察投資組合之表現，為本公司股東帶來回報及增值。

Management Discussion and Analysis 管理層討論及分析

SIGNIFICANT INVESTMENTS HELD

As at 31 December 2018, the Group had significant investments in unlisted equity securities and debt securities of companies which were classified as financial assets at fair value through other comprehensive income and profit or loss/available-for-sale financial assets are as follows:

所持有重大投資

以下為本集團於二零一八年十二月三十一日所持有並分類為於其他全面收益表及於損益表按公允價值列賬之金融資產／可供出售金融資產之有關公司之非上市股本證券及債務證券：

Name of investee company 被投資公司名稱	Percentage of share capital owned by the Group 本集團擁有股本百分比	Investment cost 投資成本 HK\$'000 千港元	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 千港元	Accumulated unrealized gain/(loss) change in fair value 累計於公允價值之未變現收益／(虧損)變動 HK\$'000 千港元	Dividend/ interest received/receivable during the Year 於本年度已收／應收股息／利息 HK\$'000 千港元
Equity securities:					
股本證券：					
Upperclass Developments Limited (Note 1) Upperclass Developments Limited (附註1)	30%	—	—	—	—
Smart Role Limited (Note 2) Smart Role Limited (附註2)	8%	59,680	30,300	(29,380)	—
Co-Lead Holdings Limited (Note 3) Co-Lead Holdings Limited (附註3)	0.39%	15,908	6,900	(9,008)	—
FreeOpt Holdings Limited (Note 4) FreeOpt Holdings Limited (附註4)	3.35%	16,000	5,260	(10,740)	—
Freewill Holdings Limited (Note 5) Freewill Holdings Limited (附註5)	0.59%	15,950	4,960	(10,990)	7,350
Joint Global Limited (Note 6) Joint Global Limited (附註6)	0.88%	16,038	540	(15,498)	—
Satinu Resources Group Limited (Note 7) Satinu Resources Group Limited (附註7)	0.18%	—	3,350	3,350	—
Debt securities:					
債務證券：					
Premium Castle Limited (Note 8) Premium Castle Limited (附註8)	N/A 不適用	12,056	—	(12,056)	—
The American Club (Note 9) The American Club (附註9)	N/A 不適用	1,800	2,180	380	—

Notes:

1. Upperclass Developments Limited (“**Upperclass**”) is incorporated in British Virgin Islands and principally engaged in investment holding. The principal assets of Upperclass indirectly holds 16% interest in a company incorporated in the PRC, of which is principally engaged in leasing.
2. Smart Role Limited (“**Smart Role**”) is incorporated in British Virgin Islands and principally engaged in investment holding. The principal assets of Smart Role indirectly holds 8% interest in a company incorporated in the PRC, of which is principally engaged in holding of the Forest Rights Certificates.
3. Co-Lead Holdings Limited (“**Co-Lead**”) is incorporated in British Virgin Islands and principally engaged in investments in a diversified portfolio of listed companies.
4. FreeOpt Holdings Limited (“**FreeOpt**”) is incorporated in Republic of the Marshall Islands and principally engaged in money lending.
5. Freewill Holdings Limited (“**Freewill**”) is incorporated in Republic of the Marshall Islands and principally engaged in investments in a diversified portfolio of unlisted companies.
6. Joint Global Limited (“**Joint Global**”) is incorporated in Republic of the Marshall Islands and principally engaged in investments in a diversified portfolio of debt securities.
7. Satinu Resources Group Limited (“**Satinu**”) is incorporated in British Virgin Islands and principally engaged in integrated financial services, securities brokerage services, money lending, securities and other direct investments.
8. Premium Castle Limited (“**Premium Castle**”) is incorporated in British Virgin Islands and principally engaged in investment holding. The principal assets of Premium Castle directly holds 100% interest in Beijing Securities Limited incorporated in Hong Kong, of which is principally engaged in securities brokerage services and other financial services. The Company holds convertible note issued by Premium Castle with principal amount of HK\$18,600,000, which comprise principal amount and outstanding interest of HK\$17,000,000 and approximately HK\$1,600,000 respectively.
9. The American Club, which provides a gathering place for social, recreational, and business activities for members. The Company holds a debenture issued by the American Club with principal amount of HK\$625,000 at a consideration of HK\$1,800,000.

The Directors believe that the future performance of the significant investments held by the Group will be affected by the overall economic environment, market conditions and the business performance of the investee companies. The Board will continue to look out for attractive investment opportunities which can generate better returns to its shareholders.

附註：

1. Upperclass Developments Limited (“**Upperclass**”)於英屬處女群島註冊成立，主要從事投資控股。Upperclass之主要資產間接持有一間於中國註冊成立公司之16%權益，其主要從事出租。
2. Smart Role Limited (“**Smart Role**”)於英屬處女群島註冊成立，主要從事投資控股。Smart Role之主要資產間接持有一間於中國註冊成立公司之8%權益，其主要從事持有木林權利證。
3. Co-Lead Holdings Limited (“**Co-Lead**”)於英屬處女群島註冊成立，主要從事投資包含上市公司之多元化組合。
4. FreeOpt Holdings Limited (“**Freeopt**”)於馬紹爾群島共和國註冊成立，主要從事放債。
5. Freewill Holdings Limited (“**Freewill**”)於馬紹爾群島共和國註冊成立，主要從事投資包含非上市公司之多元化組合。
6. Joint Global Limited (“**Joint Global**”)於馬紹爾群島共和國註冊成立，主要從事投資包含債務證券之多元化組合。
7. Satinu Resources Group Limited (“**Satinu**”)於英屬處女群島註冊成立，主要從事投資綜合金融服務、證券經紀商服務、放債、證券及其他直接投資。
8. Premium Castle Limited (“**Premium Castle**”)於英屬處女群島註冊成立，主要從事投資控股。Premium Castle之主要資產直接持有於香港註冊成立之北京證券有限公司之100%權益，其主要從事證券經紀商服務及其他金融服務。本公司持有Premium Castle發行本金為18,600,000港元之可換股證券，其中包括本金17,000,000港元及未償還利息約1,600,000港元。
9. The American Club為會員提供社交、康樂、及商務活動之聚集場所。本公司持有the American Club發行本金為625,000港元之債權證，代價為1,800,000港元。

董事相信本集團所持重大投資日後的表現將會受到整體經濟環境、市況以及被投資公司的業務表現影響。董事會將繼續尋求具吸引力的投資機會，為股東創造更高回報。

PRINCIPAL RISKS AND UNCERTAINTIES

The Group is principally engaged in short to medium term capital appreciation by investing in a diversified portfolio of investments in listed and unlisted securities, which are exposed to certain market risks including price risk, credit risk, liquidity risk and interest rate risk. The details are set out in note 5 to the consolidated financial statements under the section headed “Financial Instruments and Capital Risk Management”.

SEGMENT INFORMATION

Particulars of the Group’s segment information are set out in note 6 to the consolidated financial statements of this report.

LIQUIDITY, CAPITAL RESOURCES AND GEARING RATIO

During the Year, the Group’s liquidity funds were primarily used to invest in the unlisted investments and for its operations and such funds were funded by a combination of capital contribution by shareholders as well as cash generated from operation.

As at 31 December 2018, the Group had cash and bank balances of approximately HK\$0.11 million which were denominated in Hong Kong dollars (2017: approximately HK\$34.79 million).

As at 31 December 2018, the Company had outstanding balance of promissory notes in the aggregate amount of HK\$110,000,000. Eleven promissory notes in the denomination of HK\$10,000,000 each were issued to eleven independent third parties. Each promissory note bears interest at a rate of 5% per annum with a maturity period of seven years from the date of issue. The net proceeds were used for investment in securities and as general working capital of the Group.

On 2 January 2018, the Company completed a rights issue and issued 1,201,130,456 new shares with par value of HK\$0.01 each at a subscription price of HK\$0.035 per rights share on the basis of one rights share for every two shares then existing share held, and the net proceeds of the rights issue, after deducting the related expense, were approximately HK\$40,280,000 which were mainly used to repay the principal amount and interests of Group’s loans including the Citizens Money Lending Corporation Limited. Details of the rights issue were disclosed in the announcements of the Company dated 21 November 2017, 28 November 2017, 2 January 2018 and the prospectus of the Company 7 December 2017.

主要風險及不明朗因素

本集團主要從事透過投資包含於上市及非上市證券投資之多元化組合獲取中短期資本增值，其面臨若干市場風險(包括價格風險、信貸風險、流動資金風險及利率風險)。有關詳情載於綜合財務報表附註5「金融工具及資本風險管理」一節。

分類資料

有關本集團之分類資料詳情載列於本報告之綜合財務報表附註6。

流動資金、資本資源及資產負債比率

於本年度，本集團之流動資金主要用於投資非上市投資項目及其營運，有關資金乃由股東注資以及營運所得現金之組合提供資金。

於二零一八年十二月三十一日，本集團之現金及銀行結存約為110,000港元，以港元計值(二零一七年：約34,790,000港元)。

於二零一八年十二月三十一日，本公司之承兌票據未承兌結餘合共金額為110,000,000港元。十一份每份面額10,000,000港元之承兌票據獲發行予十一名獨立第三方。每份承兌票據以年利率5厘計息，由發行日期起計七年到期。所得款項淨額用於投資證券及用作本集團一般營運資金。

於二零一八年一月二日，本公司完成供股，並按當時每持有兩股現有股份獲發一股供股股份之基準，以每股供股股份0.035港元之認購價發行1,201,130,456股每股面值0.01港元之新股份，及供股之所得款項淨額(扣除相關開支後)約為40,280,000港元，主要用於償還本集團貸款(包括民眾財務有限公司)之本金額及利息。供股詳情於本公司日期為二零一七年十一月二十一日、二零一七年十一月二十八日及二零一八年一月二日之公告以及日期為二零一七年十二月七日之本公司章程中披露。

On 5 October 2018, Supreme China Securities Limited (the “Placing Agent”) and the Company entered into a placing agreement (the “Placing Agreement”) pursuant to which the Placing Agent has agreed to place, on a fully underwritten basis, up to 720,678,273 placing shares (the “Placing Shares”) at the placing price of HK\$0.015 per Placing Share (the “Placing”). The completion of the Placing took place on 23 October 2018. A total of 720,678,273 of the Placing Shares had been successfully placed and issued under the general mandate granted to the Directors by resolution of the Shareholders passed at the annual general meeting of the Company held on 20 June 2018. The gross proceeds and net proceeds from the Placing amounted to approximately HK\$11.00 million and HK\$10.30 million respectively. The Company had used the net proceeds for repayment of the outstanding indebtedness, and/or general working capital of the Group. Details of the Placing Agreement were set out in the announcements of the Company dated 5 October 2018 and 23 October 2018.

The Group had net liabilities as at 31 December 2018, therefore the gearing ratio (defined as borrowing and long term debt divided by total shareholder’s equity) is not applicable. The current ratio of the Group as at 31 December 2018 was about 0.05 times as compared to 0.56 times as at 31 December 2017, based on current assets of approximately HK\$6.24 million (as at 31 December 2017: approximately HK\$62.71 million) and current liabilities of approximately HK\$130.21 million (as at 31 December 2017: approximately HK\$112.04 million).

CAPITAL STRUCTURE

During the Year, the changes of share capital structure of the Company were as follows:

On 2 January 2018, the Company completed a rights issue and issued 1,201,130,456 new shares with par value of HK\$0.01 each at a subscription price of HK\$0.035 per rights share on the basis of one rights share for every two shares then existing share held, and the net proceeds of the Rights Issue, after deducting the related expense, were approximately HK\$40,280,000 which were mainly used to repay the principal amount and interests of Group’s loans including the Citizens Money Lending Corporation Limited. Details of the rights issue were disclosed in the announcements of the Company dated 21 November 2017, 28 November 2017, 2 January 2018 and the prospectus of the Company 7 December 2017. Upon the completion of the aforesaid rights issue, the total number of issued shares of the Company was increased from 2,402,260,913 shares to 3,603,391,369 shares.

於二零一八年十月五日，智華證券有限公司（「配售代理」）與本公司訂立配售協議（「配售協議」），據此，配售代理同意按悉數包銷基準按配售價每股配售股份0.015港元配售最多720,678,273股股份（「配售股份」）（「配售事項」）。配售事項已於二零一八年十月二十三日完成。合共720,678,273股配售股份已根據於二零一八年六月二十日舉行之本公司股東週年大會上股東通過之決議案授予董事之一般授權成功配售及發行。配售之所得款項總額及所得款項淨額分別約為11,000,000港元及10,300,000港元。本公司已將所得款項淨額用於償還未償還債務，及／或本集團一般營運資金。有關配售協議之詳情載列於本公司日期為二零一八年十月五日及二零一八年十月二十三日之公告。

本集團於二零一八年十二月三十一日為淨負債狀態，因此資產負債比率（界定為借款及長期債務除以股東權益總額）並不適用。本集團的即期比率於二零一八年十二月三十一日為0.05倍，相比於二零一七年十二月三十一日為0.56倍，乃根據流動資產約6,240,000港元（於二零一七年十二月三十一日：約62,710,000港元）及流動負債約130,210,000港元（於二零一七年十二月三十一日：約112,040,000港元）計算得出。

資本架構

於本年度，本公司之股本架構變動如下：

於二零一八年一月二日，本公司完成供股，並按當時每持有兩股現有股份獲發一股供股股份之基準，以每股供股股份0.035港元之認購價發行1,201,130,456股每股面值0.01港元之新股份，及供股之所得款項淨額（扣除相關開支後）約為40,280,000港元，主要用於償還本集團貸款（包括民眾財務有限公司）之本金金額及利息。供股詳情於本公司日期為二零一七年十一月二十一日、二零一七年十一月二十八日及二零一八年一月二日之公告以及日期為二零一七年十二月七日之本公司章程中披露。完成上述供股後，本公司已發行股份總數由2,402,260,913股股份增加至3,603,391,369股股份。

Management Discussion and Analysis 管理層討論及分析

On 23 October 2018, a total of 720,678,273 new shares of the Company had been successfully placed by the placing agent to not less than six placees at the placing price of HK\$0.015 per placing share under the general mandate granted to the Directors by resolution of the shareholders of the Company passed at the annual general meeting of the Company held on 20 June 2018. Upon the completion of the aforesaid placing of new shares, the total number of issued shares of the Company was increased from 3,603,391,369 shares to 4,324,069,642 shares.

SUMMARY OF MATERIAL LEGAL PROCEEDINGS INVOLVING THE COMPANY

On 26 March 2018, the Company received a petition (the “**Petition**”) from Medisun Holdings Limited issued from the High Court of the Hong Kong Special Administrative Region (the “**High Court**”) that the Company may be wound up by the High Court on the ground that the Company is unable to pay its debts of approximately HK\$7,143,000. On 29 March 2018, the Company also received a notice from Carley Company S.A., a creditor of the Company, that it intends to appear on the hearing of the Petition and to support such Petition. The Petition has been dismissed by the High Court at the hearing before the High Court on 8 October 2018. The Company is ordered to pay Carley Company S.A., a supporting creditor of the Petition, its costs of the proceedings. For details, please refer to the Company’s announcements dated 26 March 2018, 27 March 2018, 29 March 2018, 11 May 2018, 28 May 2018, 30 May 2018, 4 June 2018, 7 June 2018, 19 June 2018, 20 August 2018 and 8 October 2018.

As at the date of this report, there are no outstanding winding-up petitions against the Company.

EMPLOYEES

As at 31 December 2018, the Group employed a total of 4 full time employees in Hong Kong. The total staff costs (including directors’ emoluments) were approximately HK\$16.16 million for the Year.

Employees’ remuneration packages have been reviewed periodically and determined with reference to the performance of the individual and prevailing market practices. Remuneration packages include basic salaries and other employees’ benefits including double pay, housing allowance and contributions to statutory mandatory provident funds. Share options may also be granted to eligible employees.

於二零一八年十月二十三日，合共720,678,273股本公司新股份已根據於二零一八年六月二十日舉行之本公司股東週年大會上股東通過之決議案授予董事之一般授權由配售代理按配售價每股配售股份0.015港元成功配售予不少於六名承配人。完成上述配售新股份後，本公司已發行股份總數由3,603,391,369股股份增加至4,324,069,642股股份。

本公司所涉及重大法律程序概述

於二零一八年三月二十六日，本公司收到Medisun Holdings Limited向香港特別行政區高等法院(「**高等法院**」)提出的清盤呈請，內容有關本公司因可能無力償還約7,143,000港元之債務而遭高等法院清盤(「**呈請**」)。於二零一八年三月二十九日，本公司亦接獲Carley Company S.A.(本公司的債權人)發出的通知，表示其有意出席上述呈請之聆訊以支持呈請。於二零一八年十月八日於高等法院聆訊時，呈請已被高等法院駁回。本公司被命令繳付Carley Company S.A.(支持呈請之債權人)的聆訊費用。有關詳情，請參閱本公司日期為二零一八年三月二十六日、二零一八年三月二十七日、二零一八年三月二十九日、二零一八年五月十一日、二零一八年五月二十八日、二零一八年五月三十日、二零一八年六月四日、二零一八年六月七日、二零一八年六月十九日及二零一八年八月二十日及二零一八年十月八日之公告。

於本公告日期，並無針對本公司未審結之清盤呈請。

僱員

於二零一八年十二月三十一日，本集團在香港共僱用4名全職僱員。本年度之僱員成本總額(包括董事酬金)約為16,160,000港元。

僱員薪酬方案經定期檢討，並參考個別人士之表現及當前市況釐訂。薪酬方案包括基本薪金及其他僱員福利(包括雙糧、房屋津貼及法定強制性公積金供款)，亦可能授予合資格僱員購股權。

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The Group had no significant capital commitments and contingent liabilities as at 31 December 2018.

CHARGES ON GROUP ASSETS

On 8 January 2018, the Company has fully settled the loan entered with Citizens Money Lending Corporation Limited with cash of approximately HK\$39,233,000. The Share Charges of the Group's wholly owned subsidiaries in favour of Massive Shine Limited, Old Peak Limited, Eighty Riches Limited, Union Power Holdings Limited and Fine East Trading Limited were released on 8 January 2018.

The Group had no charges on the Group's assets as at 31 December 2018.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There was no specific plan for material investments or capital asset as at 31 December 2018.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group's monetary assets and transactions are mainly denominated in Hong Kong dollars, exposure to exchange fluctuation is considered minimal. During the Year, the Group did not use financial instruments for hedging purposes.

資本承擔及或然負債

截至二零一八年十二月三十一日，本集團並無重大資本承擔及或然負債。

本集團資產抵押

於二零一八年一月八日，本集團已以現金約39,233,000港元悉數結清與民眾財務有限公司訂立之貸款。本集團以Massive Shine Limited、Old Peak Limited、Eighty Riches Limited、Union Power Holdings Limited及Fine East Trading Limited為受益人抵押本集團於其全資附屬公司之股份已於二零一八年一月八日解除。

於二零一八年十二月三十一日，本集團並無任何資產抵押。

有關重大投資或資本資產之未來計劃

於二零一八年十二月三十一日並無有關重大投資或資本資產之具體計劃。

匯率波動曝險及相關對沖

本集團之貨幣資產及交易主要以港元計值，匯率波動曝險被視為極少。於本年度，本集團並無使用金融工具作對沖用途。

DISCLAIMER OF OPINION – MULTIPLE UNCERTAINTIES RELATING TO GOING CONCERN

As disclosed in the independent auditors' report, the auditors of the Company, Hodgson Impey Cheng Limited (the “**Auditors**”), issued a disclaimer of opinion (the “**Disclaimer of Opinion**”) on the consolidated financial statements of the Group for the year ended 31 December 2018 (the “**Financial Statements**”) due to the existence of multiple uncertainties as set out below, which may cast doubt on the Group's ability to continue as a going concern:

For the year ended 31 December 2018, the Group incurred a loss of approximately HK\$59,654,000 (2017: approximately HK\$123,593,000) and a net cash outflow from operating activities of approximately HK\$60,218,000 (2017: approximately HK\$47,292,000). As at 31 December 2018, the Group had net current liabilities of approximately HK\$123,975,000 (2017: net current liabilities of approximately HK\$49,332,000) and net liabilities of approximately HK\$100,495,000 (2017: net assets of approximately HK\$47,443,000). In addition, the Group's promissory notes with interest payables of approximately HK\$124,692,000 as at 31 December 2018 will be due on 2019 and 2020 respectively.

These conditions indicate the existence of a material uncertainty that might cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realize the Group's assets and discharge the Group's liabilities in the normal course of business.

Whilst the Group is taking measures to preserve cash and secure additional finance, the Auditors consider that the following material uncertainties exist:

1. the Group may not be able to obtain the financial support. The Group's ability to successfully obtain additional financing is dependent upon the future performance of the Group; and
2. the operation plans to control costs and generate adequate cash flow from operations may not be effectively implemented and future performance and cash flows in respect of operating activities may not be in line with the assumptions. The achievability of the plans is dependent upon the market environment, which is expected to remain challenging in the near future.

不發表意見－有關持續經營的若干不明朗因素

如獨立核數師報告中所披露，本公司核數師國衛會計師事務所有限公司（「核數師」）對本集團之截至二零一八年十二月三十一日止年度綜合財務報表（「綜合財務報表」）出具不發表意見（「不發表意見」），乃因存在下文載列之若干不明朗因素，可能導致對本集團持續經營能力產生疑慮。

本集團於截至二零一八年十二月三十一日止年度產生虧損約59,654,000港元（二零一七年：約123,593,000港元）及經營業務現金流出淨額約60,218,000港元（二零一七年：約47,292,000港元）。於二零一八年十二月三十一日，本集團錄得淨流動負債約123,975,000港元（二零一七年：淨流動負債約49,332,000港元）及淨負債約100,495,000港元（二零一七年：淨資產約47,443,000港元）。此外，本集團於二零一八年十二月三十一日約124,692,000港元之承兌票據及應付利息將分別於二零一九年及二零二零年到期。

此等情況，顯示存在重大不明朗因素，可能導致對本集團持續經營能力產生重大疑慮，並因此可能無法在日常業務過程中將本集團的資產變現及將本集團的債務解除。

儘管本集團正採取措施保留現金及取得額外融資，核數師認為存在以下重大不明朗因素：

1. 本集團未必能獲取財務援助。本集團能否成功獲得額外融資取決於本集團未來的表現而定；及
2. 控制成本並從業務營運產生足夠現金流的營運計劃未必能有效實施，且就經營活動而言未來表現及現金流未必符合假設。能否實現有關計劃取決於預計將仍充滿挑戰的市場環境而定。

In preparing the consolidated financial statements, the Directors of the Company have reviewed the Group's financial and liquidity position, and taken into consideration the proceeds to be raised from the placing of new shares subsequent to 31 December 2018. In the opinion of the Directors, the Group will have sufficient liquidity to finance its operations for the next twelve months. Therefore, the financial statements have been prepared on a going concern basis but the Disclaimer of Opinion has no significant impact on the financial position of the Group.

MANAGEMENT RESPONSE AND AUDIT COMMITTEE RESPONSE TO THE DISCLAIMER OF OPINION

Certain measures have been taken by the Board to mitigate the liquidity and financial pressure and to improve the Group's financial position, which include the following:

1. As disclosed in the circular of the Company dated 13 February 2019, the Company had entered into a placing agreement (the **"Placing Agreement"**) with Chung Lee Securities Company Limited (the **"Placing Agent"**) on 4 January 2019 (as subsequently supplemented by the supplemental agreements dated 21 January 2019 and 29 March 2019) (the **"Placing"**). Pursuant to the Placing Agreement, the Company intends to obtain additional funding by allotting and issuing new shares under specific mandate. The Placing was approved by the shareholders of the Company at the extraordinary general meeting held on 5 March 2019. As at the date of the publication of the annual results announcement of the Company for the year ended 31 December 2018 and the Disclaimer of Opinion, although the Placing Agent was still in the process of identifying places for the Placing, the Board believed that the Placing would materialize taking into consideration that (i) the Placing had been approved by the shareholders of the Company at the extraordinary general meeting, and (ii) the Board was not aware of any material impediments which would result in the termination or lapse of the Placing.

本公司董事在編製綜合財務報表時已審閱本集團的財務及流動資金狀況，並考慮來自二零一八年十二月三十一日後配售新股份將予募集之所得款項。董事認為，本集團將具有充足流動資金為未來十二個月的營運提供資金，故財務報表已按持續經營基準編製，而不發表意見並無對本集團的財務狀況造成重大影響。

管理層及審計委員會對不發表意見的對策

董事會已採取若干措施，以舒緩流動資金及財務等方面的壓力及改善本集團的財務狀況，該等措施包括：

1. 如本公司日期為二零一九年二月十三日之通函所披露，本公司已於二零一九年一月四日與眾利股票有限公司（「配售代理」）訂立配售協議（「配售協議」）（其後經日期為二零一九年一月二十一日及二零一九年三月二十九日之補充協議補充）（「配售事項」）。根據配售協議，本公司擬藉根據特定授權配發及發行新股份而獲取額外資金。配售事項獲本公司股東於二零一九年五月三日舉行的股東特別大會上通過。於本公司之截至二零一八年十二月三十一日止年度業績公告及不發表意見的刊發日期，儘管配售代理仍處於識別配售事項之承配人的過程中，董事會經考慮 (i) 配售事項已獲本公司股東於股東特別大會上通過；及 (ii) 董事會並不知悉有任何會導致配售事項遭終止或失效之重大障礙後，認為配售事項最終會落實。

Management Discussion and Analysis 管理層討論及分析

2. The Company has successfully implemented the costs control plans during the year ended 31 December 2018, and the measures on cost control adopted by the Company included the followings:
- (1) the Company had terminated the existing tenancy agreement of its office premises in May 2018 and leased another premises with a lower rental, which resulted in the decrease in the monthly rental from approximately HK\$470,000 to approximately HK\$80,000; and
 - (2) the Company had implemented the staff voluntary departure plan, which lead to the reduction in the number of staff and Directors from 26 as at 31 December 2017 to 8 as at 26 March 2019.

Taking into account the aforementioned considerations, the Board was of the view that the Group would be able to continue as a going concern, whereas the Auditors considered that there were still material uncertainties with (i) the completion of the said Placing and the ability of the Group to obtain financial support and (ii) the effective implementation of the cost control plan, which is dependent upon the market environment, which is expected to remain challenging in the near future. The management has considered the Auditors' view and understands their consideration in arriving their view towards the matter.

In the course of approving the consolidated financial statements for the year ended 31 December 2018, the members of the audit committee of the Company (the "Audit Committee") has reviewed the information provided by the management in relation to the Disclaimer of Opinion. The Audit Committee had reviewed the major judgmental areas relating to the disclaimer of opinion on the Financial Statements and there was no disagreement between the Audit Committee and the management of the Company.

2. 本公司於截至二零一八年十二月三十一日止年度已成功實施成本控制計劃。本公司所採納之成本控制措施包括：
- (1) 本公司已於二零一八年五月終止其辦公室場所之當前租賃協議，並租用租金較低的另一個場所，導致每月租金由約470,000港元減少至約80,000港元；及
 - (2) 本公司已實施職員自願離職計劃，其導致職員及董事由於二零一七年十二月三十一日的26人減少至於二零一九年三月二十六日的8人。

經考慮上述因素後，董事會認為本集團會具有持續經營能力，而核數師認為就 (i) 完成所提及配售事項及本集團獲取財務援助之能力及 (ii) 取決於預計在短期內仍充滿挑戰的市場環境之有效實施成本控制計劃等方面仍存在重大不明朗因素。管理層已考慮核數師的意見，並理解彼等就此事項達致其意見所考慮因素。

在通過截至二零一八年十二月三十一日止年度之綜合財務報表的過程中，本公司審計委員會（「審計委員會」）的成員已審閱管理層就不發表意見所提供資料。審計委員會已審閱與財務報表之不發表意見相關之重大判斷範圍。審計委員會與本公司管理層之間並無異議。



Corporate Governance Report

企業管治報告

Sound corporate governance practices are crucial to the smooth, effective and transparent operation of a company and its ability to attract investment, and can protect the rights of shareholders and enhance the value to shareholders. The Company is committed to maintaining good corporate governance standard and procedures to ensure the integrity, transparency and accountability to our shareholders. This Corporate Government Report is prepared in compliance with the reporting requirements as contained in Appendix 14 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance to safeguard the interests of its shareholders and to enhance the corporate value, accountability and transparency of the Company. The Company’s corporate governance practices are based on the principles, code provisions and certain recommended best practices as set out in the Corporate Governance Code (the “**CG Code**”) in Appendix 14 to the Listing Rules. Except for the deviations from code provisions A.2.1, A.4.1 and E.1.2 of the CG Code as explained below, the Company had complied with the applicable code provisions of the CG Code during the Year. The Company periodically reviews its corporate governance practices to ensure that the Company complies with the requirements of the CG Code. The Company acknowledges the importance of corporate governance and ensures transparency and accountability of the Company’s operations.

Meetings were held throughout the year and where appropriate, circulars and other guidance notes were issued to directors and senior management of the Group to ensure that each and every director and senior management is aware of the importance of corporate governance.

健全的企業管治常規是公司保持運作順暢、有效及具透明度，以及能夠吸引投資、維護股東權利及提升股東價值的關鍵。本公司履行維持良好企業管治水平及程序的承諾，以持正的精神、以具透明度的方式及負責任的態度對待股東。此份企業管治報告乃遵照香港聯合交易所有限公司（「**聯交所**」）證券上市規則（「**上市規則**」）附錄十四所載的報告規定而編製。

企業管治常規

本公司致力維持高水平的企業管治，以維護其股東的利息及提升本公司的企業價值、問責性及透明度。本公司的企業管治常規以上市規則附錄十四企業管治守則（「**企業管治守則**」）所載的原則、守則條文及若干建議最佳常規作為基礎。除下文所述有關偏離企業管治守則的守則條文第A.2.1條、第A.4.1條及第E.1.2條的事項外，本公司於本年度已遵守企業管治守則的適用守則條文。本公司定期檢討其企業管治常規，以確保本公司遵守企業管治守則之規定。本公司認同企業管治及確保本公司營運之透明度及問責性之重要性。

本公司於本年度一直舉行會議，並在適當情況下向董事及本集團高級管理層發佈通函及其他指引，以確保每位董事及高級管理層成員知悉企業管治之重要性。

DEVIATION FROM THE CODE

According to code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Mr. Feng Wen has been resigned as the Chief Executive Officer of the Company (“CEO”) on 27 June 2018. Whilst the Company is in the course of identifying suitable candidate for this position, Mr. Wong Danny F., a then executive director and chairman of the Company, will temporarily assumed such duties. The Board is of the view that such arrangement will provide strong and consistent leadership for the development of the Group during this transitional period and does not constitute a deviation from the CG Code. On 8 October 2018, Ms. Xie Xiangrong was appointed as a non-executive Director and the chairman of the Board while Mr. Dai Wei, was appointed as the chief executive officer of the Company. Since then, the roles of chairman and chief executive officer of the Group have been separated in accordance with code provision A.2.1 of the CG Code.

According to code provision A.4.1 of the CG Code, non-executive Directors should be appointed for specific term, subject to re-election. Except for Ms. Chan So Fong and Mr. Liao Kai who are appointed for a specific term of three years, the other non-executive Director and independent non-executive Directors are not appointed for a specific term but they are subject to retirement by rotation and re-election in accordance with the articles of association of the Company (the “Articles”).

According to code provision E.1.2 of the CG Code, the Chairman of the Board should attend general meeting. In respect of the annual general meeting held on 20 June 2018 (the “2018 AGM”), Mr. Wong Danny F., the then Chairman of the Board, was engaged in an important business meeting and was not able to attend. However, Mr. Char Shik Ngor, Stephen, a then independent non-executive Director of the Company, the chairman of the Nomination Committee and members of the Audit Committee and Remuneration Committee of the Company, attend the 2018 AGM and answered questions raised during the 2018 AGM.

偏離企業管治守則

根據企業管治守則的守則條文第A.2.1條，主席與行政總裁的角色應有區分，並不應由一人同時兼任。馮文先生已於二零一八年六月二十七日辭任任本公司行政總裁（「行政總裁」）之職務。在本公司物色此職位之合適人選時，時任本公司執行董事兼主席汪曉峰先生暫時履行有關職務。董事會認為有關安排會於此過渡期間提供強大和一致的領導力。於二零一八年十月八日，謝湘蓉女士獲委任為非執行董事兼董事會主席，及戴維先生獲委任為本公司行政總裁。自此，主席與行政總裁的角色已按照企業管治守則的守則條文第A.2.1條予以區分。

根據企業管治守則的守則條文第A.4.1條，非執行董事的委任應有指定任期，並須接受重新選舉。除陳素芳女士及廖凱先生的委任有三年的指定任期外，其他獨立非執行董事的委任不設指定年期，但彼等須根據本公司的組織章程細則（「細則」）輪值退任及重選連任。

根據企業管治守則的守則條文第E.1.2條，董事會主席應出席股東週年大會。就於二零一八年六月二十日舉行之股東週年大會（「二零一八年股東週年大會」）而言，時任董事會主席汪曉峰先生因參加重要商務會議未克出席。然而，時任本公司獨立非執行董事兼董事會提名委員會主席、審核委員會及薪酬委員會成員查錫我先生已出席二零一八年股東週年大會，並於二零一八年股東週年大會上回答所提出問題。

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted the code of conduct with respect to the dealings in securities of the Company by the Directors as set out in Appendix 10 of the Listing Rules (the “**Model Code**”).

Having made specific enquiry with the Directors, all the Directors confirmed that they have complied with the required standard set out in the Model Code during the Year.

BOARD OF DIRECTORS

Composition

The composition of the Board reflects the necessary balance of skills and experience desirable for effective leadership of the Company and independence in decision making. All directors devote sufficient time and attention to the affairs of the Group.

The Board currently comprises six members, consisting of one executive directors, one non-executive director and four independent non-executive directors.

According to the Company’s Articles of Association, directors appointed to fill casual vacancy shall hold office until the next following annual general meeting after their appointment and shall be subject to re-election by shareholders. All directors are subject to retirement by rotation at least once every three years.

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. The Board has adopted a board diversity policy with effect from 4 September 2013. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board.

Selection of candidates for Board membership will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge.

董事進行證券交易的標準守則

本集團已採納上市規則附錄十所載有關董事進行本公司證券交易的操守準則(「**標準守則**」)。

經向董事作出特定查詢後，所有董事均確認彼等於本年度已遵守標準守則規定的標準。

董事會

董事會成員組合

董事會之成員組合體現本公司有效領導及獨立決策所須具備之適當技巧及經驗。所有董事均投入足夠時間及精力處理本集團之事務。

董事會現時由六名成員組成，包括一名執行董事、一名非執行董事及四名獨立非執行董事。

根據本公司之組織章程細則，為填補臨時空缺而委任之董事之任期直至其獲委任後之下一次股東週年大會為止，屆時須接受股東重選。所有董事須至少每三年輪值退任一次。

為達致可持續均衡發展，本公司認為在董事會層面提高多樣性乃支持達致其策略目標及其可持續發展之重要元素。董事會已由二零一三年九月四日起採納一項董事會成員多元化政策。所有董事會之委任將以用人唯才為原則，董事會考慮候選人時會以客觀標準為基礎，並顧及董事會成員多元化之裨益。

甄選董事會成員候選人時將會考慮多個多元化層面，包括但不限於候選人之性別、年齡、文化及教育背景、種族、專業經驗、技能及知識。

Corporate Governance Report

企業管治報告

During the Year and as of the date of this report, the composition of the Board is set out as follow:

於本年度及截至本報告日期，董事會成員組成載列如下：

Board Members 董事會成員	Board of Directors 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Ms. Xie Xiangrong (appointed on 8 October 2018) 謝湘蓉女士 (於二零一八年十月八日獲委任)	Chairperson and Non-executive Director 主席兼非執行董事			
Mr. Wong Danny F. (resigned on 18 March 2019) 汪曉峰先生(於二零一九年 三月十八日辭任)	Executive Director 執行董事			
Mr. Chan Cheong Yee (appointed on 27 November 2018) 陳昌義先生(於二零一八年 十一月二十七日獲委任)	Executive Director 執行董事			
Mr. Wu Tse Wai Frederick (resigned on 12 September 2018) 吳子惠先生 (於二零一八年九月十二日辭任)	Executive Director 執行董事			
Mr. Fong Chi Wah (resigned on 31 August 2018) 方志華先生 (於二零一八年八月三十一日辭任)	Executive Director 執行董事			
Mr. Law Tze Lun (resigned on 21 September 2018) 羅子璘先生 (於二零一八年九月二十一日辭任)	Independent Non-executive Director 獨立非執行董事	Chairman 主席	Member 成員	Member 成員
Mr. Char Shik Ngor Stephen (resigned on 20 November 2018) 查錫我先生 (於二零一八年十一月二十日辭任)	Independent Non-executive Director 獨立非執行董事	Member 成員	Member 成員	Chairman 主席
Mr. Liu Jin 劉進先生	Independent Non-executive Director 獨立非執行董事	Member 成員	Chairman 主席	Member 成員
Mr. Li Li (appointed on 8 October 2018) 李力先生 (於二零一八年十月八日獲委任)	Independent Non-executive Director 獨立非執行董事	Chairman 主席	Member 成員	Member 成員
Ms. Chan So Fong (appointed on 20 November 2018) 陳素芳女士(於二零一八年 十一月二十日獲委任)	Independent Non-executive Director 獨立非執行董事	Member 成員	Member 成員	Chairman 主席
Mr. Liao Kai (appointed on 20 November 2018) 廖凱先生(於二零一八年 十一月二十日獲委任)	Independent Non-executive Director 獨立非執行董事	Member 成員	Member 成員	Member 成員

The biographical details of each Director are disclosed on pages 62 to 64 of this report. Save as disclosed therein, there are no financial, business, family or other material or relevant relationships among members of the Board.

During the Year, the Board has at all times met the requirements of Rules 3.10(1) and (2) of the Listing Rules relating to the appointment of at least three independent non-executive directors (representing at least one-third of the Board), with at least one independent non-executive director possessing appropriate professional qualifications or accounting or related financial management expertise.

Each independent non-executive Director has, pursuant to Rule 3.13 of the Listing Rules, confirmed that he is independent of the Company and the Company also considers that they are independent within the meaning of the Listing Rules.

Corporate Governance Function

The Board, led by the Chairman, is responsible for formulation and approval of the Group's overall development and business strategies, key operational proposals, financial control procedures, material acquisition and disposal of investments, major funding decisions, financial announcements and reporting, share issuance and repurchase, nomination of directors, appointment and remuneration of key management personnel, related party transactions, ensuring appropriate human and financial resources are appropriately applied, the periodic evaluation of the performance for the achievement of results and monitoring of significant transactions to ensure they are conducted in accordance with the Articles, Listing Rules and other applicable laws and regulations.

The executive Directors are responsible for the day-to-day management of the Group's operations. These executive Directors conduct regular meetings with the senior management of the Group, at which operational issues and financial performance of the Group are evaluated.

The Articles contain description of responsibilities and operation procedures of the Board. The Board holds regular meeting to discuss and consider significant matters relating to existing operations and proposals of new operations and projects.

各董事的履歷詳情於本報告第62至64頁披露。除該節所披露者外，董事會成員之間並無任何財務、業務、家族或其他重大或相關關係。

於本年度，董事會已一直符合上市規則第3.10(1)及(2)條的規定，委任至少三名獨立非執行董事(佔董事會人數至少三分之一)，以及委任至少一名具備適當的專業資格或會計或相關財務管理專長的獨立非執行董事。

各獨立非執行董事已按照上市規則第3.13條確認其獨立於本公司，而本公司亦認為他們為上市規則所指的獨立人士。

企業管治職能

董事會在主席的領導下，負責制訂及審批本集團的發展及業務策略、主要的營運方案、財務監控程序、重大的投資項目收購及出售、主要的撥款決策、財務公告及報告、股份發行及購回、提名董事、主要管理人員的委任及薪酬、關聯方交易、確保善用人力及財務資源、定期評核業績表現及監察重大交易，確保彼等根據章程細則、上市規則及其他適用的法律法規。

執行董事負責本集團的日常營運管理事務。執行董事與本集團的高級管理層定期開會，於會上評核本集團的營運事宜及財務表現。

章程細則詳載董事會的職責及運作程序。董事會定期開會討論及考慮與目前業務營運及新營運及項目建議方案有關的重大事宜。

Corporate Governance Report

企業管治報告

The chairman of the Board ensures that Board meetings are being held whenever necessary. Though the chairman is responsible for setting the Board meeting's agenda, all Board members are encouraged to participate to include matters in the agenda. The Board conducts meetings on a regular basis and extra meetings are convened when circumstances require. The Articles allow a Board meeting to be conducted by way of a tele-conference.

No corporate governance committee has been established and the Board is responsible for performing the corporate governance functions such as developing and reviewing the Company's policies and practices on corporate governance, the training and continuous professional development of the Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements.

Appointment and Succession Planning of Directors

The Company has established formal, considered and transparent procedures for the appointment and succession planning of directors.

The Board as a whole is 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.

Where vacancies on the Board exist, the Board will carry out the selection process by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of the proposed candidates, the Company's needs and other relevant statutory requirements and regulations. An external recruitment agency may be engaged to carry out the recruitment and selection process when necessary.

董事會主席確保董事會於有需要時舉行會議。儘管主席負責制訂董事會會議議程，但鼓勵全體董事會成員參與，將任何事宜加入議程。董事會定期舉行會議，並會因應情況召開額外的會議。章程細則容許董事會以電話會議方式開會。

本公司並無設立企業管治委員會，並由董事會負責履行企業管治職能，如制訂及檢討本公司的策略及企業管治常規、董事及高級管理層的培訓及持續專業發展、本公司在遵守法律及監管規定的策略及常規等。

董事之委任及繼任計劃

本公司已制定正式、經審慎考慮並具透明度之董事委任及繼任計劃程序。

總體而言，董事會負責檢討董事會之成員組合、發展及制定董事提名及委任之相關程序、監控董事委任及繼任計劃以及評估獨立非執行董事之獨立性。

董事會定期檢討其架構、人數及成員組合，確保具備適合本公司業務所需之專業知識、技能及經驗。

倘董事會出現空缺，董事會將參照建議候選人之技能、經驗、專業知識、個人操守及時間承諾、本公司之需要及其他相關法定規定及法規執行篩選程序。必要時可委任外部招聘代理執行招聘及篩選程序。



Practices and Conduct of Meeting

Annual meeting schedules and draft agenda of each meeting are normally made available to directors in advance. Notices of regular Board meetings are served to all directors at least 14 days before the meetings, who were all given an opportunity to include matters in the agenda for discussion. For other Board and committee meetings, reasonable notice is generally given.

The Company Secretary assists the Chairman in preparing agenda for the meeting and ensures that all applicable rules and regulations in connection with the meetings are observed and complied with. The finalised agenda and accompanying board papers are then sent to all directors at least three days prior to the meeting.

During the Year, the Chairman held a meeting with non-executive directors (including independent non-executive Directors) without the presence of executive directors. The Board and each director also have separate and independent access to the senior management whenever necessary.

The Company Secretary is responsible to take and keep minutes of all Board meetings and committee meetings, including the record of all decisions by the Board together with concerns raised and dissenting views expressed (if any). Draft minutes are normally circulated to directors for comment within a reasonable time after each meeting and the final version is open for directors' inspection.

According to current Board practice, any material transaction, which involves a conflict of interests for a substantial shareholder or a director, will be considered and dealt with by the Board at a duly convened Board meeting. The Articles of Association also contain provisions requiring directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such directors and/or any of their associates have a material interest.

會議常規及守則

週年大會之安排及每次會議之草擬議程通常提前提交予董事。定期董事會會議通知均於會議前至少十四天送達全體董事，以便彼等有機會在議程中加入討論事項。至於召開其他董事會會議及委員會會議時，則通常會發出合理通知。

公司秘書協助主席編排會議議程，並確保遵守及依循有關會議之所有適用規則及規例。最終確定之議程及隨附之董事會文件隨後將在會議召開至少三天前送交全體董事。

主席於年內曾於執行董事避席之情況下，與非執行董事(包括獨立非執行董事)舉行一次會議。於必要情況下，董事會及每名董事亦有自行接觸高級管理人員之獨立途徑。

公司秘書負責記錄及保管所有董事會會議及委員會會議之會議紀錄，包括董事會所有決定之紀錄，連同所提出之關注及所表達之反對意見(如有)。會議紀錄初稿通常在各會議後一段合理時間內發送予董事傳閱，供董事表達意見，而最終定稿可供董事查閱。

根據現行之董事會常規，涉及與主要股東或董事有利益衝突之任何重大交易將由董事會於正式召開之董事會會議上考慮及處理。組織章程細則亦載有條文規定，於批准董事及／或其任何聯繫人擁有重大利益之交易之會議上，有關董事須放棄表決，且不得計入該次會議之法定人數內。

Corporate Governance Report 企業管治報告

There were nine Board meetings being held during the Year and the attendance of individual Directors is as follows:

於本年度內舉行了九次董事會會議，個別董事的出席次數如下：

Board Meetings 董事會會議

Executive Directors:		執行董事：	
Chan Cheong Yee <i>(appointed on 27 November 2018)</i>		陳昌義 (於二零一八年十一月二十七日獲委任)	0/9
Fong Chi Wah <i>(resigned on 31 August 2018)</i>		方志華 (於二零一八年八月三十一日辭任)	1/9
Wong Danny F. <i>(resigned on 18 March 2019)</i>		汪曉峰 (於二零一九年三月十八日辭任)	9/9
Wu Tse Wai Frederick <i>(resigned on 12 September 2018)</i>		吳子惠 (於二零一八年九月十二日辭任)	1/9
Non-executive Directors:		非執行董事：	
Xie Xiangrong <i>(appointed on 8 October 2018)</i>		謝湘蓉 (於二零一八年十月八日獲委任)	2/9
Independent Non-executive Directors:		獨立非執行董事：	
Chan So Fong <i>(appointed on 20 November 2018)</i>		陳素芳 (於二零一八年十一月二十日獲委任)	0/9
Char Shik Ngor Stephen <i>(resigned on 20 November 2018)</i>		查錫我 (於二零一八年十一月二十日辭任)	5/9
Law Tze Lun <i>(resigned on 21 September 2018)</i>		羅子璘 (於二零一八年九月二十一日辭任)	1/9
Li Li <i>(appointed on 8 October 2018)</i>		李力 (於二零一八年十月八日獲委任)	0/9
Liao Kai <i>(appointed on 20 November 2018)</i>		廖凱 (於二零一八年十一月二十日獲委任)	0/9
Liu Jin		劉進	7/9



Shareholders' Meeting

The annual general meeting and other general meetings of the Company are the primary forum for communication by the Company with its shareholders and for shareholders' participation. All shareholders are encouraged to attend the general meetings or to appoint proxies to attend and vote at meetings on their behalf if they are unable to attend the meetings.

The attendance record of individual Directors of the annual general meeting held on 20 June 2018 ("AGM") are set out below:

股東大會

本公司股東週年大會及其他股東大會乃本公司與其股東溝通及讓股東參與之主要途徑。本公司鼓勵所有股東出席股東大會；若股東未克出席大會，亦可委派代表代其出席並於會上投票。

個別董事出席於二零一八年六月二十日舉行的股東週年大會（「股東週年大會」）的紀錄載列如下：

AGM 股東週年大會

		AGM 股東週年大會
Executive Directors:	執行董事：	
Chan Cheong Yee <i>(appointed on 27 November 2018)</i>	陳昌義 <i>(於二零一八年十一月二十七日獲委任)</i>	N/A 不適用
Fong Chi Wah <i>(resigned on 31 August 2018)</i>	方志華 <i>(於二零一八年八月三十一日辭任)</i>	0/1
Wong Danny F. <i>(resigned on 18 March 2019)</i>	汪曉峰 <i>(於二零一九年三月十八日辭任)</i>	0/1
Wu Tse Wai Frederick <i>(resigned on 12 September 2018)</i>	吳子惠 <i>(於二零一八年九月十二日辭任)</i>	0/1
Non-executive Directors:	非執行董事：	
Xie Xiangrong <i>(appointed on 8 October 2018)</i>	謝湘蓉 <i>(於二零一八年十月八日獲委任)</i>	N/A 不適用
Independent Non-executive Directors:	獨立非執行董事：	
Chan So Fong <i>(appointed on 20 November 2018)</i>	陳素芳 <i>(於二零一八年十一月二十日獲委任)</i>	N/A 不適用
Char Shik Ngor Stephen <i>(resigned on 20 November 2018)</i>	查錫我 <i>(於二零一八年十一月二十日辭任)</i>	1/1
Law Tze Lun <i>(resigned on 21 September 2018)</i>	羅子璘 <i>(於二零一八年九月二十一日辭任)</i>	0/1
Li Li <i>(appointed on 8 October 2018)</i>	李力 <i>(於二零一八年十月八日獲委任)</i>	N/A 不適用
Liao Kai <i>(appointed on 20 November 2018)</i>	廖凱 <i>(於二零一八年十一月二十日獲委任)</i>	N/A 不適用
Liu Jin	劉進	0/1

Training and Support for Directors

During the Year, all the Directors have been kept abreast of their responsibilities as a Director and of the conduct, business activities and development of the Group.

Each newly appointed Director receives induction on the first occasion of his/her appointment, so as to ensure that he/she has appropriate understanding of the business and operations of the Group and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements. Such induction is normally supplemented with visits to the Group's key business sites and/or meetings with the senior management of the Company.

Under code provision A.6.5 of the CG Code, all Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. Internally facilitated briefings for the Directors will be arranged and reading materials on relevant topics will be issued to the Directors where appropriate. All the Directors are encouraged to attend relevant training courses at the Company's expenses.

During the Year, the Company had provided reading materials on corporate governance, directors' duties and responsibilities and regulatory update on the Listing Rules amendments to all the Directors for their reference and study.

董事培訓及支援

於本年度內，全體董事均了解其作為董事的職責，以及本集團的管理、業務及發展。

每名新任董事於首次獲委任時均接受入職指導，以確保其適當了解本集團的業務及營運，並完全知悉其於上市規則及相關監管規定下應盡的責任與義務。有關入職指導通常會配合視察本集團的主要業務場地及／或與本公司的高級管理層會面。

根據企業管治守則守則條文第A.6.5條，所有董事應參與合適的持續專業發展，以發展並更新其知識及技能，從而確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。在適當時候，本公司將為董事作出內部用簡報安排，以及向董事發出相關議題的閱讀材料。本公司鼓勵全體董事修讀相關的培訓課程，費用由本公司支付。

於本年度內，本公司已向全體董事提供有關企業管治、董事職務與職責及上市規則的規管性修訂更新的閱讀材料，以供彼等參考及學習。



The individual training record of each Director received for the Year is summarized below:

本年度各董事的個人接受培訓記錄概述如下：

Name of director	Attending seminar(s)/ programme(s)/ conference(s) relevant to the business or directors' duties 出席與業務或董事職務有關的研討會／課程／會議	Reading materials 閱讀材料
董事姓名		閱讀材料
Executive Directors:	執行董事：	
Chan Cheong Yee (appointed on 27 November 2018)	陳昌義(於二零一八年十一月二十七日獲委任)	✓
Fong Chi Wah (resigned on 31 August 2018)	方志華(於二零一八年八月三十一日辭任)	✓
Wong Danny F. (resigned on 18 March 2019)	汪曉峰(於二零一八年三月十八日辭任)	✓
Wu Tse Wai Frederick (resigned on 12 September 2018)	吳子惠(於二零一八年九月十二日辭任)	✓
Non-executive Directors:	非執行董事：	
Xie Xiangrong (appointed on 8 October 2018)	謝湘蓉(於二零一八年十月八日獲委任)	✓
Independent Non-executive Directors:	獨立非執行董事：	
Chan So Fong (appointed on 20 November 2018)	陳素芳(於二零一八年十一月二十日獲委任)	✓
Char Shik Ngor Stephen (resigned on 20 November 2018)	查錫我 (於二零一八年十一月二十日辭任)	✓
Law Tze Lun (resigned on 21 September 2018)	羅子璘 (於二零一八年九月二十一日辭任)	✓
Li Li (appointed on 8 October 2018)	李力(於二零一八年十月八日獲委任)	✓
Liao Kai (appointed on 20 November 2018)	廖凱 (於二零一八年十一月二十日獲委任)	✓
Liu Jin	劉進	✓

Responsibilities

The Board provides leadership, approves policies, strategies and plans and oversees their implementation to ensure the healthy growth of the Company and to safeguard the interests of shareholders of the Company. The Board takes responsibility for all major matters of the Company, including the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, financial information, appointment of directors and other significant financial and operational matters.

All directors have full and timely access to all relevant information as the management will prepare and supply the same to the Board and its committees. The Company Secretary will render his advice to the Board so that all the Board procedures and applicable rules and regulations are followed. The directors may make further enquiries if they are of the view that the information is not sufficient for them to make an informed decision. In general, each director is able to seek independent professional advice in appropriate circumstances to assist him/her in discharging his/her duties at the Company's expenses upon making such request to the Board.

In case where a conflict of interest may arise involving a substantial shareholder or a director, such matter will be discussed in a physical meeting and will not be dealt with by way of written resolutions. Independent non-executive directors with no conflict of interest will be present at meetings to deal with such conflict issues.

The Board committees, including the Audit Committee, the Remuneration Committee and the Nomination Committee, have adopted the applicable practices and procedures used in Board meetings.

責任

董事會負責領導、批准政策、策略及計劃並監督該等決策之實施，以確保本公司穩健成長及保障本公司股東之利益。董事會負責本公司所有重大事項，包括審批及監控所有政策事項、整體策略及預算、內部監控及風險管理系統、財務資料、董事委任以及其他重大財務及營運事項。

管理層將會編製並向董事會及其轄下委員會提供所有相關資料，使全體董事均可全面及時取得所有相關資料。公司秘書將向董事會提供建議，致使董事會程序以及適用規則及規例均獲得遵守。董事於認為資料不足以讓彼等作出知情決定時可作進一步查詢。一般而言，各董事經向董事會要求後，均可在適當之情況下尋求獨立專業意見，協助彼履行職責，費用由本公司支付。

若有主要股東或董事可能在某事項中存有利益衝突，有關事項將透過現場會議進行討論，而不會以書面決議案方式處理。無利益衝突之獨立非執行董事將會出席會議，以處理有關衝突事宜。

董事會轄下委員會包括審核委員會、薪酬委員會及提名委員會，全部已採納董事會會議沿用之適用常規及程序。



Director's Responsibilities for the Financial Statement

The Directors acknowledge their responsibilities for the preparation of the financial statements of the Group and to ensure that the financial statements of the Group will give a true and fair view of the Group's state of affairs, results and cash flow and are in accordance with statutory requirements and applicable accounting standards. The Directors also ensure the timely publication of the financial statements of the Group. In preparing the financial statements of the Group for the Year, the Directors have, among other things:

- selected suitable accounting policies and applied them consistently;
- approved adoption of all Hong Kong Financial Reporting Standards ("HKFRSs") which are in conformity with the International Financial Reporting Standards ("IFRSs"); and
- made judgments and estimates that are prudent and reasonable; and have prepared the consolidated financial statements on the going concern basis.

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

Delegation by the Board

The day-to-day management, administration and operation of the Company are delegated to the Chief Executive Officer and the senior management. The delegated functions and work tasks are periodically reviewed. Approval has to be obtained from the Board prior to the entering into of any significant transactions by the abovementioned officers. The Board has full support from the Chief Executive Officer and the senior management to discharge its responsibilities.

The Audit Committee, the Remuneration Committee and the Nomination Committee have specific terms of reference defining the authorities and responsibilities of the respective committees. The committees are required by their respective terms of reference to report to the Board in relation to their decisions, findings or recommendations, and in certain specific situations, to seek the Board's approval before taking any actions.

董事對財務報表的責任

董事確認其有責任編製本集團的財務報表，以及確保本集團的財務報表將真實及公平地反映本集團的財務狀況、業績及現金流量，並符合法律規定及適用的會計準則。董事亦須確保適時發佈本集團的財務報表。於編製本集團本年度的財務報表時，董事已(其中包括)：

- 選定並貫徹應用合適的會計政策；
- 批准採納所有與國際財務報告準則(「國際財務報告準則」)相符的香港財務報告準則(「香港財務報告準則」)；及
- 作出審慎及合理的判斷及估計，以及按持續經營基準編製綜合財務報表。

董事確認，經作出一切合理查詢後，就彼等所知、所悉及所信，彼等並不知悉任何事件或情況存在重大不確定因素，可能對本公司持續經營的能力構成重大疑慮。

董事會之授權

本公司授權行政總裁及高級管理人員處理本公司之日常管理、行政及營運。所授職能及工作任務會定期檢討。上述人員訂立任何重大交易前須獲董事會批准。董事會已在行政總裁及高級管理人員之全力支援下履行其責任。

審核委員會、薪酬委員會及提名委員會均有特定職權範圍，界定相關委員會之權力及責任。該等委員會須按各自之職權範圍就其決定、發現或推薦建議向董事會報告，並於若干特定情況下，在採取任何行動前徵求董事會批准。

Corporate Governance Report

企業管治報告

The Board reviews, on a yearly basis, all delegations by the Board to different committees to ensure that such delegations are appropriate and remain beneficial to the Company as a whole.

Audit Committee

The audit committee of the Board (the “**Audit Committee**”) was set up with written terms of reference, which was revised and adopted on 31 December 2015, in accordance with the requirements of the Listing Rules. The Audit Committee consists of all the independent non-executive Directors, namely Ms. Chan So Fong, Mr. Li Li, Mr. Liao Kai and Mr. Liu Jin. It is chaired by Mr. Li Li.

The Audit Committee reports directly to the Board and reviews the matters relating to the relationship with the external auditors, financial information of the Company, financial reporting system, risk management and internal control systems. The Audit Committee meets with the Company's external auditors to ensure the objectivity and credibility of financial reporting and internal control procedures as well as to maintain an appropriate relationship with the external auditors of the Company. The terms of reference of the Audit Committee are available on the Company's website and on the website of the Stock Exchange.

The Audit Committee shall meet at least two times a year. There are two Audit Committee's meetings being held during the Year. The individual attendance of each member is as follows:

Li Li (<i>chairman</i>) (<i>appointed on 8 October 2018</i>)	李力(主席)(於二零一八年十月八日獲委任)	N/A 不適用
Chan So Fong (<i>appointed on 20 November 2018</i>)	陳素芳(於二零一八年十一月二十日獲委任)	N/A 不適用
Char Shik Ngor Stephen (<i>resigned on 20 November 2018</i>)	查錫我(於二零一八年十一月二十日辭任)	2/2
Law Tze Lun (<i>resigned on 21 September 2018</i>)	羅子璘(於二零一八年九月二十一日辭任)	2/2
Liao Kai (<i>appointed on 20 November 2018</i>)	廖凱(於二零一八年十一月二十日獲委任)	N/A 不適用
Liu Jin	劉進	2/2

The members of the Audit Committee have full access to and co-operation from the management of the Group and they have full discretion to invite any Director or executive to attend the meeting. The Audit Committee had performed, among other things, the following functions during the Year: (1) reviewed external auditors' audit report and matters incidental thereto; (2) discussed the internal control system and risk management; and (3) reviewed the periodic financial statements of the Company and made recommendation to the Board for approval.

董事會每年檢討董事會轉授不同委員會之所有轉授權力，確保此等轉授權力為恰當，並持續對本公司整體有利。

審核委員會

董事會轄下的審核委員會(「**審核委員會**」)根據上市規則的規定訂明其書面職權範圍(經二零一五年十二月三十一日修訂及採納)設立。審核委員會由全體獨立非執行董事陳素芳女士、李力先生、廖凱先生及劉進先生組成，並由李力先生擔任委員會主席。

審核委員會直接向董事會匯報，負責檢討與外聘核數師之間的關係、本公司的財務資料、財務申報制度、風險管理及內部監控系統等相關事宜。審核委員會與本公司的外聘核數師開會，確保財務報告及內部監控程序客觀而可信，以及與本公司的外聘核數師保持適當的關係。審核委員會的職權範圍可於本公司網站及聯交所網站閱覽。

審核委員會每年須至少開會兩次。審核委員會於本年度內舉行了兩次會議。各成員的個別出席次數如下：

審核委員會成員可全面接觸本集團的管理層及獲得彼等合作，並具有絕對酌情權，可邀請任何董事或行政人員列席會議。於本年度內，審核委員會已履行(其中包括)以下職能：(1)審閱外聘核數師的審計報告及相關事宜；(2)討論內部監控系統及風險管理事宜；及(3)審閱本公司的定期財務報表，並向董事會提出意見供其批准。

The Audit Committee had, amongst other things, reviewed the audited results of the Group for the Year and this report.

審核委員會已(其中包括)審閱本集團本年度的經審核業績及本報告。

Remuneration Committee

薪酬委員會

The remuneration committee of the Board (the “**Remuneration Committee**”) was set up with written terms of reference, which was adopted in March 2012, in compliance with the Listing Rules to review the remuneration package, performance-based remuneration and termination compensation of the Directors and senior management of the Group. The Remuneration Committee consists of all the independent non-executive Directors, namely Ms. Chan So Fong, Mr. Li Li, Mr. Liao Kai and Mr. Liu Jin. It is chaired by Mr. Liu Jin.

董事會轄下的薪酬委員會(「**薪酬委員會**」)根據上市規則訂明其書面職權範圍(於二零一二年採納)設立。薪酬委員會負責檢討本集團董事及高級管理層的薪酬組合、績效薪酬及離職補償。薪酬委員會由全體獨立非執行董事陳素芳女士、李力先生、廖凱先生及劉進先生組成，並由劉進先生擔任委員會主席。

The major responsibilities of the Remuneration Committee are to make recommendation to the Board on the Company’s policy and structure for remuneration of the Directors and senior management, to determine remuneration packages of all executive Directors and senior management including benefits in kind, pension rights and compensation payments. The Remuneration Committee takes into consideration factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors and senior management. The terms of reference of the Remuneration Committee are available on the Company’s website and on the website of the Stock Exchange.

薪酬委員會的主要職責是就本公司所制訂的董事及高級管理層薪酬政策及架構向董事會提出建議、為全體執行董事及高級管理層釐定薪酬組合，包括實物福利、退休金權利及補償金。薪酬委員會對多項因素作出考慮，例如可比公司所支付的薪金、董事及高級管理層所投放的時間及職責等。薪酬委員會的職權範圍可於本公司網站及聯交所網站閱覽。

The Remuneration Committee shall meet not less than once a year. There is one Remuneration Committee’s meetings being held during the Year. The individual attendance of each member is as follows:

薪酬委員會每年須開會至少一次。薪酬委員會於本年度內舉行了一次會議。各成員的個別出席次數如下：

Liu Jin (<i>chairman</i>)	劉進(主席)	1/1
Chan So Fong (<i>appointed on 20 November 2018</i>)	陳素芳(於二零一八年十一月二十日獲委任)	N/A 不適用
Char Shik Ngor Stephen (<i>resigned on 20 November 2018</i>)	查錫我(於二零一八年十一月二十日辭任)	1/1
Law Tze Lun (<i>resigned on 21 September 2018</i>)	羅子璘(於二零一八年九月二十一日辭任)	1/1
Li Li (<i>appointed on 8 October 2018</i>)	李力(於二零一八年十月八日獲委任)	N/A 不適用
Liao Kai (<i>appointed on 20 November 2018</i>)	廖凱(於二零一八年十一月二十日獲委任)	N/A 不適用

At the meetings held during the Year, the Remuneration Committee had, among other things, reviewed and discussed the remuneration policy, the remuneration package and bonus arrangements.

於本年度內舉行的會議上，薪酬委員會已(其中包括)檢討及討論薪酬政策、薪酬待遇及獎金安排。

Nomination Committee

The nomination committee of the Board (the “**Nomination Committee**”) was set up with written terms of reference, which was adopted and revised on 16 March 2012 and 4 September 2013, in accordance with the requirements of the Listing Rules. The Nomination Committee consists of all the independent non-executive Directors, namely Ms. Chan So Fong, Mr. Li Li, Mr. Liao Kai and Mr. Liu Jin. It is chaired by Ms. Chan So Fong.

The Nomination Committee is responsible for, among other things, the nomination of the Directors, structure of the Board, number of Directors and the composition of the Board and reviewing the Company’s Board diversity policy. To maintain high quality of the Board with a balance of skill and experience, the Nomination Committee will identify individuals who fulfill the designated criteria of the Company. When assessing the quality of the individual, the Nomination Committee makes reference to his experience, qualification, integrity and other relevant factors. The terms of reference of the Nomination Committee are available on the Company’s website and on the website of the Stock Exchange.

The Nomination Committee shall meet at least annually. There is one Nomination Committee’s meetings being held during the Year. The individual attendance of each member is as follows:

Chan So Fong (chairman) (appointed on 20 November 2018)	陳素芳(主席) (於二零一八年十一月二十日獲委任)	N/A 不適用
Char Shik Ngor Stephen (resigned on 20 November 2018)	查錫我(於二零一八年十一月二十日辭任)	1/1
Law Tze Lun (resigned on 21 September 2018)	羅子璘(於二零一八年九月二十一日辭任)	1/1
Li Li (appointed on 8 October 2018)	李力(於二零一八年十月八日獲委任)	1/1
Liao Kai (appointed on 20 November 2018)	廖凱(於二零一八年十一月二十日獲委任)	N/A 不適用
Liu Jin	劉進	1/1

At the meetings held during the Year, the Nomination Committee had, among other things: (1) reviewed the structure, size and composition of the Board; (2) reviewed the Company’s Board diversity policy; (3) discussed the casual vacancies arising from resignation of Directors during the Year; and (4) assessed the independence of independent non-executive Directors.

提名委員會

董事會轄下的提名委員會(「**提名委員會**」)根據上市規則的規定訂明其書面職權範圍(於二零一二年三月十六日採納並於二零一三年九月四日修訂)設立，並根據上市規則的規定訂明其書面職權範圍。提名委員會由全體獨立非執行董事陳素芳女士、李力先生、廖凱先生及劉進先生組成，並由陳素芳女士擔任委員會主席。

提名委員會負責(其中包括)提名董事、審視董事會的架構、董事人數及董事會的組成以及本公司的董事會成員多元化政策。為維持董事會質素優良及具備均衡的技能與經驗，提名委員會將物色符合本公司所需條件的人士。在評審該人士的資歷時，提名委員會以其經驗、資格、品格及其他相關因素作為參考。提名委員會的職權範圍可於本公司網站及聯交所網站閱覽。

薪酬委員會每年須開會至少一次。提名委員會於本年度內舉行了一次會議。各成員的個別出席次數如下：

於本年度內舉行的會議上，提名委員會已(其中包括)(1)檢討董事會的架構、規模及組成；(2)檢討本公司的董事會成員多元化政策；(3)討論本年度內因董事辭任而出現的臨時空缺；及(4)評核獨立非執行董事的獨立性。

Board Diversity Policy

The Board has adopted a Board diversity policy which sets out the approach to achieve a sustainable and balanced development of the Company and also to enhance the quality of performance of the Company.

The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

Selection of candidates will be based on a range of diversity perspectives as stated above. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

As at the date of this report, the Board comprises six Directors. Four of the Directors are independent non-executive Directors and independent of the management of the Group, thereby promoting critical review and control of the management process. The Board is also characterised by significant diversity, whether considered in terms of professional background or skills.

DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Directors acknowledge and understand their responsibility for preparing the financial statements and to ensure that the financial statements of the Group are prepared in a manner which reflects the true and fair view of the state of affairs, results and cash flows of the Group and are in compliance with the relevant accounting standards and principles, applicable laws and disclosure provisions required under the Listing Rules.

The statement of the external auditors of the Company, HLB Hodgson Impey Cheng Limited, about their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditors' Report on pages 84 to 87.

董事會成員多元化政策

董事會已採納一套董事會成員多元化政策，訂明達致本公司可持續均衡發展及提高本公司表現質素的方針。

為達致董事會成員多元化，本公司從多項因素加以考量，包括但不限於文化及教育背景、種族、專業知識、技能、知識及服務年期。

挑選候選人時，本公司將以上述一系列的多元化觀點作為基礎，最終將按候選人的優點及可為董事會帶來的貢獻而決定。

於本報告日期，董事會由六名董事組成，當中四名董事為獨立非執行董事，彼等獨立於本集團管理層，可加強對管理程序的批判性檢討與監控。董事會亦在專業背景或技能方面體現多元共融的特色。

董事及核數師對財務報表的責任

董事確認及了解彼等須負責編製財務報表，確保本集團編製之財務報表真實而公平地反映本集團之狀況、業績及現金流量，且符合相關會計準則及原則、適用法例以及上市規則規定之披露條文。

本公司外聘核數師為國衛會計師事務所有限公司，其對本集團財務報表的申報責任聲明載於第84至87頁的獨立核數師報告。

REMUNERATION OF EXTERNAL AUDITOR

During the Year, remuneration paid to the Company's auditors, HLB Hodgson Impey Cheng Limited, was as follows:

Services rendered: 提供的服務	HK\$'000 千港元
— audit services — 審計服務	350

There was no disagreement between the Board and the Audit Committee on the selection and appointment of the auditors during the Year.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for maintaining adequate system of internal controls and risk management within the Group and for reviewing their effectiveness. The systems of internal controls and risk management are designed to facilitate effective and efficient operations, to safeguard assets and to ensure the quality of internal and external reporting and compliance with applicable laws and regulations. They are also designed to provide reasonable, but not absolute, assurance that material misstatement or loss can be avoided, and to manage and minimize risks of failure in operation systems. The Company is committed to implementing a stricter and more regulated internal control and risk management procedures in the new financial year.

In the future, the Group will conduct regular review of the Group's internal control and risk management systems and its effectiveness to ensure the interest of shareholders is safeguarded.

During the Year, the Group did not have an internal audit function but had appointed an external consultant to review the material controls of the Group on a continuous basis and aims to cover all major operations of the Group on a cyclical basis. The Board, through the Audit Committee, reviewed the appraisal performed by the external auditor on the Company's risk management and internal control systems. Based on information furnished to it and its own observations, the Board is satisfied that the present internal control and risk management systems of the Group are effective and adequate in all material respects.

外聘核數師酬金

於本年度內，支付予本公司核數師國衛會計師事務所有限公司的酬金如下：

於本年度內，董事會與審核委員會之間並無在挑選及委聘核數師方面出現意見分歧。

內部監控及風險管理

董事會負責為本集團維持充分的內部監控及風險管理系統，並審查其有效性。內部監控及風險管理系統旨在促進營運率能及效率、維護資產及確保內部及外對報告的質素和符合適用的法律法規。此外，該等系統亦合理(但非絕對)地保證能避免發生嚴重誤報或損失的情況，以及管理並減低營運系統失效的風險。本公司於新財政年度內致力執行更嚴格及更高規範性的內部監控及風險管理程序。

本集團日後將定期檢討本集團的內部監控及風險管理系統及其有效性，以確保股東利益獲得保障。

於本年度內，本集團並無內部審核職能，惟已委聘一名外聘顧問，持續檢討本集團的重大監控及計劃週期性涵蓋本集團所有主要業務。董事會通過審核委員會檢討外聘諮詢人對本公司風險管理及內部監控系統的評價。董事會基於其獲提供的資料及本身的觀察信納，本集團現行的內部監控及風險管理系統在所有重要方面均為有效及足夠。

DIVIDEND POLICY

The Company considers stable and sustainable returns to Shareholders to be our goal and endeavours to maintain a progressive dividend policy. In deciding whether to propose a dividend and in determining the dividend amount, the Board takes into account the Group's earnings performance, financial position, investment requirements and future prospects. There can be no assurance that a dividend will be proposed or declared in any given year.

INSIDE INFORMATION

The Board is responsible for ensuring the Group's compliance with its disclosure obligations regarding inside information, and has appointed a disclosure group with specific designated duties to assist it in, among other things, overseeing and coordinating the disclosure of inside information. The procedures and internal controls for the handling and dissemination of inside information are given in a policy (the "**PSI Policy**") that was adopted by the Company to ensure that it is able to meet relevant obligations under Part XIVA of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "**SFO**"). The PSI Policy applies to the directors, officers and employees of the Group.

Under the PSI Policy, the Company must disclose inside information to the public by way of an announcement as soon as reasonably practicable unless the information falls within any of the safe harbours described under the SFO. Any director, officer or employee who becomes aware of a matter, development or event that he or she considers to be, or potentially to be, inside information shall report it promptly to the disclosure group. Before the relevant information is fully disclosed to the public, the disclosure group should take reasonable precautions to ensure that the information is kept strictly confidential. Where it is believed that the necessary degree of confidentiality cannot be maintained or that confidentiality may have been breached, the information should be disclosed immediately to the public. If the disclosure group needs time to clarify the details of, and the impact arising from, an event or a set of circumstances before it is in a position to issue a full announcement to properly inform the public, the disclosure group should consider issuing a "holding announcement" which details as much ascertainable information of the subject matter as possible and sets out the reasons why a fuller announcement cannot be made. Following a holding announcement, the disclosure group should ensure that a full announcement is made as soon as reasonably practicable. In the event that confidentiality has not been maintained and it is not able to make a full announcement

股息政策

本公司視為股東帶來穩定持續回報為我們的目標，並致力維持漸進的股息政策。在決議是否建議宣派股息及釐定股息金額時，董事會會考慮本集團之盈利表現、財務狀況、投資需求及未來前景。概無保證於任何指定年度會建議宣派或宣派股息。

內幕消息

董事會負責確保本集團遵守內幕消息之相關披露責任，並已委任披露小組專責協助(其中包括)監察及協調內幕消息之披露。本公司已採納一政策訂明處理及發佈內幕消息之程序及內部控制方法(「**股價敏感資料政策**」)，以確保能符合香港法例第571章證券及期貨條例(「**證券及期貨條例**」)第XIVA部所規定之責任。股價敏感資料政策適用於本集團董事、高級人員及僱員。

根據股價敏感資料政策，除非內幕消息屬證券及期貨條例所述安全港範疇，否則本公司須於合理可行之情況下盡快以公告方式向公眾披露。倘任何董事、高級人員或僱員知悉其認為屬於或可能屬於內幕消息之事宜、情況或事件，須及時報告披露小組。向公眾全面披露有關消息前，披露小組應採取合理預防措施，確保消息嚴格保密。倘披露小組認為無法維持必要之保密程度或可能已違反保密措施，則須立即向公眾披露有關消息。倘披露小組於發佈全面公告正式通知公眾前，需要時間確定事件或情況之詳情及所導致之影響，則應考慮發佈「**臨時公告**」，盡量詳述相關事件之已確定消息及陳述無法作出更全面公告之理由。發佈臨時公告後，披露小組應確保於合理可行之情況下盡快作出全面公告。倘未能維持保密且無法作出全面公告或臨時公告，披露小

Corporate Governance Report 企業管治報告

or a holding announcement, the disclosure group should consider applying for a suspension of trading in the Company's securities, subject to approval of the board, until disclosure can be made. All inside information related announcements must be properly approved by the board before publication, and all unpublished inside information must be kept in strict confidence until a formal announcement is made. The disclosure group must further ensure that access to unpublished inside information is given only to employees on a "need-to-know" basis for discharging their duties. Apart from reporting to the disclosure group, every director, officer or employee who possesses or has been given access to unpublished inside information must not disclose, discuss or share such information to or with any other parties within or outside the Group. The PSI Policy also sets out the criteria for advance disclosure of inside information to certain categories of people as may be necessary in the circumstances. In this case, the disclosure group should monitor the situation so that disclosure may be made as soon as reasonably practicable if there is any leakage of information. Directors, officers and employees must refrain from dealing in the shares of the Company at any time when they are in possession of unpublished inside information. Securities dealings are governed by securities codes applicable to relevant employees and directors.

SENIOR MANAGEMENT'S REMUNERATION

The senior management's remuneration payment of the Group for the year ended 31 December 2018 falls within the following bands:

組應考慮申請暫停買賣本公司證券直至可作出有關披露為止，惟須待董事會批准。所有與內幕消息有關之公告須經董事會正式批准方可公佈，而所有未公開之內幕消息在正式公告前須嚴格保密。披露小組更須確保僅向為履行職責「有需要知道」之僱員提供未公開之內幕消息。除向披露小組報告外，管有或可獲取未公開內幕消息之所有董事、高級人員或僱員不得向本集團內外任何人士披露或與彼等討論或分享有關消息。股價敏感資料政策亦載有於必要情況下向若干類別人士提前披露內幕消息之準則。在此情況下，披露小組應監察情況，倘發生任何資料洩漏，應於合理可行之情況下盡快作出披露。董事、高級人員及僱員不得在彼等擁有未公開內幕消息之任何時間內買賣本公司股份。證券買賣受相關僱員及董事適用之證券守則規管。

高級管理層酬金

於截至二零一八年十二月三十一日止年度，本集團支付予高級管理層的酬金如下：

		Number of individuals 人數
HK\$ Nil to HK\$1,000,000	零至1,000,000港元	—
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	2
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	2
		4

COMPANY SECRETARY

Mr. Ho Yuk Ming Hugo is the company secretary of the Company. As at 31 December 2018, Mr. Ho had taken no less than 15 hours of relevant professional trainings to update his skill and knowledge as required under the Listing Rules.

公司秘書

何育明先生為本公司的公司秘書。於二零一八年十二月三十一日，何先生已按照上市規則的規定接受不少於15小時的相關專業培訓，以更新其技能及知識。

COMMUNICATIONS WITH SHAREHOLDERS

The objective of shareholders' communication is to provide our shareholders with detailed information about the Company so that they can exercise their rights as shareholders in an informed manner.

The Company uses a range of communication tools to ensure its shareholders are kept well informed of key business imperatives. These include general meetings, annual and interim reports, various notices, announcements, circulars and electronic means of communication via the Company's website.

The annual general meetings provide a useful forum for shareholders to exchange views with the Board. The chairman of the Board, Directors, Board committees' chairman or members and external auditors, where appropriate, are available to answer questions at the meetings.

To safeguard shareholders' interests and rights, separate resolutions are proposed at shareholders' meetings on each substantial issue, including the election of individual directors, for shareholders' consideration and voting. Besides, pursuant to the Articles, shareholder(s) holding not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company may request the Company to convene an extraordinary general meeting by sending a written requisition to the Board or the company secretary of the Company. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionists themselves may convene a meeting in accordance with the Articles.

與股東溝通

股東通訊的目的為向股東提供有關本公司的詳盡資料，以便股東在有根據的情況下行使其作為股東的權利。

本公司利用各種溝通方法，確保股東充分了解主要業務需要，當中包括股東大會、年度及中期報告、各類通知、公告、通函，以及透過本公司的網站提供電子通訊途徑。

股東週年大會為有用的平台，讓股東與董事會可交流意見。董事會主席、董事、董事委員會主席或成員及外聘核數師於大會上適當地解答提問。

為維護股東的利益及權利，本公司於股東大會上就每項重大事項(包括選舉個別董事)提呈獨立的決議案，以供股東考慮及表決。此外，根據章程細則，凡持有本公司附帶權利於本公司股東大會上表決的繳足股本不少於十分之一的股東，均可透過向董事會或本公司公司秘書發出書要請求，要求本公司召開股東特別大會。倘遞呈後21日內，董事會未有召開該大會，則遞呈要求人士可根據章程細則召開大會。

Corporate Governance Report

企業管治報告

If any shareholder wishes to nominate a person to stand for election as a Director at general meeting, the following documents must be validly served on the Company's principal office in Hong Kong (16th Floor, Guangdong Finance Building, 88 Connaught Road West, Hong Kong) or to the branch share registrar of the Company (Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong), provided that the minimum length of the period, during which such documents are given, shall be at least seven days and that (if such documents are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgement of such documents shall commence on the day after the despatch of the notice of a general meeting appointed for election of director and end no later than seven days prior to the date of such meeting:

- (i) notice in writing signed by the shareholder of his/her intention to propose such person for election (the "**Nominated Candidate**");
- (ii) notice in writing signed by the Nominated Candidate of his/her willingness to be elected; and
- (iii) the biographical details of the Nominated Candidate as required under Rule 13.51(2) of the Listing Rules for publication by the Company.

Shareholders may send written enquiries to the Company for putting forward any enquiries or proposals to the Board. Contact details are as follows:

Address: 16th Floor, Guangdong Finance Building,
88 Connaught Road West, Hong Kong
(For the attention of the Company Secretary)

Fax: 852-2104 9060

Email: info@nif-hk.com

For the avoidance of doubt, shareholders must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by the applicable laws and regulations.

An up-to-date version of the Articles is available on the Company's website and the Stock Exchange's website.

股東如欲提名任何人士於股東大會上參選董事，則必須將以下文件有效呈交本公司的香港主要辦事處（香港干諾道西88號粵財大廈16樓）或本公司的股份過戶登記分處（卓佳登捷時有限公司，地址為香港皇后大道東183號合和中心22樓），惟可提交該等文件的最短期限為至少七日，倘該等文件是於寄發指定進行該推選的股東大會通告後才呈交，則呈交該等文件的期間由寄發指定進行董事選舉的股東大會通告後一日起計至不遲於該大會舉行日期前七日止：

- (i) 經股東簽署表明其有意建議該人士（「**獲提名候選人**」）參選的書面通知；
- (ii) 經獲提名候選人簽署表明其參選意願的通知；及
- (iii) 上市規則第13.51(2)條規定供本公司發佈的獲提名候選人履歷詳情。

股東如欲向董事會提出任何垂詢或建議，可向本公司發出書面查詢。聯絡資料如下：

地址：香港干諾道西88號
粵財大廈16樓
(註明公司秘書收)

傳真：852-21049060

電郵：info@nif-hk.com

為免生疑問，股東必須把妥為簽署的書面請求、通知或陳述或查詢（視乎情況而定）正本送達及發送至上述地址，並提供其全名、聯絡資料及身分，方為有效。股東的資料或會按照適用法律法規的規定作出披露。

最新版本的章程細則可於本公司網站及聯交所網站閱覽。

Shareholders may refer to the Articles for further details of their rights. The poll voting results will be posted on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.nif-hk.com) after the relevant general meetings.

股東可參閱章程細則以進一步了解其權利的詳情。投票結果將於舉行有關股東大會後登載於聯交所網站(www.hkexnews.hk)及本公司網站(www.nif-hk.com)。

INVESTOR RELATIONS

The Company is committed to a policy of open and timely disclosure of corporate information to shareholders and investors. The Company updates shareholders on its latest business developments and financial performance through its annual and interim reports and notices, announcements and circulars. The Company's website (www.nif-hk.com) provides a communication platform to the public and the shareholders.

To strengthen its relationships with investors, the Company regularly meets with analysts and holds interviews with reporters and columnists of the press and other economic journals.

投資者關係

本公司致力維持向股東及投資者公開及適時披露公司資料之政策。本公司透過其年度及中期報告、通告、公告及通函為股東提供有關業務發展和財務表現之最新資料。本公司網站(www.nif-hk.com)為公眾及股東提供溝通平台。

本公司定期會見分析員，並接受新聞界及其他財經雜誌刊物之記者及專欄作者採訪，以加強其與投資者之關係。

CONSTITUTIONAL DOCUMENTS

There was no change in the Articles and the memorandum of association of the Company during the Year. The Articles and the memorandum of association of the Company are available on the Company's website and on the website of the Stock Exchange.

章程文件

於本年度，章程細則及本公司的組織章程大綱並無任何變動。章程細則及本公司的組織章程大綱可於本公司網站及聯交所網站閱覽。

Report of the Directors

董事報告

The Directors are pleased to present this annual report and the audited consolidated financial statements for the Year.

PRINCIPAL ACTIVITIES

The Company was incorporated on 28 June 2002 as an exempted company with limited liability in the Cayman Islands under the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The shares of the Company were listed on the Main Board of the Stock Exchange since 27 September 2002. The principal activity of the Company is investment in listed and unlisted companies. Business or geographical analysis of the Group's assets and liabilities for the year is set out in note 6 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the Year and the state of affairs of the Group as at 31 December 2018 are set out in the audited consolidated financial statements on pages 88 to 239 of this report.

The Directors do not recommend the payment of a final dividend for the Year.

It is proposed that the forthcoming annual general meeting of the Company will be held on Thursday, 13 June 2019 (the "2019 AGM").

CLOSURE OF REGISTER OF MEMBERS

In order to establish entitlements to attend and vote at the 2019 AGM, the register of members of the Company will be closed from Monday, 10 June 2019 to Thursday, 13 June 2019, both days inclusive, during which period no transfer of the Shares can be registered. Shareholders are reminded to ensure that all completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 6 June 2019.

董事欣然提呈本年報及本年度的經審核綜合財務報表。

主要業務

本公司於二零零二年六月二十八日根據開曼群島法例第22章公司法(一九六一年第3條法例，經綜合及修訂)在開曼群島註冊成立為獲豁免有限責任公司。本公司股份由二零零二年九月二十七日起在聯交所主板上市。本公司之主要業務為投資於上市及非上市公司。按業務或地區劃分之本集團年內資產及負債分析載於綜合財務報表附註6。

業績及股息

本集團於本年度的業績及本集團於二零一八年十二月三十一日的事務狀況載於本報告第88至239頁的經審核綜合財務報表內。

董事不建議派發本年度的末期股息。

本公司擬訂於於二零一九年六月十三日(星期四)舉行應屆股東週年大會(「二零一九年股東週年大會」)。

暫停辦理股東登記手續

為確定二零一九年股東週年大會的出席及投票資格，本公司將於二零一九年六月十日(星期一)至二零一九年六月十三日(星期四)(包括首尾兩日)暫停股東登記，期間不可辦理股份過戶登記手續。務請股東謹記確保最遲於二零一九年六月六日(星期四)下午四時三十分，將所有已填妥的股份過戶表格連同相關股票一併遞交本公司的香港股份過戶登記分處卓佳登捷時有限公司，地址為香港皇后大道東183號合和中心22樓。

RELATIONSHIP WITH EMPLOYEES

Employees are regarded as valuable assets of the Group and comprehensive benefit package, career development opportunities and appropriate internal training are provided to employees. Effective communications amongst employees are promoted in order to achieve corporate efficiency. The Group also maintains a very stable and experienced management team and an amicable relationship with its employees. We believe that we have maintained good relationship with our employees and our management policies, working environment, development opportunities and employee benefits have contributed to maintaining good employee relations.

During the Year, we did not experience any major labour disputes, work stoppage or labour strike or any work safety-related incidents that led to disruption to the operation of the Group, nor has the Group experienced any difficulties in the recruitment and retention of experienced staff.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group recognises the importance of environmental protection and has adopted stringent measures for environmental protection in order to ensure our compliance of prevailing environmental protection laws and regulations. For details, please refer to the section headed "Environmental Social and Governance Report" contained in this annual report.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group pays attention to legal and regulatory requirements in designing its policies and practices. Legal and compliance advisers will be engaged when necessary to ensure the Group is operated in accordance with applicable laws and regulations. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units from time to time.

During the Year, the Group has complied with all applicable laws and regulations in Hong Kong in all material aspects for the business operation of the Group.

與僱員之主要關係

僱員乃本集團之寶貴資產。本集團向其僱員提供全面福利待遇、事業發展機會及適合之內部培訓。僱員相互有效溝通可提升企業效率。本集團亦擁有一支相當穩定及富經驗的管理團隊，並與其僱員維持友好關係。我們相信，我們一直與僱員保持良好的關係，而我們的管理政策、工作環境、發展機會及僱員福利均有助維持良好的僱員關係。

於本年度內，我們並無遭遇任何重大的勞資糾紛、停工或罷工，或者任何導致本集團運營中斷的安全生產事故，本集團在招聘和挽留有經驗的員工方面亦無遇到任何困難。

環境政策及表現

本集團肯定環境保護之重要性，並已採納多項嚴格之環保措施，以確保遵守現行之環境保護法律及法規。有關詳情請參閱本年報「環境、社會及管治報告」一節。

遵守法律及法規

本集團在制訂政策及常規時會留意法律及監管規定。本集團在有需要時會委聘法律及合規顧問，確保本集團之營運符合適用法律及法規。相關員工及相關經營單位會不時獲知悉適用法律、規則及法規之任何變動。

於本年度內，本集團已在其業務營運上的所有重要方面全面遵守香港及中國的適用法律法規。於本年度內，本集團亦已就其現有業務營運取得所有重要的批准、許可證及執照。

USE OF PROCEEDS FROM THE RIGHTS ISSUE

On 2 January 2018, the Company completed a rights issue and issued 1,201,130,456 new shares with par value of HK\$0.01 each at a subscription price of HK\$0.035 per rights share on the basis of one rights share for every two shares then existing share held, and the net proceeds of the Rights Issue, after deducting the related expense, were approximately HK\$40,280,000 which were mainly used to repay the principal amount and interests of Group's loans including the Citizens Money Lending Corporation Limited, which amounted to approximately HK\$39,233,000. Details of the rights issue were disclosed in the announcements of the Company dated 21 November 2017, 28 November 2017, 2 January 2018 and the prospectus of the Company 7 December 2017.

USE OF PROCEEDS FROM THE PLACING OF NEW SHARES UNDER GENERAL MANDATE

The net proceeds (the "Net Proceeds") from the placing of new shares under general mandate on 23 October 2018, after deducting the commissions and other fees and expenses in relation to the placing, amounted to approximately HK\$10.30 million. The entire proceeds were used for repayment of outstanding indebtedness and general working capital of the Group. There was no balance left from such proceeds as at 31 December 2018.

MAJOR CUSTOMERS AND SUPPLIERS

In 2018, the Company's entire turnover is derived from the Company's investment in unlisted equity securities and thus the disclosure of information regarding to customers and suppliers would not be meaningful.

SHARE PREMIUM, RESERVES AND DISTRIBUTABLE RESERVES

As of 31 December 2018, no reserves available for distribution to the equity holders of the Company under the Companies Law of the Cayman Islands (2017: Nil).

Details of movements in the share premium and reserves of the Group during the Year are set out in note 32 and page 226 to the consolidated financial statements.

供股所得款項用途

於二零一八年一月二日，本公司完成供股，並按當時每持有兩股現有股份獲發一股供股股份之基準，以每股供股股份0.035港元之認購價發行1,201,130,456股每股面值0.01港元之新股份，供股之所得款項淨額(扣除相關開支後)約為40,280,000港元，主要用於償還本集團貸款(包括民眾財務有限公司)之本金金額及利息約39,233,000港元。供股詳情於本公司日期為二零一七年十一月二十一日、二零一七年十一月二十八日及二零一八年一月二日之公告以及日期為二零一七年十二月七日之本公司章程中披露。

根據一般授權配售新股份所得款項用途

於二零一八年十月二十三日根據一般授權配售新股份所得款項淨額(「所得款項淨額」)(扣除與配售相關佣金及其他費用及開支後)約為10,300,000港元。所有所得款項用於償付未償還債務及本集團之一般營運資金。於二零一八年十二月三十一日，該筆所得款項並無剩下結餘。

主要客戶及供應商

於二零一八年，本公司全部營業額均源自其於上市或非上市股本證券之投資，故披露有關客戶及供應商之資料並無任何意義。

股份溢價、儲備及可供分派儲備

截至二零一八年十二月三十一日止年度並無可供分派予本公司權益持有人的儲備(二零一七年：無)。

有關本集團於本年度內的股份溢價及儲備變動詳情載於綜合財務報表附註32及第226頁。

SHARE CAPITAL

Particulars of the Company's share capital are set out in note 30 to the consolidated financial statements.

CHARITABLE DONATIONS

Charitable donations made by the Group during the Year amounted to approximately HK\$0.10 million (2017: approximately HK\$0.20 million).

DIRECTORS' AND OFFICERS' INSURANCE AND INDEMNITIES

During the Year, the Directors and officers are indemnified under a directors' and officers' liability insurance against any liability incurred by them in discharge of their duties while holding office as the Directors and officers of the Company. The Directors and officers shall not be indemnified where there is any fraud or dishonesty. The insurance policy was renewed in April 2018.

SEGMENT INFORMATION

The segment information of the Group for the Year is set out in note 6 to the consolidated financial statements.

FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the five years ended 31 December 2014, 2015, 2016, 2017 and 2018, as extracted from the audited financial statements, is set out on page 240. This summary is for information only and does not form part of the audited financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the Year are set out in note 16 to the consolidated financial statements.

股本

本公司的股本詳情載於經審核財務報表附註30。

慈善捐獻

本集團於本年度內作出的慈善及其他捐獻為約100,000港元(二零一七年:約200,000港元)。

董事及高級人員的保險及彌償保證

於本年度內,本公司投保董事及高級人員責任保險,就董事及高級人員在擔任本公司董事及高級人員職務時因履行其職責而招致的任何責任提供彌償保證;但如涉及任何欺詐或不誠實行為,則董事及高級人員不會獲得彌償。保險單於二零一八年四月續新。

分部資料

本集團於本年度的分部資料載於經審核財務報表附註6。

財務概要

本集團於截至二零一四年、二零一五年、二零一六年、二零一七年及二零一八年十二月三十一日止五個年度的已公佈業績及資產與負債概要載於第240頁,乃摘錄自經審核財務報表。此概要僅供參考之用,並不屬於經審核財務報表一部份。

物業、廠房及設備

本集團於本年度內的物業、廠房及設備變動詳情載於經審核財務報表附註16。

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The directors of the Company during the Year and up to the date of this report were as follow:

Executive Directors:

Wong Danny F. (resigned on 18 March 2019)
Fong Chi Wah (resigned on 31 August 2018)
Wu Tse Wai Frederick (resigned on 12 September 2018)
Chan Cheong Yee (appointed on 27 November 2018)

Non-executive Director:

Xie Xiangrong (appointed on 8 October 2018)

Independent Non-executive Directors:

Law Tze Lun (resigned on 21 September 2018)
Char Shik Ngor Stephen (resigned on 20 November 2018)
Liu Jin
Li Li (appointed on 8 October 2018)
Chan So Fong (appointed on 20 November 2018)
Liao Kai (appointed on 20 November 2018)

The biographical details of the Directors are set out on pages 62 to 64 of this report.

The Company has received, from each of the independent non-executive Directors, a confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all the independent non-executive Directors are independent.

In accordance with article 87(3) of the Articles, any Director appointed by the Board to fill casual vacancy on the Board shall hold office until the first general meeting of members of the Company after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. In accordance with article 88 of the Articles, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office at an annual general meeting at least once every three years. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall

董事及董事的服務合約

於本年度內及截至本報告日期，本公司董事成員如下：

執行董事：

汪曉峰(於二零一九年三月十八日辭任)
方志華(於二零一八年八月三十一日辭任)
吳子惠(於二零一八年九月十二日辭任)
陳昌義(於二零一八年十一月二十七日獲委任)

非執行董事：

謝湘蓉(於二零一八年十月八日獲委任)

獨立非執行董事：

羅子璘(於二零一八年九月二十一日辭任)
查錫我(於二零一八年十一月二十日辭任)
劉進
李力(於二零一八年十月八日獲委任)
陳素芳(於二零一八年十一月二十日獲委任)
廖凱(於二零一八年十一月二十日獲委任)

董事履歷詳情載於本報告第62至64頁。

本公司已接獲獨立非執行董事根據上市規則第3.13條所發出有關其獨立性的確認書。本公司認為全體獨立非執行董事均為獨立人士。

根據章程細則第87(3)條，獲董事會委任以填補董事會臨時空缺或出任現時董事會新增的董事席位的任何董事任期僅至本公司下屆股東週年大會為止，並合資格膺選連任。根據章程細則第88條，當時為數三分之一(如人數並非三(3)的倍數，則須為最接近但不多於三分之一)的董事須至少每三年一次於股東週年大會上輪值退任。退任董事有資格膺選連任，並將於其退任之股東大會上繼續擔任董事。輪值告退的董事包括(如須就此確定輪值退任董事的人數)願意退任且不再膺選連任的任何董事。如此退任的其

be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed by the Board pursuant to Article 87(3) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

Pursuant to the Articles, Ms. Xie Xiangrong, Mr. Li Li, Ms. Chan So Fong, Mr. Liao Kai, Mr. Chan Cheong Yee and Mr. Liu Jin will retire as Directors at the 2019 AGM and, being eligible, offer themselves for re-election.

Currently, all executive directors have entered into service contracts with the Company for a term of two or three years. Each of these executive directors is entitled to his respective basic salary. In addition, in respect of each financial year of the Company, each of the executive directors is also entitled to a discretionary bonus provided that the aggregate amount of the bonuses payable to all executive directors may not exceed 15% of the audited net profit of the Company (after taxation but before extraordinary and exceptional items and payment of such bonuses) in respect of that financial year of the Company. An executive director is required to abstain from voting and is not counted in the quorum in respect of any resolution of the directors regarding the amount of the monthly salary and the discretionary bonus payable to him.

In respect of the non-executive directors and independent non-executive directors, each of them has entered into a letter of appointment with the Company respectively for a term up to the forthcoming annual general meeting and their appointments will be terminated by the giving of not less than 14 days' notice in writing by either party. All directors of the Company, including independent non-executive directors, are subject to retirement by rotation in accordance with the Company's Articles of Association.

Save as disclosed above, no Director proposed for re-election at the 2019 AGM has or is proposed to have a service contract with any member of the Group which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

他董事乃自上次連任或獲委任起計任期最長而須輪值退任的其他董事，惟倘有數名人士於同日出任或連任董事，則將行告退的董事(除非彼等另有協議)須由抽籤決定。根據章程細則第87(3)條獲委任的任何董事在釐定輪值退任的有關董事或董事人數時毋須考慮在內。

根據章程細則，謝湘蓉女士、李力先生、陳素芳女士、廖凱先生、陳昌義先生及劉進先生將於二零一九年股東週年大會上退任董事，並符合資格及願意重選連任。

目前，全體執行董事均已與本公司訂立為期兩年或三年之服務合約。該等執行董事各自有權收取彼等相關基本薪金。此外，於本公司每個財政年度，各執行董事均有權獲發酌情花紅，惟本公司於任何財政年度應支付予全體執行董事之花紅總額不可超出本公司於該財政年度經審計之溢利淨額(除稅後但未計非經常性與特殊項目及支付該等花紅前)之15%。執行董事須就有關向彼支付之月薪和酌情花紅金額之任何董事決議案放棄表決，亦不得計入法定人數內。

各非執行董事及獨立非執行董事均已與本公司訂立委任書，各任期均直至即將舉行之股東週年大會止，而彼等之委任可由任何一方發出不少於十四天書面通知予以終止。本公司所有董事(包括獨立非執行董事)須根據本公司之組織章程細則輪值退任。

除上文所披露者外，概無獲建議於二零一九年股東週年大會上重選的董事已或擬與本公司任何成員公司訂立任何本公司不可於一年內毋須作出賠償(法定賠償除外)而終止之服務協議。

CONNECTED TRANSACTIONS

Subscription Agreement

The Company and Premium Castle Limited (“**Premium Castle**”), a company incorporated under the laws of British Virgin Islands, entered into a new subscription agreement (the “**New Subscription Agreement**”), pursuant to which the Company has conditionally agreed to subscribe for and Premium Castle has conditionally agreed to issue a convertible note in the principal amount of HK\$18,600,000, being the outstanding principal amount of HK\$17,000,000 under the 2011 Convertible Note and the outstanding interest in the sum of approximately HK\$1,600,000 accrued under the 2010 Convertible Note and the 2011 Convertible Note (collectively “**Debt**”), with maturity period of five years and coupon rate of 2% (the “**Subscription**”). The New Subscription Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules as the applicable percentage ratios as defined under Rule 14.06 of the Listing Rules are more than 5% but less than 25%. The New Subscription Agreement also constitutes a connected transaction under Chapter 14A of the Listing Rules as the major shareholder of Premium Castle is Mr. Wong Danny F., the then Chairman and an executive director of the Company, Premium Castle is therefore a connected person of the Company. Accordingly, the New Subscription Agreement is subject to the reporting, announcement and independent Shareholders’ approval requirements under the Listing Rules. Mr. Wong Danny F., the then Chairman and an executive director of the Company and a major shareholder of Premium Castle, is regarded as having a material interest in the New Subscription Agreement and therefore he abstained from voting at the meeting of the Board at which the resolution approving the New Subscription Agreement was passed and Mr. Wong Danny F. and his associates were required to abstain from voting on the resolution approving the New Subscription Agreement passed at the extraordinary general meeting of the Company held on 25 February 2014. Details of the Subscription were disclosed in the circular of the Company dated 7 February 2014. The New Subscription Agreement has been approved at the extraordinary general meeting and was completed on the same day.

Upon completion of the Subscription on 25 February 2014, the obligation of Premium Castle to pay the Debt has been released and the Debt, which was previously recorded as current assets of the Company, was reclassified as financial asset in the Company’s consolidated statement of financial position.

關連交易

認購協議

本公司與 Premium Castle Limited (「**Premium Castle**」，一間根據英屬處女群島法律註冊成立的公司)訂立新認購協議(「**新認購協議**」)。據此，本公司有條件地同意認購而 Premium Castle 有條件地同意發行本金金額為18,600,000港元(即二零一一年可換股票據項下之未償還本金金額17,000,000港元及二零一零年可換股票據及二零一一年可換股票據項下之應計未償還利息合共約1,600,000港元(合稱「**債務**」))之可換股票據，有效期五年，票面息為2厘(「**認購事項**」)。由於上市規則第14.06條所界定之適用百分比率高於5%但低於25%，故根據上市規則第十四章，新認購協議構成本公司之須予披露交易。由於 Premium Castle 之主要股東為本公司時任主席兼執行董事汪曉峰先生，故 Premium Castle 為本公司之關連人士，而根據上市規則第十四A章，新認購協議亦構成關連交易。因此，新認購協議須遵守上市規則項下之申報、公告及獨立股東批准之規定。本公司之時任主席兼執行董事及 Premium Castle 之主要股東汪曉峰先生被視為於新認購協議中擁有重大利益，因此彼已於通過有關批准新認購協議之決議案之董事會會議上放棄表決，而汪曉峰先生及其聯繫人須就於本公司於二零一四年二月二十五日舉行之股東特別大會上通過之有關批准新認購協議之決議案放棄表決。有關認購事項之詳情已於本公司日期為二零一四年二月七日之通函內披露。新認購協議已於股東特別大會上獲批准，並於同日完成。

於二零一四年二月二十五日認購事項完成時，Premium Castle 支付債務之義務已解除，而之前入賬列作本公司流動資產之債務已於本公司之綜合財務狀況表內重新分類為金融資產。

CONTINUING CONNECTED TRANSACTIONS

Investment Management Agreement

The investment management agreement dated 1 November 2016 was entered into between the Company and Avia Asset Management Limited (“**Investment Management Agreement**”). Under the Investment Management Agreement, Avia Asset Management Limited agreed to provide investment management services to the Company from 1 November 2016 unless and until terminated by either party by serving not less than 6 months’ notice in writing to the other party with a fixed management fee of HK\$55,000 per month. Pursuant to Rule 14A.08 of the Listing Rules, an investment manager is deemed to be connected person of the Company. The entering into of the Investment Management Agreement with Avia Asset Management Limited constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules but is exempted from the reporting, announcement and independent shareholders’ approval requirements under the Listing Rules.

Custodian Agreement

Commencing from 11 March 2005, the Company appointed the Bank of Communications Trustee Limited as its custodian for the provision of custody services. The Bank of Communications Trustee Limited has agreed to provide the Company with securities services including the safe custody and physical settlement of the securities in the investment portfolio of the Company, and the collection of dividends and other entitlements in respect of such securities. The custodian agreement between the parties (the “**Custodian Agreement**”) will continue be in force until being terminated by either the Company or the custodian by the giving to the other party of not less than 90 days’ notice in writing at any time.

Pursuant to Rule 14A.08 of the Listing Rules, a custodian shall be regarded as a connected person of the Company. Therefore, the provision of services by the Bank of Communications Trustee Limited under the Custodian Agreement constitutes continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

持續關連交易

投資管理協議

本公司與輝亞資產管理有限公司於二零一六年十一月一日訂立投資管理協議(「新投資管理協議」)。根據新投資管理協議，輝亞資產管理有限公司同意自二零一六年十一月一日起向本公司提供投資管理服務，且每月固定管理費為55,000港元，除非及直至任一方向另一方發出不少於六個月的書面通知予以終止。根據上市規則第14A.08條，投資經理被視為本公司之關連人士。根據上市規則第十四A章，與輝亞資產管理有限公司訂立新投資管理協議構成本公司之持續關連交易，惟獲豁免遵守上市規則有關申報、公告及獨立股東批准之規定。

託管協議

自二零零五年三月十一日起，本公司委任交通銀行信託有限公司為其託管商，提供託管服務。交通銀行信託有限公司已同意向本公司提供證券服務，包括為本公司投資組合中之證券提供安全託管及實物交收，並代收該等證券之股息及其他應得權利。雙方訂立之託管協議(「託管協議」)將繼續有效，直至本公司或託管商隨時向對方發出不少於九十天書面通知以終止託管協議為止。

根據上市規則第14A.08條，託管商被視為本公司之關連人士。因此，根據上市規則第十四A章，交通銀行信託有限公司按託管協議提供服務構成本公司之持續關連交易。

Report of the Directors 董事報告

The Board, including the independent non-executive directors, is of the view that the above continuing connected transactions have been entered into (1) on normal commercial terms; (2) on an arm's length basis; and (3) in the ordinary and usual course of business of the Company, and that the terms of the above continuing connected transactions were fair and reasonable to the shareholders and the Company as a whole.

The Company confirms that it has received written confirmation from its auditors confirming the matters stated under Rule 14A.56 of the Listing Rules.

DIRECTORS' INTEREST IN COMPETING BUSINESS

During the Year, none of the Directors or any of their respective associates, has engaged in any business that competes or may compete with the business of the Group, or has any other conflict of interest with the Group.

DIRECTORS' MATERIAL INTERESTS IN CONTRACTS OF SIGNIFICANCE

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which the Director or an entity connected with the Director had a material interest, whether directly or indirectly, subsisted at any time during the Year.

CONTROLLING SHAREHOLDERS' INTEREST

Save as disclosed herein, there were no contracts of significance between the Company or any of its subsidiaries and a controlling shareholder (as defined under the Listing Rules) of the Company or any of its subsidiaries or any contracts of any significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder of the Company or any of its subsidiaries.

董事會(包括獨立非執行董事)認為，上述持續關連交易(1)按一般商業條款；(2)按公平磋商基準；及(3)於本公司日常及一般業務過程中訂立，上述持續關連交易之條款對股東及本公司整體而言亦屬公平合理。

本公司確認，其已收到其核數師有關確認上市規則第14A.56條所載事宜之書面確認書。

董事於競爭業務的權益

於本年度內，董事或其各自任何聯繫人士概無從事與本集團業務構成或可能構成競爭的任何業務，或與本集團發生任何其他利益衝突。

董事於重大合約的重大利益

於本年度的任何時間內，並無存續任何由本公司或其任何附屬公司所訂立而董事或與董事有關連的任何實體直接或間接於當中擁有重大利益且對本集團業務而言關係重大的任何交易、安排及合約。

控股股東權益

除於本報告中披露者外，本公司或其任何附屬公司並無與本公司控股股東(定義見上市規則)或其任何附屬公司訂立任何重大合約，亦無任何有關本公司控股股東或其任何附屬公司向本公司或其任何附屬公司提供服務的重大合約。

SHARE OPTION SCHEME

The Company adopted a new share option scheme approved by the shareholders of the Company on 30 June 2017 (the “**Share Option Scheme**”). The following is a summary of the principal terms of the Share Option Scheme:

1. Purpose

The purpose of the Share Option Scheme is to enable the Group to grant options to participants as incentives or rewards for their contribution to the Group.

2. Participants

The participants of the Share Options Scheme comprise of (a) Directors of the Company, any of its subsidiaries or any entity in which any member of the Group holds any equity interest (“**Invested Entity**”) (including executive Directors, non-executive Directors and independent non-executive Directors); (b) employees of the Company, any of its subsidiaries or any Invested Entity; and (c) any advisors, consultants, business partners, agents, customers, suppliers, service providers, contractors of any member of the Group or any company or other entity in which the Group or any member of it has a shareholding interest, who, in the sole discretion of the Board, has contributed or may contribute to the Group or any member of it.

3. Total Number of Shares Available for Issue Under the Share Option Scheme

The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any options to be granted under any other scheme must not in aggregate exceed 10% of the aggregate of the shares in issue as at the adoption date unless refreshed by the shareholders. However, the total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and all outstanding options granted and yet to be exercised under any other scheme should not exceed 30% of the shares in issue from time to time.

As at the date of this report, there is no options available for grant under the Share Option Scheme.

購股權計劃

本公司採納經本公司股東於二零一七年六月三十日批准的新購股權計劃(「**購股權計劃**」)。以下為購股權計劃之主要條款概要：

1. 目的

購股權計劃的目的是讓本公司可向參與人士授出購股權，作為彼等對本集團所作貢獻的獎勵或回報。

2. 參與人士

購股權計劃之參與人士包括(a)本公司、任何其附屬公司或任何本集團任何成員公司持有任何股本權益之實體(「**被投資實體**」)之董事(包括執行董事、非執行董事及獨立非執行董事)；(b)本公司、任何其附屬公司或任何被投資實體之僱員；及(c)本集團任何成員公司或本集團或其任何成員公司持有控股權益之任何公司或其他實體的任何顧問、商業夥伴、代理、客戶、供應商、承包商，而其獲董事會全權酌情認為已或可能對本集團或其任何成員公司有貢獻。

3. 根據購股權計劃可供發行的股份總數

根據購股權計劃或任何其他計劃授出的所有購股權獲行使時須予發行的股份總數合共不得超過於採納日期已發行股份總數之10%，除非獲股東更新。然而，根據購股權計劃授出的所有尚未行使購股權及根據任何其他計劃授出的所有尚未行使購股權獲行使時須予發行的股份總數合共不得超過不時的已發行股份30%。

於本報告日期，並無根據購股權計劃可授出的購股權。

4. Maximum Entitlement of Each Participant

The total number of shares in respect of which options may be granted to each eligible participant in any 12-month period must not exceed 1% of the issued share capital of the Company for the time being.

5. Time for Exercising Option

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Board to each participant provided that the period within which the option must be exercised shall not be more than 10 years from the date of the grant of option subject to the achievement of performance target and/or any other conditions to be notified by the Board to each participant, which the Board may in its absolute discretion determine.

6. Time of Acceptance and the Amount Payable on Acceptance of the Option

An option may be accepted by an eligible participant within 28 days from the date of offer of the option. Upon acceptance of the option, the grantee shall pay HK\$1.00 to the Company by way of consideration for the grant of the option.

7. Basis of Determining the Subscription Price

The subscription price shall be a price determined by the Board, but shall not be less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations on the date of grant, which must be a business day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of grant; and (iii) the nominal value of the share.

8. Life of the Share Option Scheme

The Share Option Scheme will remain valid for a period of ten years commencing on 30 June 2017.

During the Year and as at 31 December 2018, no options were outstanding or had been granted or agreed to be granted by the Company under the Share Option Scheme.

4. 每名參與人士可獲授權益上限

於任何十二個月期間內，就可向每名合資格參與人士授出的購股權之股份總數不得超過當時的本公司已發行股本之1%。

5. 行使購股權的時間

在達致績效目標及／或董事會將知會各參與人士的任何其他條件(董事會可全權酌情決定)的前提下，在董事會決定及通知各參與者的期間內，可隨時根據購股權計劃的條款行使購股權，惟須行使購股權的期間不得超出自授出購股權日期起計10年。

6. 接納時間及接納購股權時應付的款項

合資格參與人士可於授出購股權當日起計28日期間接納購股權。接納購股權後，承授人須支付1.00港元予本公司，作為獲授購股權的代價。

7. 認購價的釐定基準

認購價將為董事會釐定之價格，惟不可低於以下各項的最高者：(i)於授出購股權日期(必須為營業日)聯交所日報表所載的股份收市價；(ii)於緊接授出購股權當日前五個營業日聯交所日報表所載的股份平均收市價；及(iii)股份面值。

8. 購股權計劃期限

購股權計劃由二零一七年六月三十日開始十年期間有效。

於本年度及於二零一八年十二月三十一日，並無購股權計劃項下未行使購股權或本公司根據購股權計劃已授出或同意授出的購股權。

DISCLOSURE OF INTERESTS

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

As at 31 December 2018, the interest or short positions of the Directors and chief executive of the Company in Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as were required to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or as were recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code"):

權益披露

董事及最高行政人員於本公司股份、相關股份及債權證的權益及淡倉

於二零一八年十二月三十一日，董事及本公司最高行政人員於本公司或其任何相聯法團(按證券及期貨條例第XV部所指的涵義)的任何股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例的該等條文彼等被當作或視為擁有的權益或淡倉)，或記錄於根據證券及期貨條例第352條須備存的登記冊的權益或淡倉，或已根據上市規則附錄十所載的上市發行人董事進行證券交易的標準守則(「標準守則」)知會本公司及聯交所的權益或淡倉。

Name of Director 董事姓名	Company/name of associated corporation 公司/相聯法團名稱	Nature of interest 權益性質	Number of Shares 股份數目		Approximate % of shareholding 概約持股百分比
			Long Position 好倉	Short Position 淡倉	
Wong Danny F.	The Company	Interest in controlled corporation	268,578,637	—	6.21 (Note 1)
汪曉峰	本公司	受控制法團之權益			(附註1)
Xie Xiangrong	The Company	Beneficial owner	600,000	—	0.01 (Note 2)
謝湘蓉	本公司	實益擁有人			(附註2)

Note:

- These Shares are registered in name of CCM Asia Investment Corporation, CCM Asia Investment Corporation is wholly owned by CCM Finance Corporation and CCM Finance Corporation is wholly owned by Mr. Wong Danny F., a former executive Director of the Company. Under the SFO, Mr. Wong Danny F. is deemed to be interested in all the shares registered in the name of CCM Asia Investment Corporation.
- These Shares are owned by Ms. Xie Xiangrong as beneficial owner, the Chairman and a non-executive Director of the Company.

附註:

- 該等股份以CCM Asia Investment Corporation名義登記，CCM Asia Investment Corporation由CCM Finance Corporation全資擁有，而CCM Finance Corporation由本公司前任執行董事汪曉峰先生全資擁有。根據證券及期貨條例，汪曉峰先生被視為於所有以CCM Asia Investment Corporation名義登記之股份擁有權益。
- 該等股份由本公司主席兼非執行董事謝湘蓉女士實益擁有。

Report of the Directors 董事報告

Save as disclosed above, as at 31 December 2018, none of the Directors nor chief executive of the Company had registered any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to be under such provisions of the SFO), or as were recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Substantial Shareholders' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

So far as the Directors are aware, as at 31 December 2018, the following persons or corporations, other than the Directors or chief executive of the Company, had or were deemed or taken to have interests or short positions in the Shares and underlying Shares of the Company which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

除上文所披露者外，於二零一八年十二月三十一日，概無董事及本公司最高行政人員於本公司或其任何相聯法團（按證券及期貨條例第XV部所指的涵義）的任何股份、相關股份或債權證中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益或淡倉（包括根據證券及期貨條例的該等條文彼等被當作或視為擁有的權益或淡倉），或記錄於根據證券及期貨條例第352條須備存的登記冊的權益或淡倉，或已根據標準守則知會本公司及聯交所的權益或淡倉。

主要股東於本公司股份及相關股份的權益及淡倉

就董事所知，於二零一八年十二月三十一日，以下人士或公司（除董事或本公司最高行政人員外）於本公司的股份及相關股份中擁有或被視為或當作擁有根據證券及期貨條例第XV部第2及3分部的條文須向本公司披露的權益或淡倉，或記錄於本公司根據證券及期貨條例第336條須備存的權益登記冊的權益或淡倉：

Name 名稱	Capacity and nature of interest 身份及權益性質	Number of Shares 普通股數目	Approximate% shareholding 概約持股百分比
CCM Asia Investment Corporation	Beneficial owner	268,578,637 (Note 1)	6.21
CCM Asia Investment Corporation CCM Financial Corporation	實益擁有人 Interest in controlled corporation	268,578,637 (Note 1)	6.21
CCM Financial Corporation Sino Portfolio International Limited	於受控制法團之權益 Security interest	268,578,637 (Note 2)	6.21
Sino Portfolio International Limited Angela Chen	擔保權益 Interest in controlled corporation	268,578,637 (Note 2)	6.21
Angela Chen女士	於受控制法團之權益	(Note 2)	

Notes:

1. Mr. Wong Danny F., a former executive director of the Company, is the sole shareholder of CCM Financial Corporation which in turn is the sole shareholder of CCM Asia Investment Corporation. CCM Financial Corporation and Mr. Wong Danny F. are therefore deemed to be interested in the shares and underlying shares of the Company held by CCM Asia Investment Corporation under the SFO.
2. Sino Portfolio International Limited, a company incorporated in the Republic of Seychelles ("Sino Portfolio"), has a security interest in 268,578,637 shares of the Company. Sino Portfolio is wholly-owned by Ms. Angela Chen. Ms. Angela Chen is therefore deemed to be interested in 268,578,637 shares of the Company which Sino Portfolio has a security interest in under the SFO.

All the interests stated above represent long positions. As at 31 December 2018, no short position were recorded in the register kept by the Company under Section 336 of the SFO.

Save as disclosed above, the Company has not been notified by any persons or corporations, other than the Directors or chief executives of the Company, who had or were deemed or taken to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as at 31 December 2018.

MANAGEMENT CONTRACTS

There is no contract entered into by the Company relating to its management and administration of the entire or any substantial part of the business of the Group.

EMOLUMENT POLICY AND REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

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

附註：

1. 汪曉峰先生(本公司之前任執行董事)乃CCM Financial Corporation唯一股東，該公司乃CCM Asia Investment Corporation唯一股東。根據證券及期貨條例，CCM Financial Corporation及汪曉峰先生因此被視為於CCM Asia Investment Corporation持有之本公司股份及相關股份中擁有權益。
2. Sino Portfolio International Limited (「Sino Portfolio」，一間於塞舌爾共和國註冊成立之公司)於本公司268,578,637股股份中擁有擔保權益。Sino Portfolio由Angela Chen女士全資擁有。根據證券及期貨條例，Angela Chen女士因此被視為於Sino Portfolio擁有擔保權益之本公司268,578,637股股份中擁有權益。

上述所有權益均為好倉。於二零一八年十二月三十一日，本公司根據證券及期貨條例第336條須備存的登記冊中並無任何淡倉記錄。

除上文所披露者外，於二零一八年十二月三十一日，本公司並無獲任何人士或公司(除董事或本公司最高行政人員外)知會其於本公司的股份或相關股份中擁有或被視為或當作擁有根據證券及期貨條例第XV部第2及3分部的條文須向本公司披露的任何權益或淡倉，或記錄於本公司根據證券及期貨條例第336條須備存的權益登記冊的任何權益或淡倉。

管理合約

本公司並無就其管理及行政事務訂立任何對本集團全部或任何主要部分業務而言關係重大的合約。

酬金政策及董事及五名最高薪酬人士的薪酬

本集團的僱員酬金政策乃由董事會根據僱員的功績、資格及能力而釐定。

Report of the Directors 董事報告

The employees of the subsidiaries in the PRC are required to participate in a defined central pension scheme managed by the local municipal government of the areas in the PRC in which they operate. The subsidiaries are required to contribute a certain percentage of the relevant part of the payroll of these employees to the central pension scheme. Under the MPF System the Hong Kong employees are required to make regular mandatory contributions calculated at 5% of the employee's relevant income to an MPF scheme, subject to the minimum and maximum relevant income levels. No forfeited contribution is available to reduce the existing level of contributions for the defined contribution scheme.

The Company has adopted a share option scheme as incentive to Directors and eligible employees, details of which are set out in the paragraph headed "Share Option Scheme" above.

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

Details of the Directors' remuneration and the five highest paid individuals are set out in notes 12 and 13, respectively, to the audited consolidated financial statements.

No Director has waived or has agreed to waive any emolument during the Year.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

CORPORATE GOVERNANCE

In the opinion of the Directors, the Company has complied with the Corporate Governance Code in Appendix 14 to the Listing Rules during the Year, except for code provision A.2.1, A.4.1 and E.1.2 as set out above. Details of the corporate governance of the Company are set out in the Corporate Governance Report on pages 21 to 43.

中國附屬公司的僱員須參與其經營所在的中國地方市政府運作的界定中央退休金計劃。該等附屬公司須根據該等僱員薪金有關部份按特定比率向中央退休金計劃供款。根據強制性公積金計劃，香港僱員須按最低及最高相關收入水平按照僱員相關收入之5%計算強積金計劃之強制性供款。概無已沒收供款減少界定供款計劃之現有供款水平。

本公司已採納購股權計劃以激勵董事及合資格僱員，詳情載於上文「購股權計劃」一段。

董事的酬金乃由董事會及薪酬委員會經考慮本公司的經營業績、董事的個人表現及可比較市場數據後決定。

董事薪酬及五名最高薪酬人士的詳情分別載於經審核財務報表附註12及13。

於本年度內，並無董事放棄或已同意放棄任何酬金。

優先購買權

章程細則或開曼群島法例並無訂有任何優先購買權條文規定本公司須按現有股東的持股比例發售新股。

企業管治

董事認為，除上市規則附錄十四企業管治守則所載的守則條文第A.2.1條、第A.4.1條及第E.1.2條外，本公司於本年度已遵守企業管治守則。有關本公司企業管治的詳情載於第21至43頁的企業管治報告。



SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed minimum public float under the Listing Rules during the Year and at any time up to the date of this report.

PURCHASE, SALE OR REDEMPTION OF SHARES

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

RELIEF OF TAXATION

The Company is not aware of any relief from taxation available to its shareholders by reason of their holding of the shares of the Company.

BUSINESS REVIEW AND PRINCIPAL RISKS AND UNCERTAINTIES

The business review of the Group for the Year, an indication of likely future developments in the Group's business and the principal risks and uncertainties facing the Group are included in the "Management Discussion and Analysis" in this report on page 9 to 20. Those discussions form part of this Report of the Directors.

EVENTS AFTER THE REPORTING PERIOD

Placing of New Shares Under Specific Mandate

On 4 January 2019, Chung Lee Securities Company Limited as the placing agent ("**Chung Lee**") and the Company entered into a placing agreement (the "**2019 Placing Agreement**") pursuant to which the Company has conditionally agreed to place through Chung Lee, on a best effort basis, up to 8,600,000,000 placing shares (the "**New Placing Shares**") to expected to be not less than six placees who and whose ultimate beneficial owners shall be independent third parties (the "**New Placees**") at the placing price of HK\$0.018 per New Placing Share (the "**2019 Placing**"). The New Placing Shares would be issued under the specific mandate obtained at the extraordinary general meeting the Company on 5 March 2019.

足夠的公眾持股量

根據本公司獲得的公開資料及就董事所知，於本年度及於截至本報告日期止任何時間內，本公司已維持上市規則訂定的最低公眾持股量。

購買、出售或贖回股份

於本年度，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

稅務寬減

本公司並不知悉其股東可因持有本公司的股份而獲享任何稅務寬減。

業務回顧以及主要風險及不明確因素

本集團於本年度的業務回顧、顯示本集團未來可能業務發展，以及本集團面臨的主要風險及不明確因素載於本報告第9至20頁的「管理層討論及分析」內。此業務回顧屬於本董事會報告一部分。

報告期後事件

根據特定授權配售新股份

於二零一九年一月四日，眾利股票有限公司（「眾利」，作為配售代理）與本公司訂立配售協議（「二零一九年配售協議」），據此，本公司有條件同意通過眾利按竭誠基準向預期不少於六名最終實益擁有人為獨立第三方之承配人（「新承配人」）以每股新配售股份（「新配售股份」）0.018港元的配售價配售最多8,600,000,000股新配售股份（「二零一九年配售事項」）。新配售股份會根據於二零一九年三月五日舉行之股東特別大會上取得之特定授權發行。

Report of the Directors 董事報告

All conditions of the Placing Agreement had been fulfilled and the completion of the Placing took place on 16 April 2019 in accordance with the terms and conditions of the Placing Agreement. A total of 482,220,000 Placing Shares had been successfully placed by the Kingston to not less than six Placees at the placing price of HK\$0.18 per Placing Share pursuant to the terms and conditions of the Placing Agreement. Details of the Placing Agreement were set out in the announcements of the Company dated 4 January 2019 and 16 April 2019.

Share Consolidation

At the extraordinary general meeting of the Company held on 5 March 2019, an ordinary resolution was duly passed under which every 10 existing issued and unissued ordinary shares of par value of HK\$0.01 each in the share capital of the Company as of 6 March 2019 was consolidated into 1 ordinary share of par value of HK\$0.10 each (the “**Share Consolidation**”). The authorized and issued share capital of the Company were decreased immediately after the Share Consolidation. The total number of authorised shares of the Company was decreased from 20,000,000,000 ordinary shares to 2,000,000,000 ordinary shares and the total number of issued shares was decreased from 4,324,069,642 ordinary shares to 432,406,964 ordinary shares.

Proposed Acquisition

On 26 February 2019, Shenzhen Qianhai National Enterprise Consulting Limited* (深圳前海國盛企業諮詢有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company, entered into a non-legally binding memorandum of understanding in connection with the proposed acquisition of 20% equity interest in Xiangxi Zhonghui Trading Limited* (湘西眾薈商貿有限公司) (the “**Target Company**”). The Target Company is a limited liability company established in the PRC on 24 December 2015 with registered capital of RMB10 million and is engaged in agricultural product cultivation, production, processing and sales in the PRC. The terms of the proposed acquisition are subject to further negotiation and the signing of a formal sale and purchase agreement within 180 days after the date of the memorandum of understanding or such longer period as extended by mutual agreement between the parties. For details, please refer to the Company’s announcements dated 26 February 2019.

二零一九年配售協議之所有條件已獲達成，而二零一九年配售事項已按照二零一九年配售協議之條款及條件於二零一九年四月十六日完成。合共482,220,000股新配售股份已由眾利根據二零一九年配售協議之條款及條件以每股新配售股份0.18港元的配售價配售予不少於六名承配人。有關二零一九年配售協議之詳情載列於本公司日期為二零一九年一月四日及日期為二零一九年四月十六日之公告。

股份合併

於二零一九年三月五日舉行之本公司股東特別大會上，一項普通決議案獲證實通過，據此，於二零一九年三月六日本公司股本中每10股每股面值0.01港元已發行及未發行之現有普通股將合併為一股每股面值0.10港元之普通股（「股份合併」）。緊接股份合併後，本公司之法定及已發行股本減少。本公司法定股份由20,000,000,000股普通股減少至2,000,000,000股普通股，及已發行股份總數由4,324,069,642股普通股減少至432,406,964股普通股。

建議收購事項

於二零一九年二月二十六日，深圳前海國盛企業諮詢有限公司（於中國成立之有限責任公司及本公司之間接全資附屬公司）就建議收購湘西眾薈商貿有限公司（「**目標公司**」）之20%股本權益訂立並無法律約束力之諒解備忘錄。目標公司為一間於二零一五年十二月二十四日在中國成立的有限公司，註冊資本為人民幣10,000,000元，從事於中國之農產品種植、生產、加工和銷售。建議收購事項之條款須待進一步磋商並於諒解備忘錄日期起計180日內（或經訂約方互相協定延長的較長期限）簽訂正式買賣協議後，方始作實。有關詳情，請參閱本公司日期為二零一九年二月二十六日之公告。

On 22 March 2019, the Company and OBOR Investments Fund Management Limited (the “**Purchaser**”) entered into the sale and purchase agreement, pursuant to which the Company agreed to dispose and the Purchaser agreed to acquire a collection of assets at an aggregate consideration of HK\$5,838,000. The entire issued share capital of the Purchaser is owned by the Purchaser, Mr. Wong Danny F., a former executive Director who resigned on 18 March 2019. For details, please refer to the Company’s announcements dated 22 March 2019.

Except as disclosed in this report, since 31 December 2018 and up to the date hereof, no important events has occurred affecting the Group.

AUDITORS

The consolidated financial statements of the Group for the Year have been audited by HLB Hodgson Impey Cheng Limited, who will retire and, being eligible, offer themselves for re-appointment at the 2019 AGM. A resolution will be submitted to the 2019 AGM to re-appoint Messrs. HLB Hodgson Impey Cheng Limited as auditors of the Company.

The Company has not changed its external auditors since 25 March 2003.

On behalf of the Board

Xie Xiangrong

Chairperson and Non-executive Director

Hong Kong, 26 March 2019

於二零一九年三月二十二日，本公司與一帶一路基金管理有限公司(「**買方**」)訂立買賣協議，據此，本公司同意出售且買方同意收購一組資產，總代價為5,838,000港元。買方之全部已發行股本由於二零一九年三月十八日辭任之前任執行董事汪曉峰先生擁有。有關詳情，請參閱本公司日期為二零一九年三月二十二日之公告。

除於本報告所披露者外，自二零一八年十二月三十一日及直至本日期，並無發生任何影響本集團之重要事件。

核數師

本集團本年度綜合財務報表經國衛會計師事務所有限公司審核。國衛會計師事務所有限公司將於二零一九年股東週年大會退任，並符合資格願意獲重新委任。有關重新委任國衛會計師事務所有限公司為本公司核數師之決議案將於二零一九年股東週年大會上提呈。

本公司自二零零三年以來並無更換外部核數師。

代表董事會

謝湘蓉

主席兼非執行董事

香港，二零一九年三月二十六日

Biography of Directors and Senior Management

董事及高級管理層簡歷

EXECUTIVE DIRECTORS

Mr. Chan Cheong Yee, aged 54, was appointed as an executive Director of the Company on 27 November 2018. Mr. Chan obtained a Bachelor of Science degree from the College of Business Administration of The University of South Florida in the United States of America. Mr. Chan is experienced in dealing in securities, fund management, corporate management, corporate finance and managing listed investment companies under Chapter 21 of the Listing Rules on the Stock Exchange. Currently, Mr. Chan is one of the responsible officers of China Everbright Securities (HK) Limited and a licensed person to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 3 (leveraged foreign exchange trading), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO.

Since June 2003, Mr. Chan has been appointed as an executive director of China Innovation Investment Limited, an investment company listed on the Main Board of the Stock Exchange (stock code: 1217). He was appointed as an independent non-executive director and an executive director of Bingo Group Holdings Limited, a company listed on GEM of the Stock Exchange (stock code: 8220) respectively, from August 2007 to April 2009 and from April 2009 to September 2018. He was appointed as an independent non-executive director of Agritrade Resources Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1131) from June 2010 to October 2015. Since March 2011, he has been appointed as an executive director of China Investment and Finance Group Limited, an investment company listed on the Main Board of the Stock Exchange (stock code: 1226). Since May 2012, he has been appointed as an executive director of China Investment Development Limited, an investment company listed on the Main Board of the Stock Exchange (stock code: 204). Since November 2012, he has been appointed as an executive director of Capital VC Limited, an investment company listed on the Main Board of the Stock Exchange (stock code: 2324). Since June 2013, he has been appointed as an executive director of China New Economy Fund Limited, an investment company listed on the Main Board of the Stock Exchange (stock code: 80). Since February 2016, he has been appointed as an executive director of China Trends Holdings limited, a company listed on GEM of the Stock Exchange (stock code: 8171).

執行董事

陳昌義先生，54歲，於二零一八年十一月二十七日獲委任為執行董事。陳先生獲美利堅合眾國南佛羅里達州大學工商管理學院理學士學位。陳先生於證券交易、基金管理、企業管理、企業融資及管理上市規則第21章項下上市投資公司方面擁有豐富經驗。陳先生現為中國光大證券(香港)有限公司其中一位負責人員，以及為根據證券及期貨條例可從事第1類(證券交易)、第2類(期貨合約交易)、第3類(槓桿式外匯交易)、第4類(就證券提供意見)及第9類(提供資產管理)受規管活動的持牌人士。

自二零零三年六月起，陳先生獲委任為中國創新投資有限公司(於聯交所主板上市之投資公司，股份代號：1217)之執行董事。彼於二零零七年八月至二零零九年四月以及於二零零九年四月至二零一八年九月曾分別獲委任為比高集團控股有限公司(於聯交所GEM上市之公司，股份代號：8220)之獨立非執行董事及執行董事。彼於二零一零年六月至二零一五年十月曾獲委任為鴻寶資源有限公司(於聯交所主板上市之公司，股份代號：1131)之獨立非執行董事。自二零一一年三月起，彼獲委任為中國投融資集團有限公司(於聯交所主板上市之投資公司，股份代號：1226)之執行董事。自二零一二年五月起，彼獲委任為中國投資開發有限公司(於聯交所主板上市之投資公司，股份代號：204)之執行董事。自二零一二年十一月起，彼獲委任為首都創投有限公司(於聯交所主板上市之投資公司，股份代號：2324)之執行董事。自二零一三年六月起，彼獲委任為中國新經濟投資有限公司(於聯交所主板上市之投資公司，股份代號：80)之執行董事。自二零一六年二月起，彼獲委任為中國趨勢控股有限公司(於聯交所GEM上市之公司，股份代號：8171)之執行董事。

NON-EXECUTIVE DIRECTORS

Ms. Xie Xiangrong, aged 66, was appointed as a non-executive Director of the Company on 8 October 2018. Ms. Xie graduated from the Chinese Department of Hunan Normal University. Ms. Xie is currently the vice president of the China Federation of Overseas Chinese Entrepreneurs. Ms. Xie has over 25 years of experience in international trade, project investment in real estate, biotechnology, emerging energy, tourism and scenic investment fields.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Liu Jin, aged 43, was appointed as an independent non-executive director of the Company on 21 May 2007. Mr. Liu holds a Bachelor's degree in International Economic Law from the Zhongnan University of Economics and Law. Mr. Liu has been a qualified solicitor in the PRC since 2001 and has various experience in merger and acquisition and corporate restructure in the PRC. Mr. Liu is currently a qualified solicitor practicing in Shenzhen, the PRC.

Mr. Li Li, aged 46, was appointed as an independent non-executive Director of the Company on 8 October 2018. Mr. Li holds a bachelor degree in business administration and is a China securities and futures certified accountant* (中國證券期貨特許註冊會計師) and a China registered asset appraiser* (中國註冊資產評估師). In 1999, Mr. Li worked as a deputy director of Beijing Yongtuo Certified Public Accountants Co., Ltd.* (北京永拓會計師事務所), and was in charge of the securities auditing business. In 2004, Mr. Li was the deputy general manager of Zhongxi Certified Public Accountants Co., Ltd.* (中喜會計師事務所有限責任公司). Mr. Li is currently the managing partner of Zhongxi Certified Public Accountants (Special General Partnership)* (中喜會計師事務所(特殊普通合夥)). Mr. Li has been an independent director of Beijing Huaye Real Estate Co., Ltd.* (北京華業地產股份有限公司) (stock code: 600240), a company listed in PRC and an independent non-executive director of China Investment Development Limited (Stock code: 204) since 30 July 2018, of which is listed on the Stock Exchange.

非執行董事

謝湘蓉女士，66歲，於二零一八年十月八日獲委任為本公司非執行董事兼董事會主席。謝女士畢業於湖南師範大學中文系。謝女士現任中國僑商會副會長。謝女士在國際貿易及項目投資方面擁有逾二十五年經驗，投資涉足房地產、生物科技、新興能源、旅遊及景區投資等領域。

獨立非執行董事

劉進先生，43歲，於二零零七年五月二十一日獲委任為獨立非執行董事。劉先生持有中南財經政法大學頒授之國際經濟法學士學位。劉先生自二零零一年起為中國合資格律師，於中國併購及企業重組方面擁有豐富經驗。劉先生現為中國深圳合資格執業律師。

李力先生，46歲，於二零一八年十月八日獲委任為獨立非執行董事。李先生持有工商管理學士學位，並為中國證券期貨特許註冊會計師及中國註冊資產評估師。李先生一九九九年起任職北京永拓會計師事務所，曾擔任該事務所副主任會計師，分管證券審計業務。二零零四年，李先生擔任中喜會計師事務所有限責任公司的副總經理，現為中喜會計師事務所(特殊普通合夥)的管理合夥人。李先生為一家於中國上市的北京華業地產股份有限公司(股份代號：600240)的獨立董事，及於二零一八年七月三十日起獲委任為聯交所上市的中國投資開發有限公司(股份代號：204)之獨立非執行董事。

Biography of Directors and Senior Management 董事及高級管理層簡歷

Ms. Chan So Fong, aged 45, was appointed as an independent non-executive Director of the Company on 20 November 2018. Ms. Chan obtained a Bachelor of Business Administration from The Chinese University of Hong Kong in December 1996. She has extensive experience in auditing and financial management. After her graduation, she worked in various companies from October 1996 to July 2005, including Ernst & Young. From August 2005 to May 2013, she worked as a Chief Financial Officer of China Beidahuang Industry Group Holdings Limited (formerly known as Sino Distillery Group Limited), a company listed on the Main Board of the Stock Exchange (stock code: 39). She was appointed as an independent non-executive director of Hao Bai International (Cayman) Limited, a company listed on the GEM of the Stock Exchange (stock code: 8431) from January 2017 to January 2018. She worked as company secretary of China Futex Holdings Limited, a company listed on the GEM of the Stock Exchange (stock code: 8506) from September 2017 to September 2018. She was the chief financial officer and company secretary of China Investment Development Limited, a company listed on the Main Board of the Stock Exchange (stock code: 204) from November 2018 to December 2018. Currently, Ms. Chan is a director of several private companies. Ms. Chan is and has been an Associate of Hong Kong Institute of Certified Public Accountant since July 2001 and a Fellow of The Association of Chartered Certified Accountants since November 2005.

Mr. Liao Kai, aged 27, was appointed as an independent non-executive Director of the Company on 20 November 2018. Mr. Liao obtained his bachelor's degree of Human Resources Management (人力資源管理) from South China Normal University* (華南師範大學) in January 2015. Mr. Liao has extensive experience in risk management and internal control. From May 2015 to January 2017, he worked as a Risk Control Manager of Kairuide (Shenzhen) Fund Management Limited* (凱瑞德(深圳)基金管理有限公司). Since January 2017, he has been worked as a general manager of Kai Hong (Shenzhen) Corporate Development Limited* (凱鴻(深圳)企業發展有限公司).

陳素芳女士，45歲，於二零一八年十一月二十日獲委任為獨立非執行董事。陳女士於一九九六年十二月獲得香港中文大學工商管理學士學位。彼於審核及財務管理方面擁有豐富經驗。畢業後，彼於一九九六年十月至二零零五年七月在多家工作，包括安永會計師事務所。於二零零五年八月至二零一三年五月，彼擔任聯交所主板上市公司中國北大荒實業集團控股有限公司(股份代號：39)(前稱中國釀酒集團有限公司)的財務總監。彼於二零一七年一月至二零一八年一月獲委任為聯交所GEM上市公司浩柏國際(開曼)有限公司(股份代號：8431)的獨立非執行董事。彼曾於二零一七年九月至二零一八年九月擔任聯交所GEM上市公司中國福紡控股有限公司(股份代號：8506)的公司秘書。目前，彼為聯交所主板上市公司中國投資開發有限公司(股份代號：204)的財務總監兼公司秘書。陳女士自二零零一年七月起成為香港會計師公會會員及自二零零五年十一月起成為特許公認會計師公會資深會員。

廖凱先生，27歲，於二零一八年十一月二十日獲委任為獨立非執行董事。廖先生於二零一五年一月獲得華南師範大學人力資源管理學士學位。廖先生於風險管理及內部控制方面擁有豐富經驗。彼於二零一五年五月至二零一七年一月擔任凱瑞德(深圳)基金管理有限公司的風控經理。自二零一七年一月起，彼一直擔任凱鴻(深圳)企業發展有限公司的總經理。

Environmental, Social and Governance Report

環境、社會及管治報告

ABOUT THIS REPORT

Overview

This report is the second annual Environmental, Social and Governance (hereafter abbreviated as “ESG”) Report of National Investments Fund Limited (referred herein as the “Company”, “we” or “us”), which mainly discloses the Company’s performance and management approach in relation to ESG.

Reporting Period

The information included in this report covers the period between 1 January 2018 to 31 December 2018, unless otherwise stated.

Guiding Principle

This report is prepared according to the amended “Environmental, Social and Governance Reporting Guide” (hereafter abbreviated as the “Guide”) issued in December 2015 set out in Appendix 27 of the Listing Rules of the Stock Exchange of Hong Kong Limited (hereafter abbreviated as the “HKEX”).

The contents of this report are determined according to a set of systematic procedures. Such procedures include: identifying and prioritizing key stakeholders, identifying and prioritizing key issues relating to ESG, determining ESG reporting boundary, collecting relevant materials and information, preparing the report based on such information, and reviewing the information set out in the report.

Reporting Scope and Boundary

The policies, statements, data and other contents in this report encompass all business scopes of the Company, unless otherwise stated.

Source of information and Reliability Assurance

The relevant information and cases set out in this report are mainly derived from the statistic reports and relevant documents of the Company. This report contains no false information or misleading statements. The Board is responsible for the truthfulness, accuracy and completeness of its contents.

Confirmation and Approval by the Board

This report is approved by the Board on 26 March 2019 following reviewed by the Board.

關於本報告

概覽

本報告為國盛投資基金公司(於本報告提述為「本公司」、「我們」)的第二份環境、社會及管治(以下簡稱「ESG」)年度報告，主要披露本公司在ESG方面的表現及管理方針。

報告期

除另有註明外，本報告所載資料涵蓋二零一八年一月一日至二零一八年十二月三十一日。

編製依據

本報告根據香港聯合交易所有限公司(以下簡稱「香港聯交所」)上市規則附錄二十七所載的於二零一五年十二月公佈經修訂的《環境、社會及管治報告指引》(以下簡稱「指引」)進行編製。

本報告內容是按照一套有系統的程序而釐定的。有關程序包括：識別和排列重要的權益人、識別和排列ESG相關重要議題、決定ESG報告的界限、收集相關材料和資料、根據資料編製報告以及對報告中的資料進行審閱等。

報告範圍及邊界

除另有註明，本報告中的政策、聲明、數據等內容涵蓋本公司涉及的所有業務範圍。

資料來源及可靠性保證

本報告的相關資料和案例主要來源於本公司統計報告和相關文檔。本報告不存在任何虛假記載、誤導性陳述。董事會對其內容真實性、準確性和完整性負責。

董事會確認及批准

本報告經管理層審閱後，於二零一九年三月二十六日獲董事會通過。

1. ESG MANAGEMENT

As a diversified investment company, the Company is committed to achieving sustainable development by carrying out its corporate social responsibility, balancing the interests between stakeholders such as shareholders and the community, while proactively seeking out to optimize its investment portfolio, and improving its strategies to increase the return value of stakeholders. Abiding by the requirements of the Main Board Listing Rules of the HKEX, the Company established and is gradually improving its ESG governance and management structure. We have established an internal ESG management structure led by the Board, with the Executive Committee as the core, and has its work carried out by the ESG Working Team, stipulating clear responsibility for the implementation of ESG management and objectives. The ESG Working Team reports to the Board regularly to help it assess and determine the effectiveness of the Company's risk management and internal control system in relation to ESG.

1. ESG 管理

本公司作為一家多元化的投資公司，積極尋求優化投資組合，提升股東回報的策略同時，恪守企業社會責任，平衡股東、社區等各權益人的利益，致力取得可持續發展。本公司根據香港聯交所《主板上市規則》要求，建立並逐步完善ESG治理架構。我們建立了以董事會牽頭、執行委員會為核心、ESG工作小組推動工作落實的ESG內部管理架構，明確ESG管理和目標的責任落實。ESG工作小組定期向董事會進行匯報，以助其評估及釐定本集團環境、社會及管治的風險管理及內部監控系統是否合適有效。



1.1 Stakeholders Identification and Communication

The effective participation of stakeholders is crucial to the ESG management of the Company. Adequate engagement with stakeholders allows the Company to accurately assess the impacts of its own decisions, truly understand the concerns of stakeholders, and provide timely response to the stakeholders' requests, allowing it to adjust its development direction.

We proactively reach out to understand and respond to the requests and expectations of stakeholders through various ways and channels, striving to create more integrated values for all parties. The table below sets out the concerned issues of different stakeholders during the reporting period.

1.1 權益人識別與溝通

權益人的有效參與對本公司ESG治理至關重要，保持與權益人的充分交流可以幫助本公司正確評估自身的決策影響，真正了解權益人的關切點，及時回應權益人的訴求，調整自身發展方向。

我們積極通過多種方式和管道主動了解並回應權益人的訴求與期望，力求為各方創造更多的綜合價值。下表列出報告期內，不同權益人組別所關注的議題。

Stakeholder 權益人組別	Issues 權益人關注的主要議題	Channels for communication/ feedback 溝通管道／反饋方式	Frequency/ Times 頻率／次數
Government and regulatory bodies 政府及監管機構	Boost local economic development Anti-corruption and Anti-fraud Legal compliance 促進本地區經濟發展 反貪腐及反舞弊 合規經營	– On-site investigations – Meetings – Relevant policies and regulations – 現場調研 – 會談 – 相關政策、規章檔	Non-scheduled 不定期
Shareholders/Investors 股東／投資者	Operation performance Risk control Responsible investment 經營業績 風險控制 責任投資	– General meetings – Investor conferences – Performance conferences – News releases/announcements – On-site investigations – 股東大會 – 投資者見面會 – 業績發佈會 – 新聞稿／公告 – 現場調研	Scheduled 定期

Environmental, Social and Governance Report

環境、社會及管治報告

Stakeholder 權益人組別	Issues 權益人關注的主要議題	Channels for communication/ feedback 溝通管道／反饋方式	Frequency/ Times 頻率／次數
Customers/Invested companies 客戶／所投資公司	Customer relationship	– Telephone/E-mail	Non-scheduled
	Responsible investment	– Surveys	Scheduled
	Risk control	– Conferences	
	客戶關係 責任投資 風險控制	– 電話／電子郵件 – 問卷 – 座談會	不定期 定期
Staff 員工	Staff training	– Staff interviews	Non-scheduled
	Health and safety	– Internal e-mails	Scheduled
	Employment and labour	– Staff meetings	
	Staff remuneration and benefits 員工培訓 健康與安全 僱傭與勞工 員工薪酬及福利	– 員工面談 – 內部電郵 – 員工會議	不定期 定期
Community 社區	Community service	– On-site investigations	Non-scheduled
	Boost local economic development	– Meetings	
	Responsible investment 公益服務 促進本地區經濟發展 責任投資	– 現場調研 – 會談	不定期



1.2 Identification of Material Issues

During the reporting period, we have fully understood the responses and disclosures of opinions and expectations towards the Company's ESG issues from different stakeholders through conducting media analysis, benchmarking with industry counterparts, and conducting interviews with stakeholders. This has provided a strong basis for our company to establish long-term strategies.

Our materiality assessment is mainly implemented in two stages. As shown in the following graph, we have first identified the material ESG issues that would impact the Company's business or stakeholders, and then prioritized potential material issues and understood the importance of such issues.

1.2 重要性議題識別

報告期內，我們通過開展媒體分析、同行對標及權益人訪談，全面了解各層面的權益人對本公司ESG議題回應及披露的意見及期望，為公司制定長遠戰略提供有力依據。

我們的重大性評估主要分成兩個階段執行。如下圖顯示，我們先識別各項可能對本公司業務或權益人造成影響的ESG重大性議題，然後對潛在重大性議題進行排序，了解議題重要程度。

Identify potential Material Issues 識別潛在重大性議題

By conducting a comprehensive review (which includes media analysis, benchmark analysis with industry counterparts and review of other relevant documents), we identified Material Issues that could reflect the impacts of the Company's business on the economy, the environment and the community, or Material Issues that would affect stakeholders' assessment of and decision on the Company.

我們透過詳細檢閱包括媒體分析、同行對標分析及其他相關文檔，識別能夠反映本公司業務對經濟、環境和社會的影響，或影響權益人對本公司評估和決策的潛在重要議題。

Prioritise potential Material Issues 對潛在重大性議題進行排序

The materiality matrix was compiled from the results of interviews with stakeholders which allowed us to gain an understanding of priority issues that mattered most to such stakeholders. We have identified genuine Material Issues from the matrix.

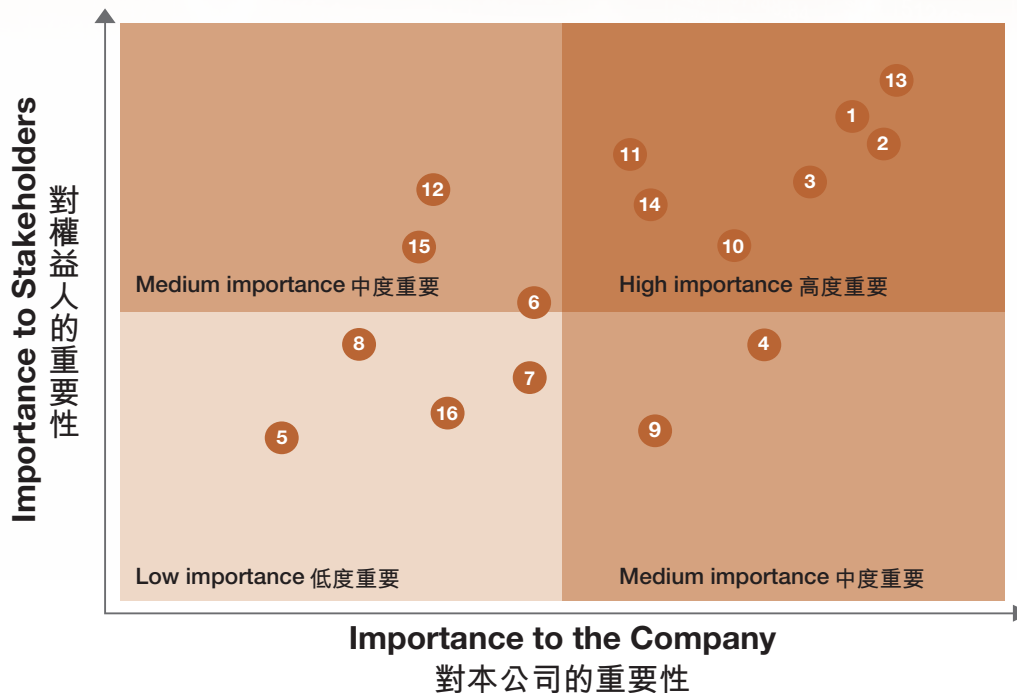
通過權益人訪談了解各權益人所關注的優先議題，最後得出重大性矩陣，由矩陣分析辨別真正具有重大性的議題。

1.3 Materiality Matrix

From the above assessment, we identified issues that are material to both the Company and stakeholders and derived therefrom a materiality matrix. The following items constitute the key points of this report, which will be disclosed in detail.

1.3 重大性議題矩陣

通過以上評估過程識別出對本公司和權益人兼具重要性的議題，得出重大性議題矩陣，構成本報告內容的重點部分，我們將會在本報告內詳細披露有關內容。

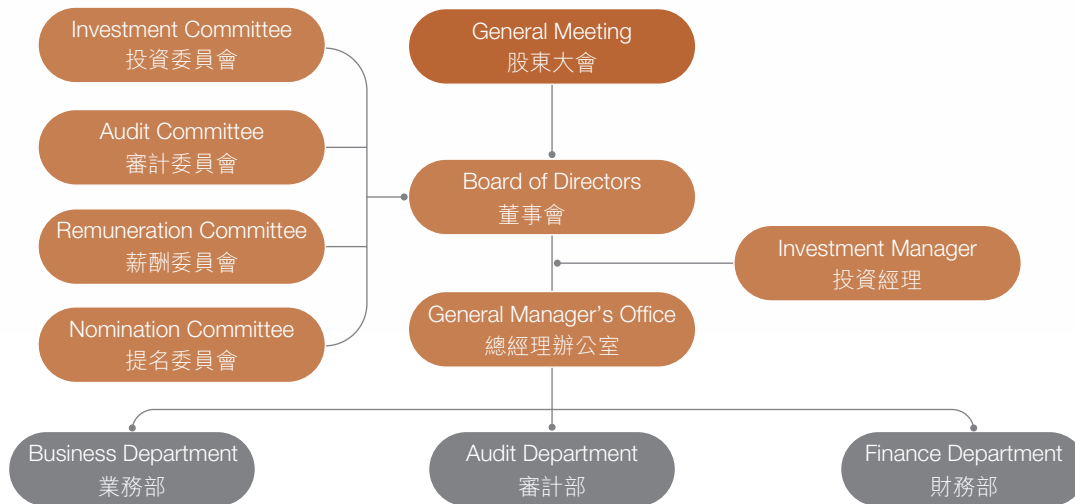


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|---|--|----|--|
| 1 | Legal compliance
合規經營 | 9 | Health and safety
健康與安全 |
| 2 | Risk control
風險控制 | 10 | Staff training
員工培訓 |
| 3 | Anti-corruption and Anti-fraud
反貪腐及反舞弊 | 11 | Employment and labour
僱傭與勞工 |
| 4 | Operation Performance
經營業績 | 12 | Community service
公益服務 |
| 5 | Boost local economic development
促進本地區經濟發展 | 13 | Responsible investment
責任投資 |
| 6 | Energy conservation and emission reduction
節能減排 | 14 | Staff remuneration and benefits
員工薪酬及福利 |
| 7 | Water conservation
節約用水 | 15 | Customer relationship
客戶關係 |
| 8 | Waste classification
廢物分類 | 16 | Customers' privacy
客戶私隱 |

2. GOVERNANCE RESPONSIBILITIES

2.1 Governance Structure

It is the principle of the Company to maximize its shareholders' value. We strongly believe that, by maintaining a good corporate structure, we are enabled to build an effective and transparent corporate operation system, and this ultimately brings benefits to our enterprise in general. In order to reasonably and effectively manage the Company and protect the interests of our investors and other stakeholders, the Company has set up a top-down governance structure. Details are as follows:



Besides, in addition to strictly abiding by the Listing Rules and regularly disclosing information in relation to our enterprise, the Company has established an internal control and management system, and regularly reviews its effectiveness, so as to promptly detect potential risks and ensure that our shareholders' interests are protected.

2. 管治責任

2.1 管治架構

本公司以實現股東價值最大化為原則，堅信良好的企業管治有助於建立高效、透明的企業營運機制，並最終為企業帶來整體效益。為合理有效地對本公司進行管理，保障投資者和其他權益人的利益，本公司設置了自上而下的管理體系，具體結構如下圖：

除此之外，本公司在嚴格遵守上市規則、定時披露企業相關資訊之餘，本公司設立內部監控及管理機制並定期檢討管理機制的成效，以便於及時發現潛在風險、確保股東權益得到保障。

2.2 Compliance

The Company strictly complies with the Main Board Listing Rules, Corporate Governance Code and other laws and regulations of the HKEX. On one hand, the Company applies a three-tier management system consisting of external regulation, internal control and risk management, and reviews the effectiveness of our management regularly, so as to ensure the healthy and sustainable development of the management of our operations and our financial data. On the other hand, the Company respects and values fair trade. We strictly abide by the Disclosure of Inside Information and Price Sensitive Information and Privacy Policies of the Company during our investment and operation processes. We have also designated officers to continuously monitor changes within our operating scope, to ensure that all non-published information, information that may constitute inside information, or price sensitive information are kept confidential. As a financial investment company, the Company has always maintained a high level of integrity and has strictly abided by the Code for Securities Transactions by Directors and Employees of the Company during our operations to eradicate financial crimes.

2.3 Anti-corruption and Anti-fraud

To avoid frauds, enhance the level of management and internal control, and lower the risks that the company faces, so as to ensure its sustainability, stability and healthy development, the Company has established the Anti-fraud Policy which is consistent with the development and operation of the Company, in accordance with the requirements of relevant laws and regulations, taking into account the actual situation of the Company and the results of benchmarking with industry counterparts. The policy is applicable to all staff members and Directors of the Company. It prescribes reporting channels and anti-fraud measures. By conducting regular fraud risk assessments and fraud investigations, we exercise stringent control over the Company's management. During the reporting period, we have not identified any litigation cases in relation to corruption or bribery.

2.2 合規經營

本公司嚴格遵守香港聯合交易所《主板上市規則》《企業管治守則》等法律法規。一方面，本公司採用外部監管、內部監控、及風險管理三級制度並行的管理方式，定期檢討公司管理成效，以確保公司營運管理、財務數據健康可持續發展。另一方面，本公司尊重並崇尚公平交易，在投資營運過程中嚴格遵守公司《內幕資訊及股價敏感資料披露及保密政策》，由專人負責持續監察營運範圍內的變動情況，以確保所有未經發佈或可能構成內幕消息、股價敏感資料的資訊保密。作為金融投資公司，在經營過程中，本公司一直高度誠信，嚴格遵守公司《董事及僱員進行證券交易守則》，杜絕金融犯罪。

2.3 反貪腐及反舞弊

為防止舞弊現象，加強公司管理、內部監控、降低公司風險，以保證公司持續、穩定、健康發展，本公司根據相關法律法規的要求，結合公司實際情況並結合同行對標結果，制定了符合公司發展及營運情況的《防舞弊政策》。該政策適用於本公司所有員工及董事，明確檢舉渠道以及反舞弊措施，通過定期進行舞弊風險評估、舞弊調查以嚴格把控公司管理。報告期內，我們未發生任何貪污腐敗訴訟案件。

3. ENVIRONMENTAL RESPONSIBILITIES

3.1 Responsible Investment

The Company actively puts responsible investment into practice by conducting preliminary due diligence review and investment analysis. During the selection of our investment targets, we pay attention to the financial and business performance of such companies, and at the same time, consider their fulfilment of environmental protection obligations, to comprehensively assess our investment risks and impact. After making investments, we take the initiative to fulfil our responsibilities as investors. Although the Company has no decision-making power over our investees, we still pay attention to their enterprise, and incorporate supervision and the enhancement of their sustainable development standards into our daily project management processes. For example, with regard to our investment in agricultural and forestry development and cultivation, we require and ensure that the planters are given adequate protection and reasonable benefits, such as insurance for work injuries. With regard to our investment in biopharmaceutical and regenerative medical systems and products, the Company monitors our investees to ensure the safety of their production and research processes such as safeguarding the personal safety of researchers and other employees by reducing their risks of inhaling or intaking hazardous chemical substances. While continuing to create value for our own investment projects, we strive to promote the harmonious development of the economy, the environment and the society.

3. 環境責任

3.1 責任投資

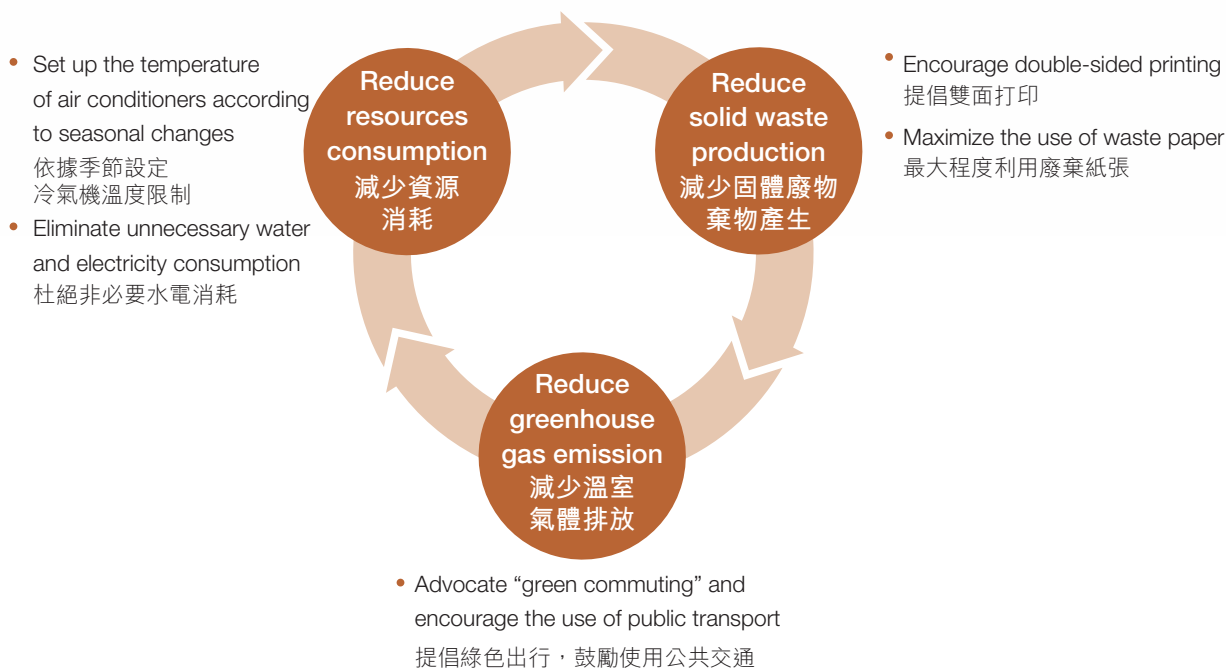
本公司積極踐行責任投資，開展前期盡職調查和投資分析。在選擇投資的企業時，不僅關注其財務、業績方面的表現，同時考量企業在環境保護方面的履行情況，全面評估投資風險和影響。投資後主動踐行投資者責任，儘管本公司對所投資公司沒有決策權，我們依然關注所投資的企業，把監督和提升其可持續發展水準融入到日常項目管理過程中。例如，在投資農林的開發及種植方面，我們要求確保種植人員得到足夠保護及合理福利，如工傷意外保險保障等。在投資生物製藥和再生醫學系統及產品方面，本公司監督所投資公司確保生產及科研過程安全，如保障科研人員及其他僱員的生命安全，減少他們吸入或攝取化學有害物質等。我們在持續使自身投資項目創造價值的同時，努力推動經濟、環境和社會的和諧發展。

3.2 Environmental Management

The Company respects the nature, hence we consider the protection of the environment and natural resources as an important aspect within our company's development strategies. While we strictly abide by the *Air Pollution Control Ordinance*, the *Noise Control Ordinance*, and other laws and regulations related to the environment, we advocate "green working". Despite the business scope of the Company having no material impact on the environment and natural resources, the Company still stands firm on our practices in relation to energy conservation and resource usage. We comply with the waste classification requirements of our properties and do our best to reduce the negative impact we bring to the environment and natural resources.

3.2 環境管理

本公司尊重自然，將保護環境及自然資源視為公司發展戰略中的重要環節。在嚴格遵守《空氣污染管制條例》《噪音管制條例》等環境相關法律法規的同時，提倡綠色辦公。儘管本公司業務範圍內不涉及對環境及自然資源造成重大影響，本公司依舊堅持節約能源及資源的使用，配合物業進行廢物分類，盡己所能採取減少對環境及自然資源的負面影響。



3.3 Environmental Performance

3.3 環境績效

As at 31 December 2018
截至二零一八年十二月三十一日

Type 類別		Unit 單位	Total amount 總量	Unit 單位	Intensity (per capita consumption) 密度 (人均消耗量)
Direct energy consumption 直接能源消耗量	Gasoline 汽油	Litre 升	14,553	Litre per capita 升/人	3,638
Total amount of direct energy consumed 直接能源消耗總量		Tonne of coal equivalent (TCE) 噸標準煤	15.52	TCE per capita 噸標煤/人	3.88
Indirect energy consumption 間接能源消耗量	Purchased power 外購電力	kWh 千瓦時	61,924	kWh per capita 千瓦時/人	15,481
Total amount of indirect energy consumed 間接能源消耗總量		Tonne of coal equivalent (TCE) 噸標準煤	7.61	TCE per capita 噸標煤/人	1.90
Total amount of energy consumed 能源消耗總量		Tonne of coal equivalent (TCE) 噸標準煤	23.13	TCE per capita 噸標煤/人	5.78
Greenhouse gas emission* 溫室氣體排放量*	Scope I 範疇一	Tonne 噸	79.58	Tonne per capita 噸/人	19.89
	Scope II 範疇二	Tonne 噸	39.01	Tonne per capita 噸/人	9.75
	Total 合計	Tonne 噸	118.59	Tonne per capita 噸/人	29.65
Amount of office paper consumed 辦公室用紙量		Kg 公斤	100	Kg per capita 公斤/人	25

* Greenhouse gas included in Scope I mainly represented the greenhouse gas emissions directly produced by operations owned or controlled by the Company; whereas greenhouse gas included in Scope II mainly represented the greenhouse gas emissions from the internal consumption of purchased energy by the Company.

* 範疇一溫室氣體主要來自本集團擁有或控制的業務直接產生的溫室氣體排放；範疇二溫室氣體主要來自公司內部消耗外購的間接能源溫室氣體排放。

4. SOCIAL RESPONSIBILITIES

4.1 Staff

4.1.1 Employment and Labour Practices

The Company strictly abides by the relevant requirements of the *Employment Ordinance (Cap 57, Law of Hong Kong)* of Hong Kong, China, and has formulated the Staff Manual in accordance with its own development needs. As part of the staff employment contract, the Manual detailed the policies and systems of the Company in relation to the employment and the protection of fundamental rights of its staff. We prohibit discrimination on grounds of gender, age and race etc.. We are also committed to treating every staff in a fair and impartial manner. The Company undertakes not to employ any child or forced labour, and to eradicate such practices by carrying out a prudent review of the profiles of job candidates during our recruitment process.

The Company originally had 20 employees, the majority of which were Hong Kong local employees. Due to the Company Reorganization commenced in the second half of 2018, there are 4 staff members and 6 director members in the Company as at 31 December.

4.1.2 Remuneration and Benefits

The Company upholds the principles of equality, fairness and transparency, and provides reasonable and competitive remuneration packages for our staff. Leaves and other benefits are enforced in accordance to the relevant requirements of the *Employment Ordinance (Cap 57, Law of Hong Kong)*. To fully realise value to our staff, the Company conducts performance assessments annually, and adjusts the remuneration and benefits of our staff based on their positions, skills, abilities and performance. At the same time, we have established a reasonable reward and punishment system, to set up standards for staff behaviour and to motivate our staff.

4. 社會責任

4.1 員工

4.1.1 僱傭與勞工常規

本公司嚴格遵守中國香港《僱傭條例》(香港法例第57章)的相關規定，結合自身發展需要，制定了《員工手冊》。作為員工僱傭合約的一部分，此手冊詳細闡述了本公司在員工僱傭和基本權益保障方面的政策和制度。我們反對任何性別、年齡及種族等的歧視行為，堅持以公平公正的態度對待每一位員工。本公司承諾不使用童工和強制勞工，在招聘過程中認真審核求職者資料，杜絕聘用童工和強制勞工現象的發生。

本公司原有20名僱員，多為香港本地員工。由於二零一八年下半年開始的公司重組，截至十二月三十一日，本公司員工數為4名，董事成員6名。

4.1.2 薪酬福利

本公司堅持公平、公正、透明的原則，為員工提供合理且具有競爭力的薪資。假期及其他福利待遇均按照政府《僱傭條例》(香港法例第57章)的相關規定執行。為充分體現員工價值回報，本公司會進行年度表現評估，根據員工的職位、技術、能力、業績等進行薪酬福利調整。同時，我們設立合理的獎罰制度，以規範員工行為，激勵員工。

Welfare packages 福利待遇

- ✓ Statutory holiday
法定假期
- ✓ Annual leave
年假
- ✓ Sick leave and sickness allowance
病假以及疾病津貼
- ✓ Maternity leave
分娩假(產假)
- ✓ Marriage leave
婚姻假期
- ✓ Compassionate leave
喪葬假期
- ✓ Jury duty leave
陪審團服務休假

4.1.3 Health and Safety

The Company strives to provide a safe, healthy and comfortable working environment for its staff. Despite the principal business location of our staff being an indoor office, we have still established a set of safety codes for working environments, which detailed the safety management approaches towards environmental hygiene and cleanliness, smoke and fire prevention, typhoon and storm preparations, and other emergency response plans, and established effective risk assessment and control measures. Our staff are required to strictly abide by the above safety codes. At the same time, we provide safety code trainings and emergency drills for our staff to increase their own occupational health and safety awareness and ensure that they receive adequate protection in relation to their health and safety.

During the reporting period, the Company was not subject to any injuries or casualties in relation to work.

4.1.3 健康與安全

本公司致力於為員工提供安全、健康與舒適的工作環境。儘管公司員工主要辦公地點為室內辦公室，我們仍然建立了一系列內部工作安全守則，在環境衛生整潔、禁煙防火、防颱風抗暴雨、以及突發事件處理等方面均明確安全管理辦法，制定有效的風險評估和控制措施，並要求員工嚴格遵守。同時，我們為員工提供安全守則培訓以及演戲活動，以提高員工自身職業健康與安全意識，確保員工的健康及安全受到充足的保護。

報告期內，本公司未有因工作關係發生的傷亡事故。

4.1.4 Training and Development

The Company values the enhancement of the comprehensive quality and professional skills of its staff and Directors. To ensure the fulfilment of obligations and duties by our Directors, and that they have continuous access to all kinds of information and are able to contribute to the Board when necessary, the Company requires our secretary to regularly provide information in relation to the Listing Rules and corporate management practices to all Directors, to ensure that all Directors will abide by such rules and regulations. In addition, we encourage our Directors and staff to actively participate in online and offline seminars or training courses that satisfy their job requirements. Training grants are also provided following the approval of department heads.

During the reporting period, the total number of staff members trained was 40, and the training hours amounted to 55.75 hours.

4.1.5 Caring and Communication

The Company values staff opinions and the communication between staff members. Our staff can provide feedbacks and complaints through emails and in meetings. Designated officers are assigned by the Company to collect and reply to such feedback. In addition, we solicit staff opinions and organize annual gatherings and themed parties according to the majority preference.

4.2 Community

The Company is committed to fulfilling its social obligations while it continues to develop. We continue to participate in charity donations in relation to education. During the reporting period, the Company donated HK\$100,000 and books to an international school in Hong Kong, to improve their education conditions, which helps to nurture future talents.

In order to better promote community services, the Company will seek out to donate to charitable, non-profit or educational organizations and funds that share the same philosophy as us, and encourage our staff to participate in volunteer work on an individual basis. We aim to truly live up to the principle of “giving back to the community”.

4.1.4 培訓與發展

本公司重視員工及董事綜合素質和專業技能的提升。為確保公司董事履行應盡的義務與職責，能夠在持續掌握全面資訊及切合所需的情況下對董事會做出貢獻，公司要求秘書定期向全體董事提供有關上市規則及企業管治的資料，以確保各董事遵守該等規則及規定。另外，我們鼓勵董事和員工積極參與滿足崗位需要的線上及線下研討會或培訓課程，並在部門主管批准後給予培訓資助金。

報告期內，公司員工總受訓總人次為40人次，受訓時數達55.75小時。

4.1.5 關愛與溝通

本公司重視員工意見的收集以及員工間的交流，員工可以通過郵件和會議的形式進行反饋與投訴，由本公司指定專門人員對員工的反饋進行收集及回應。此外，我們每年會在徵求員工意見的基礎上，遵從多數人的選擇舉辦年會和主題聚會活動。

4.2 社區

本公司在不斷發展的同時，不忘積極履行企業應盡的社會責任。我們持續參與教育方面的慈善捐助活動。在報告期內，本公司向香港國際學校捐款100,000港元以及書籍，以改善學生受教育條件，助力未來人才培養。

為更好的推動社會服務，本公司會在日後繼續尋覓與我們理念一致的慈善、非牟利或教育機構及基金組織進行捐助，並鼓勵員工自發以個人名義參與義工活動，真正做到取之於社會，回饋於社會。



APPENDIX: HKEX ESG REPORTING GUIDE
CONTENT INDEX

附錄：香港聯交所《環境、社會及管
治報告指引》內容索引

Indicators 指標	Description of indicators 指標描述	Index 索引位置	Section 備註
A. Environment 環境			
A1 Emissions 排放物			
General Disclosure 一般披露	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的政策及遵守對發行人有重大影響的相關法律及規例的資料	3.2 Environmental Management 3.2 環境管理	
A1.1	The types of emission and respective emissions data. 排放物種類及相關排放數據	3.3 Environmental Performance 3.3 環境績效	
A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)	3.3 Environmental Performance 3.3 環境績效	
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)		The Company is not involved in the production of any significant hazardous solid waste due to the nature of its business 由於業務性質，本公司並不涉及任何重大危險固體廢棄物產生
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)	3.3 Environmental Performance 3.3 環境績效	
A1.5	Description of measures to mitigate emissions and results achieved. 描述減輕排放量的措施及所得成果	3.2 Environmental Management 3.2 環境管理	
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減輕產生量的措施及所得成果	3.2 Environmental Management 3.2 環境管理	

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

Indicators 指標	Description of indicators 指標描述	Index 索引位置	Section 備註
A2 Use of Resources 資源使用			
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策	3.2 Environmental Management 3.2 環境管理	
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及/或間接能源(如電、氣或油)總耗量(以千瓦時計算)及密度(如以每產量單位、每項設施計算)	3.3 Environmental Performance 3.3 環境績效	
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量、每項設施計算)		Water consumption is limited and is a matter of low importance to the Company 耗水量有限，且並非本公司重大事宜
A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計畫及所得成果	3.2 Environmental Management 3.2 環境管理	
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計畫及所得成果。		The Company's water usage is derived from municipal supply and is limited 本公司的用水來自市政供應，且數量有限
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量		Not applicable to the Company due to the nature of its business 由於業務性質，此議題不適用於本公司
A3 The Environment and Natural Resources 環境及天然資源			
General Disclosure 一般披露	Policies on minimising the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策	3.2 Environmental Management 3.2 環境管理	
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動		Not applicable to the Company due to the nature of its business 由於業務性質，此議題不適用於本公司



Indicators 指標	Description of indicators 指標描述	Index 索引位置	Section 備註
B. Social 社會			
B1 Employment 僱傭			
General Disclosure 一般披露	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的政策及遵守對發行人有重大影響的相關法律及規例的資料	4.1 Staff 4.1 員工	
B1.1	Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數		Planned future streamlined management 計劃未來展開精細化管理
B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率		Planned future streamlined management 計劃未來展開精細化管理
B2 Health and Safety 健康與安全			
General Disclosure 一般披露	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業化危害的政策及遵守對發行人有重大影響的相關法律及規例的資料	4.1.3 Health and Safety 4.1.3 健康與安全	
B2.1	Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率	4.1.3 Health and Safety 4.1.3 健康與安全	
B2.2	Lost days due to work injury. 因工傷損失工作日數	4.1.3 Health and Safety 4.1.3 健康與安全	
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法	4.1.3 Health and Safety 4.1.3 健康與安全	
B3 Development and Training 發展與培訓			
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	4.1.4 Training and Development 4.1.4 培訓與發展	
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別(如高級管理層、中級管理層等)劃分的受訓僱員百分比		Planned future streamlined management 計劃未來展開精細化管理
B3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數		Planned future streamlined management 計劃未來展開精細化管理

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

Indicators 指標	Description of indicators 指標描述	Index 索引位置	Section 備註
B4 Labour Standards 勞工準則			
General Disclosure 一般披露	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的政策及遵守對發行人有重大影響的相關法律及規例的資料	4.1.1 Employment and Labour Practices 4.1.1 僱傭與勞工常規	
B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工	4.1.1 Employment and Labour Practices 4.1.1 僱傭與勞工常規	
B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟	4.1.1 Employment and Labour Practices 4.1.1 僱傭與勞工常規	
B5 Supply Chain Management 供應鏈管理			
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策		Not applicable to the Company due to the nature of its business 由於業務性質，此議題不適用於本公司
B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目		Not applicable to the Company due to the nature of its business 由於業務性質，此議題不適用於本公司
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法		Not applicable to the Company due to the nature of its business 由於業務性質，此議題不適用於本公司
B6 Product Responsibility 產品責任			
General Disclosure 一般披露	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的政策及遵守對發行人有重大影響的相關法律及規例的資料		Not applicable to the Company due to the nature of its business 由於業務性質，此議題不適用於本公司
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比		Not applicable to the Company due to the nature of its business 由於業務性質，此議題不適用於本公司
B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法		Not applicable to the Company due to the nature of its business 由於業務性質，此議題不適用於本公司

Indicators 指標	Description of indicators 指標描述	Index 索引位置	Section 備註
B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例		Not applicable to the Company due to the nature of its business 由於業務性質，此議題不適用於本公司
B6.4	Description of quality assurance process and recall procedures. 描述品質檢定過程及產品回收程序		Not applicable to the Company due to the nature of its business 由於業務性質，此議題不適用於本公司
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法		Not applicable to the Company due to the nature of its business 由於業務性質，此議題不適用於本公司
B7 Anti-corruption 反貪污			
General Disclosure 一般披露	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的政策及遵守對發行人有重大影響的相關法律及規例的資料	2.3 Anti-corruption and Anti-fraud 2.3 反貪污及反舞弊	
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果	2.3 Anti-corruption and Anti-fraud 2.3 反貪污及反舞弊	
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法	2.3 Anti-corruption and Anti-fraud 2.3 反貪污及反舞弊	
B8 Social 社區			
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策	4.2 Community 4.2 社區	
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)	4.2 Community 4.2 社區	
B8.2	Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用資源(如金錢或時間)	4.2 Community 4.2 社區	

Independent Auditors' Report

獨立核數師報告



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

31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

香港
中環
畢打街11號
置地廣場
告羅士打大廈31樓

**TO THE SHAREHOLDERS OF
NATIONAL INVESTMENTS FUND LIMITED**
(Incorporated in the Cayman Islands with limited liability)

致國盛投資基金有限公司列位股東

(於開曼群島註冊成立之有限公司)

DISCLAIMER OF OPINION

不發表意見

We were engaged to audit the consolidated financial statements of National Investments Fund Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 88 to 239, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

我們獲委聘審計列載於第88至239頁的國盛投資基金有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於二零一八年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

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

我們不就 貴集團的綜合財務報表發表意見。由於本報告「不發表意見的基礎」一節所述事宜的重要性，我們未能獲得充足及適當的審計憑證為我們對此綜合財務報表及綜合財務報表是否已按照香港《公司條例》的披露要求妥為擬備作出審計意見提供基礎。

BASIS FOR DISCLAIMER OF OPINION

不發表意見的基礎

As explained in Note 2(b) to the consolidated financial statements, the Group incurred a loss of approximately HK\$59,654,000 and a net cash outflow from operating activities of approximately HK\$60,218,000 for the year ended 31 December 2018. As at 31 December 2018, the Group had net current liabilities of approximately HK\$123,975,000 and net liabilities of approximately HK\$100,495,000. In addition, the Group's promissory notes with interest payables of approximately HK\$124,692,000 as at 31 December 2018 will be due on 2019 and 2020 respectively.

誠如綜合財務報表附註2(b)所闡述， 貴集團於截至二零一八年十二月三十一日止年度產生虧損約59,654,000港元及經營業務現金流出淨額約60,218,000港元。於二零一八年十二月三十一日， 貴集團錄得淨流動負債約123,975,000港元及淨負債約100,495,000港元。此外， 貴集團於二零一八年十二月三十一日約124,692,000港元之承兌票據及應付利息將分別於二零一九年及二零二零年到期。



The directors of the Company have been undertaking certain measures to improve the Group's liquidity and financial position, which are set out in Note 2(b) to the consolidated financial statements. The consolidated financial statements have been prepared on a going concern basis, the validity of which is dependent on the outcome of these measures, which are subject to the following uncertainties, including (i) whether the Group is able to successfully obtain additional financing as and when required, the achievability of which depends on the future performance of the Group; and (ii) whether the Group is able to implement its operation plans for control costs and to generate adequate cash flow from operations, the achievability of which depends on the market environment which is expected to remain challenging.

These facts and circumstances, along with other matters as described in Note 2(b) to the consolidated financial statements, indicate the existence of multiple material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

貴公司董事已採取若干措施以改善 貴集團的流動資金及財務狀況，該等措施載列於綜合財務報表附註2(b)。綜合財務報表乃按持續經營基準編製，其有效性取決於此等措施的結果，而有關措施涉及以下不明朗因素，包括(i) 貴集團能否在需要時成功獲得額外融資，此取決於 貴集團未來的表現而定；(ii) 貴集團能否實施其控制成本並從業務營運產生足夠現金流的營運計劃，此取決於預計將仍充滿挑戰的市場環境而定。

此等事實及情況，連同綜合財務報表附註2(b)所述的其他事宜，顯示存在多項重大不明朗因素，可能導致對 貴集團持續經營能力產生重大疑慮。

倘若 貴集團無法按持續經營基準繼續營運，則須作出調整以將資產價值撇減至可收回金額，為可能產生的進一步負債計提撥備，以及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。此等調整的影響並未於綜合財務報表中反映。



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

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

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

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

董事及審計委員會就綜合財務報表 須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》的披露要求，擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部監控負責。

在擬備綜合財務報表時，負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

審計委員會須負責監督 貴集團的財務報告過程。



AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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.

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Wong Sze Wai, Basilia
Practicing Certificate Number: P05806

Hong Kong, 26 March 2019

核數師就審計綜合財務報表承擔的 責任

我們的責任是根據香港會計師公會(「香港會計師公會」)頒佈的《香港審計準則》(「香港審計準則」)對貴集團綜合財務報表進行審計並出具我們的核數師報告。我們僅向全體股東報告，除此以外別無其他目的。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。然而，由於本報告「不發表意見的基礎」一節所述的事項，我們未能取得充足及適當的審計憑證為我們對此綜合財務報表的審計意見提供基礎。

根據香港會計師公會頒佈的《專業會計師道德守則》(「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。

國衛會計師事務所有限公司
執業會計師

黃思瑋
執業證書編號：P05806

香港，二零一九年三月二十六日



Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收益	7	9,690	2,915
Other income	其他收入	8	1,867	4,525
Change in fair value of conversion options embedded in convertible notes	可換股票據內含之換股權之公允價值變動		—	(740)
Change in fair value of financial assets at fair value through profit or loss	於其他全面收益表按公允價值列賬之金融資產之公允價值變動		(20,279)	—
Impairment loss of available-for-sale financial assets	可供出售金融資產之減值虧損		—	(13,868)
Impairment loss of other tangible assets	其他有形資產之減值虧損	17	(8)	(1,007)
Impairment loss of other receivables	其他應收款項之減值虧損	22	(1,674)	(40,800)
Loss on disposal of a subsidiary	出售一間附屬公司之虧損		(10)	—
Other operating expenses	其他營運開支		(42,564)	(59,203)
Finance costs	融資成本	9	(6,676)	(15,415)
Loss before taxation	除稅前虧損		(59,654)	(123,593)
Taxation	稅項	10	—	—
Loss for the year	年內虧損	11	(59,654)	(123,593)
Other comprehensive (loss)/ income	其他全面(虧損)/收益			
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後或會重新分類至損益表之項目:</i>			
— Change in fair value of financial assets at fair value through other comprehensive income	— 於其他全面收益表按公允價值列賬之金融資產之公允價值變動		(44,240)	—
— Net loss on revaluation of available-for-sale financial assets	— 重估可供出售金融資產之虧損淨額		—	(12,136)
— Reclassification adjustments relating to available-for-sale financial assets	— 有關可供出售金融資產之重新分類調整		—	13,868
Other comprehensive (loss)/ income for the year, net of income tax	年內其他全面(虧損)/收益，已扣除所得稅		(44,240)	1,732
Total comprehensive loss for the year	年內全面虧損總額		(103,894)	(121,861)



Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		2018 二零一八年	2017 二零一七年
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Loss for the year attributable to: 下列各項應佔年內虧損：			
Owners of the Company	本公司擁有人	(59,654)	(123,593)
Total comprehensive loss for the year attributable to: 下列各項應佔年內全面虧損總額：			
Owners of the Company	本公司擁有人	(103,894)	(121,861)
			(Restated) (重列)
Loss per share 每股虧損			
Basic and diluted (HK cents)	基本及攤薄(港仙)	(15.96)	(48.56)

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

隨附之附註為此等綜合財務報表之一部份。



Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2018 於二零一八年十二月三十一日

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	Notes 附註			
Assets:		資產：		
Non-current assets		非流動資產		
Property, plant and equipment	16	物業、廠房及設備	484	6,432
Other tangible assets	17	其他有形資產	1,575	17,583
Available-for-sale financial assets	19	可供出售金融資產	—	88,200
Financial assets at fair value through other comprehensive income	19	於其他全面收益表按公允價值列賬之金融資產	51,310	—
Conversion options embedded in convertible notes	20	可換股票據內含之換股權	—	7
			53,369	112,222
Current assets		流動資產		
Available-for-sale financial assets	19	可供出售金融資產	—	20,487
Financial assets at fair value through profit or loss	21	於損益表按公允價值列賬之金融資產	2,180	—
Prepayments, deposits and other receivables	22	預付款項、按金及其他應收款項	3,944	7,428
Cash and bank balances	23	現金及銀行結餘	111	34,794
			6,235	62,709
Total assets		資產總值	59,604	174,931
Equity:		權益：		
Capital and reserves attributable to owners of the Company		本公司擁有人應佔股本及儲備		
Share capital	30	股本	43,241	24,023
Reserves		儲備	(143,736)	(71,466)
Total equity		權益總額	(100,495)	(47,443)
Liabilities:		負債：		
Current liabilities		流動負債		
Short-term loans	24	短期貸款	—	6,833
Accrued charges and other payables	25	應付開支及其他應付款項	29,235	104,649
Obligations under finance leases	26	融資租賃承擔	—	559
Amounts due to directors	27	應付董事款項	10,415	—
Amounts due to a related company	27	應付一間關聯公司款項	10,791	—
Promissory notes	28	承兌票據	79,769	—
			130,210	112,041



Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2018 於二零一八年十二月三十一日

			2018	2017
		Notes	二零一八年	二零一七年
		附註	HK\$'000	HK\$'000
			千港元	千港元
Non-current liabilities	非流動負債			
Obligations under finance lease	融資租賃承擔	26	—	1,023
Promissory notes	承兌票據	28	29,889	109,310
			29,889	110,333
Total liabilities	負債總額		160,099	222,374
Total equity and liabilities	權益及負債總值		59,604	174,931
Net current liabilities	流動負債淨值		(123,975)	(49,332)
Total assets less current liabilities	資產總值減流動負債		(70,606)	62,890

Approved by the Board of Directors on 26 March 2019 and signed on its behalf by:

經董事會於二零一九年三月二十六日批准並由以下人士代表簽署：

Xie Xiangrong

謝湘蓉

Director

董事

Chan Cheong Yee

陳昌義

Director

董事

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

隨附之附註為此等綜合財務報表之一部份。



Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔						
		Share capital	Share premium	Share option reserve (Note (i))	Available-for-sale financial assets equity reserve (Note (ii))	Financial assets at fair value through other comprehensive income ("FVTOCI") (Note (iii))	Accumulated losses	Total
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	購股權儲備 (附註(i)) HK\$'000 千港元	可供出售財務資產權益儲備 (附註(ii)) HK\$'000 千港元	於其他全面收益表按公允價值列賬儲備 (附註(iii)) HK\$'000 千港元	累積虧損 HK\$'000 千港元	總值 HK\$'000 千港元
As at 1 January 2017	於二零一七年一月一日	21,323	771,704	2,193	(3,518)	—	(747,955)	43,747
Loss for the year	年內虧損	—	—	—	—	—	(123,593)	(123,593)
Other comprehensive loss for the year, net of income tax	年內其他全面虧損，已扣除所得稅	—	—	—	(12,136)	—	—	(12,136)
Reclassification adjustments relating to available-for-sale financial assets	有關可供出售金融資產之重新分類調整	—	—	—	13,868	—	—	13,868
Total comprehensive income/(loss) for the year	年內全面收益/(虧損)總額	—	—	—	1,732	—	(123,593)	(121,861)
Share options lapsed	購股權失效	—	—	(2,193)	—	—	2,193	—
Placing	配售	2,700	28,920	—	—	—	—	31,620
Placing expenses	配售開支	—	(949)	—	—	—	—	(949)
As at 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及於二零一八年一月一日	24,023	799,675	—	(1,786)	—	(869,355)	(47,443)
New adoption of HKFRS 9	新採用香港財務報告準則第9號	—	—	—	1,786	(3,121)	1,335	—
Restated balance at 1 January 2018	於二零一八年一月一日重列結餘	24,023	799,675	—	—	(3,121)	(868,020)	(47,443)
Loss for the year	年內虧損	—	—	—	—	—	(59,654)	(59,654)
Other comprehensive loss for the year, net of income tax	年內其他全面虧損，已扣除所得稅	—	—	—	—	(44,240)	—	(44,240)
Total comprehensive loss for the year	年內全面收益/(虧損)總額	—	—	—	—	(44,240)	(59,654)	(103,894)
Right issue	供股	12,011	30,028	—	—	—	—	42,039
Right issue expenses	供股開支	—	(1,661)	—	—	—	—	(1,661)
Placing	配售	7,207	3,603	—	—	—	—	10,810
Placing expenses	配售開支	—	(346)	—	—	—	—	(346)
As at 31 December 2018	於二零一八年十二月三十一日	43,241	831,299	—	—	(47,361)	(927,674)	(100,495)

Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

Notes:

- (i) Share option reserve relates to share options granted under the Company's share option scheme and which are reclassified to share capital and share premium when the share options were exercised, and to accumulated losses when the share options were lapsed or expired.
- (ii) Available-for-sale financial assets equity reserve relates to the cumulative gains or losses arising on the change in fair values of available-for-sale financial assets that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when those financial assets are disposed or impaired.
- (iii) Upon initial application of HKFRS 9, financial assets at FVTOCI reserve replace the available-for-sale financial assets equity reserve for the cumulative gains or losses arising on the change in fair value of financial assets at FVTOCI that have been recognised in other comprehensive income and net of amounts reclassified to accumulated losses reserve when those financial assets are disposed.

The accompany notes form an integral part of these consolidated financial statements.

附註：

- (i) 購股權儲備乃與根據本公司購股權計劃授出之購股權有關，會於購股權獲行使時重新分類至股本及股份溢價，並於購股權失效或屆滿時重新分類至累積虧損。
- (ii) 可供出售金融資產權益儲備與可供出售金融資產之公允價值變動所產生累計收益或虧損(已按扣除有關金融資產獲出售或出現減值時重新分類至損益之金額於其他全面收益確認)相關。
- (iii) 於首次應用香港財務報告準則第9號後，就於其他全面收益表按公允價值列賬之金融資產之公允價值變動所產生累計收益或虧損(已按扣除有關金融資產獲出售時重新分類至累計虧損儲備之金額於其他全面收益確認)，於其他全面收益表按公允價值列賬之金融資產儲備取代可供出售金融資產權益儲備。

隨附之附註為此等綜合財務報表之一部份。



Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

	Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash flows from operating activities 經營業務之現金流量			
Bank interest income received 已收銀行利息收入		3	30
Proceeds from sale of financial assets at fair value through profit or loss 出售於損益表按公允價值列賬之金融資產之所得款項		—	13,365
Cash payments to acquire financial assets at fair value through profit or loss 收購於損益表按公允價值列賬之金融資產之現金款項		—	(12,790)
Cash payments to employees 給予僱員之現金款項		(23,910)	(15,647)
Cash payments to other suppliers 給予其他供應商之現金款項		(36,311)	(33,650)
Interest received from available-for-sale financial assets 可供出售金融資產之已收利息		—	1,400
Net cash used in operating activities 來自經營業務所用現金淨額		(60,218)	(47,292)
Cash flows from investing activity 投資活動之現金流量			
Purchase of property, plant and equipment 購置物業、廠房及設備		—	(1,001)
Proceed from disposal of other tangible assets 出售其他有形資產所得款項		16,000	—
Net cash inflow/(outflow) from investing activity 投資活動之現金流入／(流出)淨額		16,000	(1,001)
Cash flows from financing activities 融資活動之現金流量			
Proceeds from placing 配售所得款項		10,810	31,620
Placing expenses 配售開支		(346)	(949)
Proceeds from rights issue received in advance 提前收取之供股所得款項		—	42,039
Rights issue expenses paid in advance 提前支付之供股開支		—	(1,661)
Repayment for obligations under finance leases 償還融資租賃承擔	26	(1,629)	(526)
Proceeds from short-term loans 短期貸款之所得款項	24	2,500	8,170
Repayment of short-term loans 償還短期貸款		(1,500)	—
Interest paid 已付利息		(300)	(3,007)
Net cash inflow from financing activities 融資活動之現金流入淨額		9,535	75,686



Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		2018 二零一八年	2017 二零一七年
	<i>Notes</i> <i>附註</i>	HK\$'000 千港元	HK\$'000 千港元
Net (decrease)/increase in cash and bank balances	現金及現金等值項目(減少)/增加淨額	(34,683)	27,393
Cash and bank balances at the beginning of the year	年初之現金及銀行結餘	34,794	7,401
Cash and bank balances at the end of the year	年終之現金及銀行結餘	111	34,794
Analysis of the balances of cash and bank balances	現金及銀行結餘之結餘分析		
Cash and bank balances	現金及銀行結餘	111	34,794

The accompany notes form an integral part of these consolidated financial statements.

隨附之附註為此等綜合財務報表之一部份。



Notes to Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

1. CORPORATE INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 28 June 2002 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Its substantial shareholder is CCM Financial Corporation, a company incorporated in the British Virgin Islands.

The principal activity of the Group is investment in listed and unlisted companies. Particulars of the subsidiaries are set out in Note 39 to the consolidated financial statements.

The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of its principal place of business is 16/F., Guangdong Finance Building, 88 Connaught Road West, Hong Kong.

The shares of the Company were listed on Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") with effect from 27 September 2002.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

The consolidated financial statements have been prepared in accordance with HKFRSs, which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the HKICPA, and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and the Hong Kong Companies Ordinance.

These consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company. All values are rounded to the nearest thousand (HK\$'000) except otherwise indicated.

1. 公司資料

本公司於二零零二年六月二十八日根據開曼群島法例第二十二章公司法(一九六一年第三冊，經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司。其主要股東為CCM Financial Corporation(於英屬處女群島註冊成立之公司)。

本集團之主要業務為投資於上市及非上市公司。有關附屬公司的詳情載列於綜合財務報表附註39。

本公司之註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司之主要營業地點位於香港干諾道西88號粵財大廈16樓。

本公司之股份由二零零二年九月二十七日起在香港聯合交易所有限公司(「聯交所」)主板上市。

2. 主要會計政策概要

(a) 合規聲明

綜合財務報表乃根據香港會計師公會頒佈的香港財務報告準則(為一個統稱，包括所有適用之個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)以及香港公認會計原則編製。此外，綜合財務報表亦符合聯交所證券上市規則(「上市規則」)及香港公司條例之適用披露規定。

該等綜合財務報表以港元(亦為本公司之功能貨幣)呈列。除另有指明者外，所有數值乃四捨五入至最接近千位數(千港元)。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Statement of Compliance (Continued)

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in areas where assumptions and estimates are significant to the consolidated financial statements, are discussed in Note 4.

(b) Basis of Preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

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

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

2. 主要會計政策概要(續)

(a) 合規聲明(續)

在編製符合香港財務報告準則之綜合財務報表時，需運用若干關鍵會計估計。管理層亦須在涉及對綜合財務報表而言屬重大之假設及估計之範疇作出判斷，有關論述見附註4。

(b) 編製基準

綜合財務報表以歷史成本法編製，惟如下文會計政策所闡述，若干金融工具於各呈報期末按公允價值計量除外。

歷史成本一般按就交換貨品及服務給予之代價之公允價值計量。

公允價值為於計量日期按市場參與者之間之有序交易出售一項資產而將收取或轉讓一項負債而將支付之價格，而不論該價格是否可以直接可觀察或運用另一種估值技巧估算。倘市場參與者於計量日期對資產或負債定價時會考慮資產或負債之特點，則本集團於估計資產或負債之公允價值時會考慮該等特點。該等綜合財務報表中作計量及／或披露用途之公允價值乃按此基準釐定，惟不包括屬香港財務報告準則第2號範圍內之以股份為基礎之付款交易、屬香港會計準則第17號範圍之租賃交易及與公允價值部份類似但並不屬公允價值之計量(如香港會計準則第2號之可變現淨值或香港會計準則第36號之使用價值)。

Notes to Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of Preparation (Continued)

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

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

Going Concern

For the year ended 31 December 2018, the Group incurred a loss of approximately HK\$59,654,000 (2017: approximately HK\$123,593,000) and a net cash outflow from operating activities of approximately HK\$60,218,000 (2017: approximately HK\$47,292,000). As at 31 December 2018, the Group had net current liabilities of approximately HK\$123,975,000 (2017: net current liabilities of approximately HK\$49,332,000 and net liabilities of approximately HK\$100,495,000 (2017: net assets of approximately HK\$47,443,000)). In addition, the Group's promissory notes with interest payables of approximately HK\$124,692,000 as at 31 December 2018 will be due on 2019 and 2020 respectively.

2. 主要會計政策概要(續)

(b) 編製基準(續)

此外，就財務報告而言，按公允價值計量之輸入數據之可觀察程度及公允價值計量之輸入數據對其整體之重要性，公允價值計量可分類為第1級、第2級或第3級，詳情如下：

- 第1級輸入數據乃自實體於計量日期可獲得有關相同資產或負債於活躍市場中所報之未經調整價格；
- 第2級輸入數據乃除第1級計入之報價外，就資產或負債直接或間接可觀察之輸入數據；及
- 第3級輸入數據乃資產或負債之不可觀察輸入數據。

持續經營

截至二零一八年十二月三十一日止年度，本集團產生虧損約59,654,000港元(二零一七年：約123,593,000港元)及經營活動產生之現金流出淨額約60,218,000港元(二零一七年：約47,292,000港元)。於二零一八年十二月三十一日，本集團流動負債淨額為約123,975,000港元(二零一七年：流動資產淨值約49,332,000港元)及負債淨額約100,495,000港元(二零一七年：資產淨值約47,443,000港元)。此外，本集團之承兌票據連同應付利息於二零一八年十二月三十一日金額約為124,692,000港元，並將分別於二零一九年及二零二零年到期。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of Preparation (Continued)

Going Concern (Continued)

These conditions indicate the existence of a material uncertainty that might cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise the Group's assets and discharge the Group's liabilities in the normal course of business.

In view of such circumstances, the directors of the Company have been undertaking certain measures to improve the Group's liquidity and performance of the Group and its available sources of financing in assessing whether the Group will be able to repay the outstanding promissory notes and interest payables and be able to finance its future working capital and finance requirements. Certain measures have been taken to manage its liquidity needs and to improve its financial position which include, but are not limited to, the following:

1. The Group will seek to obtain additional financing by means of including but not limited to rights issue, open offer and placing of the new shares.
2. The Group will implement operation plans to control costs and generate adequate cash flows from the Group's operations.

2. 主要會計政策概要(續)

(b) 編製基準(續)

持續經營(續)

該等情況表示，存在重大不確定性可能導致對本集團持續經營能力產生重大疑問，因此，本集團可能無法於日常業務過程中變現本集團資產及清償其負債。

鑒於該等情況，本公司董事於評估本集團能否償還尚未償還承兌票據及應付利息以及能否為其日後營運資金及融資需求提供資金時已採取若干措施以改善本集團流動資金及表現以及可用融資來源。本公司已採取若干措施管理其流動資金需求及改善其財務狀況，其中包括(但不限於)以下各項：

1. 本集團將尋求額外融資，方法包括但不限於供股、公開發售及配售新股份。
2. 本集團將執行經營計劃以監控成本及從本集團經營中產生充足現金流量。

Notes to Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of Preparation (Continued)

Going Concern (Continued)

Whilst the Group is taking measures to preserve cash and secure additional finance, the following material uncertainties exist:

1. The Group may not be able to obtain the financial support. The Group's ability to successfully obtain additional financing is dependent upon the future performance of the Group.
2. The operation plans to control costs and generate adequate cash flow from operations may not be effectively implemented and future performance and cash flows in respect of operating activities may not be in line with the assumptions. The achievability of the plans is dependent upon the market environment, which is expected to remain challenging in the near future.

These facts and circumstances indicate the existence of multiple material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

2. 主要會計政策概要(續)

(b) 編製基準(續)

持續經營(續)

儘管本集團採取措施保留現金及取得額外融資，仍存在以下重大不確定性：

1. 本集團可能無法取得融資支持。本集團成功取得額外融資的能力取決於本集團日後表現。
2. 監控成本及從經營中產生充足現金流量的經營計劃可能無法獲得有效實施，及經營活動的日後表現及現金流量可能與假設不一致。計劃的可行性取決於市場環境，而預期短期內市場仍充滿挑戰。

該等事實及情況表明，存在多項重大不確定性可能導致對本集團持續經營能力產生重大疑問，因而可能無法於日常業務過程中變現資產及清償負債。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of Preparation (Continued)

Going Concern (Continued)

The directors of the Company have reviewed the Group's cash flow projections prepared by the management. The cash flow projections cover a period of not less than twelve months from the end of the reporting period. The directors of the Company are of the opinion that, taking into account the abovementioned plans and measures, the Group would have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within the next twelve months from the end of the reporting period. Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the consolidated financial statements for the year ended 31 December 2018 on a going concern basis.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

2. 主要會計政策概要(續)

(b) 編製基準(續)

持續經營(續)

本公司董事已審閱管理層編製的本集團現金流量預測。現金流量預測涵蓋呈報期末起計至少十二個月期間。本公司董事經考慮上述計劃及措施認為，本集團將有充足營運資金於呈報期末起計未來十二個月期間為其經營提供資金及應付其到期財務負債。因此，本公司董事認為，按照持續經營基準編製截至二零一八年十二月三十一日止年度之綜合財務報表乃屬適當。

倘本集團無法持續經營，其將作出調整以撇減資產價值至其可收回款項，就可能產生的其他負債計提撥備及分別重新分類非流動資產及非流動負債為流動資產及流動負債。該等調整的影響並未於綜合財務報表反映。



Notes to Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Basis of Consolidation

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

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

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

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

2. 主要會計政策概要(續)

(c) 綜合賬目基準

綜合財務報表包含本公司及由本公司控制之實體(其附屬公司)之財務報表。當出現下列情況時，即擁有控制權：

- 本公司對被投資公司擁有權力；
- 本公司因參與被投資公司之營運而面臨風險或有權獲得可變回報；及
- 本公司有能力運用權力影響其回報。

倘有事實及情況顯示上述三項控制權元素中有一項或以上出現變動，則本集團會重新評估其是否對被投資公司擁有控制權。

當本集團於被投資公司之投票權未能佔大多數，但只要投票權足以賦予本集團實際能力可單方面掌控被投資公司之相關活動時，本集團即對被投資公司擁有權力。在評估本集團於被投資公司之投票權是否足以賦予其權力時，本集團會考慮所有相關事實及情況，包括：

- 本集團所持投票權之規模相較其他投票權持有人所持投票權之規模及分散程度；
- 本集團、其他投票權持有人或其他人士持有之潛在投票權；
- 其他合約安排所產生之權利；及
- 可顯示於需要作出決定時，本集團當前能否掌控相關活動之任何其他事實及情況(包括於過往股東大會上之投票模式)。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Basis of Consolidation (Continued)

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

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

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

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

Changes in the Group's Ownership Interests in Existing Subsidiaries

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

2. 主要會計政策概要(續)

(c) 綜合賬目基準(續)

本集團於取得附屬公司之控制權時開始將綜合附屬公司綜合入賬，並於本集團失去附屬公司之控制權時終止將綜合附屬公司綜合入賬。具體而言，於年內收購或出售附屬公司之收入及開支，會由本集團取得控制權當日起直至本集團失去附屬公司之控制權當日止計入綜合損益及其他全面收益表。

溢利或虧損及其他全面收益之各個部份乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額乃歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘亦如是。

如有需要，本集團會調整附屬公司之財務報表，以令其會計政策與本集團之會計政策一致。

所有集團內資產及負債、權益、收入、開支及與本集團成員公司間交易有關之現金流量會於綜合賬目時悉數撇銷。

本集團於現有附屬公司之擁有權權益變動

不會導致本集團失去對附屬公司控制權之本集團附屬公司擁有權權益變動，會入賬列作股權交易。本集團會調整其權益及非控股權益之賬面金額，以反映該等項目於附屬公司之相關權益變動。非控股權益之調整金額與已付或已收代價公允價值之間如有任何差異，則會直接於權益內確認並撥歸本公司擁有人。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Basis of Consolidation (Continued)

Changes in the Group's Ownership Interests in existing subsidiaries (Continued)

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

2. 主要會計政策概要(續)

(c) 綜合賬目基準(續)

本集團於現有附屬公司之擁有權權益變動(續)

當本集團失去對附屬公司之控制權，會按(i)已收代價之公允價值及任何保留權益之公允價值之總額與(ii)該附屬公司資產(包括商譽)及負債之先前賬面金額及任何非控股權益之差額計算收益或虧損並於損益表確認。所有先前於其他全面收益確認有關該附屬公司之金額會按與本集團直接出售該附屬公司相關資產或負債之情況相同之方式入賬(即重新分類至損益或轉撥至適用香港財務報告準則所列明/允許之另一權益類別)。於失去控制權當日所保留前附屬公司之任何投資之公允價值會於根據香港會計準則第39號進行其後會計處理時列作初步確認時之公允價值，或(如適用)列作初步確認於聯營公司或合營企業之投資之成本。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Business Combination

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

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

2. 主要會計政策概要(續)

(d) 業務合併

業務收購採用收購法入賬。於業務合併中轉讓之代價按公允價值計量，而公允價值乃按本集團所轉讓資產於收購日之公允價值、本集團結欠被收購公司前擁有人之負債，以及本集團為換取被收購公司控制權而發行之股權之總和計算。收購相關成本一般於產生時在損益表確認。

於收購日，所收購之可識別資產及所承擔之負債按公允價值確認，惟：

- 遞延稅項資產或負債及有關僱員福利安排之資產或負債分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 與被收購公司以股份為基礎之付款安排或本集團為取代被收購公司以股份為基礎之付款安排而訂立之本集團以股份為基礎付款安排有關之負債或股本工具於收購日根據香港財務報告準則第2號「以股份為基礎之付款」計量；及
- 根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產（或出售組別）按該準則計量。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Business Combination (Continued)

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

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

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

2. 主要會計政策概要(續)

(d) 業務合併(續)

商譽按已轉讓代價、被收購公司之任何非控股權益金額與收購方先前所持被收購公司之股權(如有)公允價值之總和超出所收購可識別資產及所承擔負債於收購日之金額淨值之差額計量。倘經重估後,所收購可識別資產及所承擔可識別負債於收購日之金額淨值超出已轉讓代價、被收購公司之任何非控股權益金額與收購方先前所持被收購公司之權益(如有)公允價值之總和,則該高出數額即時於損益表確認為廉價收購收益。

非控股權益(屬現時擁有權權益,並賦予持有人權利按比例在清盤時分佔實體淨資產)可初步按公允價值或按非控股權益分佔被收購公司可識別淨資產之比例計量。計量基準乃逐項交易選擇。其他類別之非控股權益按公允價值或(如適用)另一項香港財務報告準則指定之基準計量。

當本集團於業務合併中轉讓之代價包括或然代價安排所產生之資產或負債時,或然代價會按收購日之公允價值計量,並計入於業務合併中轉讓之代價之一部份。本集團會追溯調整合資格作為計量期調整之或然代價公允價值變動,並相應調整商譽。計量期調整為於計量期內就於收購日存在之事實及情況獲得之其他資料所產生之調整。計量期不得超過由收購日起計一年時間。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Business Combination (Continued)

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

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

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

2. 主要會計政策概要(續)

(d) 業務合併(續)

不合資格作為計量期調整之或然代價公允價值變動之後會計處理，取決於或然代價如何分類。分類為權益之或然代價不會於其後呈報日期重新計量，而其隨後結算則會於權益內入賬。分類為資產或負債之或然代價於其後呈報日期根據香港會計準則第39號或香港會計準則第37號「撥備、或然負債及或然資產」(如適用)重新計量，而相應之收益或虧損於損益表確認。

當業務合併分階段完成，本集團先前於被收購公司持有之股權會重新計量至其收購日期之公允價值，而所產生之收益或虧損(如有)會於損益表確認。先前於其他全面收益確認之被收購公司於收購日前之權益所產生之金額乃於有關處理方法適用於所出售權益時重新分類至損益表。

倘業務合併之初步會計處理未能於合併發生之呈報期結束前完成，則本集團會呈報未完成會計處理之項目之暫定金額。該等暫定金額於計量期內調整，或確認額外資產或負債，以反映收購日已存在之事實及情況之新資料(如獲悉)可能對該日所確認之金額構成之影響。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGUs") (or groups of CGUs) that is expected to benefit from the synergies of the combination.

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(f) Investments in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

2. 主要會計政策概要(續)

(e) 商譽

收購業務所產生之商譽按成本(於收購業務當日制定)減累計減值虧損(如有)列賬。

就減值測試而言，商譽會分配至預期受惠於合併協同效應之本集團各個現金產生單位(「現金產生單位」)(或現金產生單位組別)。

獲分配商譽之現金產生單位每年進行減值測試，或於單位有可能出現減值之跡象時更頻密地進行減值測試。倘現金產生單位之可收回金額少於其賬面金額，則會首先分配減值虧損以削減獲分配至該單位之商譽之賬面金額，其後以該單位內各資產之賬面金額為基準，按比例分配到該單位內其他資產。任何商譽減值虧損會直接於損益表確認。已確認之商譽減值虧損不會於其後期間撥回。

出售相關現金產生單位後，商譽之應佔金額會計入出售損益。

(f) 於聯營公司之投資

聯營公司為本集團擁有重大影響力之實體。重大影響力指參與被投資公司之財務及經營政策決定而非控制或共同控制該等政策之權力。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Investments in Associates (Continued)

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with HKFRS 5. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

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

2. 主要會計政策概要(續)

(f) 於聯營公司之投資(續)

聯營公司之業績、資產及負債以權益會計法計入該等綜合財務報表，惟當投資或其部份分類為持作出售，則按香港財務報告準則第5號入賬。根據權益法，於聯營公司之投資初步於綜合財務狀況表按成本確認，其後進行調整，以確認本集團應佔該聯營公司之損益及其他全面收益。當本集團應佔聯營公司之虧損超過本集團於該聯營公司之權益(其包括實質上構成本集團於該聯營公司之投資淨額一部份之任何長期權益)，本集團不再繼續確認其應佔之進一步虧損。本集團僅就本集團已承擔法定或推定責任或已代表該聯營公司支付款項之數額確認額外虧損。

於聯營公司之投資由被投資公司成為聯營公司當日起以權益法入賬。收購於聯營公司之投資時，投資成本超出本集團應佔被投資公司可識別資產及負債之淨公允價值之任何差額會確認為商譽，而商譽乃計入投資之賬面金額中。本集團應佔可識別資產及負債之淨公允價值超出投資成本之任何差額，於重新評估後即時在收購投資當期之損益表確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Investments in Associates (Continued)

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

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with HKAS 39. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

2. 主要會計政策概要(續)

(f) 於聯營公司之投資(續)

香港會計準則第39號之規定乃用於釐定是否需要就本集團於聯營公司之投資確認任何減值虧損。如有需要，投資之全部賬面金額(包括商譽)會根據香港會計準則第36號「資產減值」作為單一資產進行減值測試，方法為將可收回金額(即使用價值與公允價值減出售成本之較高者)與賬面金額進行比較。已確認減值虧損構成投資賬面金額之一部份。有關減值虧損之任何撥回於該項投資可收回金額其後增加時根據香港會計準則第36號確認。

本集團由投資不再屬聯營公司當日起，或於投資分類為持作出售時終止使用權益法。當本集團保留於前聯營公司之權益，而該保留權益為金融資產，本集團會按當日之公允價值計量保留權益，而公允價值根據香港會計準則第39號被視為初步確認時之公允價值。聯營公司於終止使用權益法當日之賬面金額與任何保留權益之公允價值及出售部份於聯營公司之權益之任何所得款項之差額，會計入出售該聯營公司之收益或虧損。此外，本集團將先前於其他全面收益就該聯營公司確認之所有金額入賬，基準與假設該聯營公司直接出售相關資產或負債時所規定之基準相同。因此，倘該聯營公司先前已於其他全面收益確認之收益或虧損將於出售相關資產或負債時重新分類至損益表，則本集團會於終止使用權益法時，將收益或虧損由權益重新分類至損益表(作為重新分類調整)。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Investments in Associates (Continued)

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

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

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

(g) Property, Plant and Equipment

Property, plant and equipment including leasehold improvement, furniture and fixtures, office equipment, computer and motor vehicles, are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. The cost of an item of property comprises its purchase price and any directly attributable costs of bringing the assets to its location and working condition for its intended use. Expenses incurred after item of property, plant and equipment have been put into operation, such as repair and maintenance, is normally charged to the consolidated statement of profit or loss and other comprehensive income in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of assets and as a replacement.

2. 主要會計政策概要(續)

(f) 於聯營公司之投資(續)

當於聯營公司之投資成為於合營企業之投資或當於合營企業之投資成為於聯營公司之投資，本集團會繼續使用權益法。發生該等擁有權益變動時，不會重新計量公允價值。

當本集團減少於聯營公司之擁有權益但仍繼續使用權益法，則本集團會按比例將先前就該擁有權益減少而於其他全面收益確認之收益或虧損重新分類至損益表，前提是該收益或虧損會於出售相關資產或負債時重新分類至損益表。

當集團實體與本集團之聯營公司進行交易，則會於本集團之綜合財務報表確認與該聯營公司交易所產生之損益，惟限於與本集團無關之聯營公司權益。

(g) 物業、廠房及設備

物業、廠房及設備(包括租賃物業裝修、傢俬及裝置、辦公室設備、電腦及汽車)於綜合財務狀況表按成本減其後累計折舊及其後累計減值虧損(如有)列賬。物業、廠房及設備項目之成本包括購買價及將該等資產付運至運作地點及達至擬定用途之狀態而直接產生之費用。物業、廠房及設備項目投入運作後產生之開支(如維修及保養)一般於產生之期間從綜合損益及其他全面收益表扣除。倘能清楚顯示該等支出能增加預計日後運用該項物業、廠房及設備而產生之經濟效益，而該項目之成本能可靠地計量，則該等支出會撥作資產之額外成本，並列作取代。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Property, Plant and Equipment (Continued)

Depreciation is calculated on the straight-line method basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful lives. The principal annual rates used for the purpose are as follows:

Leasehold improvement	33%
Furniture and fixtures	10–50%
Office equipment	20%
Computer	50%
Motor vehicles	20%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

(h) Art Works and Diamonds

Art works and diamonds are stated at cost less accumulated impairment loss.

Art works and diamonds are derecognised upon disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit or loss in the period in which the item is derecognised.

2. 主要會計政策概要(續)

(g) 物業、廠房及設備(續)

折舊按每項物業、廠房及設備之估計可使用年期以直線法計算，以撇銷成本值至其剩餘價值。計算折舊時所採用之主要年率如下：

租賃物業裝修	33%
傢俬及裝置	10–50%
辦公室設備	20%
電腦	50%
汽車	20%

倘物業、廠房及設備項目各部份之可使用年期不同，則該項目之成本乃按合理基礎於該等部份中分配，而每個部份將會分開計算折舊。

本集團會於各呈報期末檢討剩餘價值、可使用年期及折舊方法，並作出適當調整。

當物業、廠房及設備項目出售或預期將不會從持續使用資產中產生經濟效益，則終止確認該項目。將物業、廠房及設備項目出售或報廢之任何收益或虧損乃按銷售所得款項與資產賬面金額之差額釐定，並於損益表確認。

(h) 藝術品及鑽石

藝術品及鑽石按成本減累計減值虧損列賬。

藝術品及鑽石於出售時終止確認。終止確認資產所產生之任何收益或虧損(按出售所得款項淨額與該項目賬面金額之差額計算)於終止確認該項目期間計入損益表。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 since 1 January 2018. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

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

Interest and dividend income which are derived from the financial assets and shareholders' rights are presented as other revenue and other income.

2. 主要會計政策概要(續)

(i) 金融工具

當一個集團實體成為有關工具合約條文之訂約方時，金融資產及金融負債會於綜合財務狀況表確認。所有金融資產之日常買賣，於交易日確認及終止確認。日常買賣乃指購買或出售根據有關市場規則或慣例設定之時限內交付之金融資產。

金融資產及金融負債最初以公允價值計量，惟來自客戶合約之應收貿易款項自二零一八年一月一日起最初按照香港財務報告準則第15號計量。首次確認時，因收購或發行金融資產及金融負債產生之直接交易成本(於損益表按公允價值列賬之金融資產除外)將視乎情況增加或扣減金融資產或金融負債之公允價值。收購於損益表按公允價值列賬之金融資產或金融負債直接產生之交易成本，即時在損益確認。

實際利率法是一種計算金融資產或金融負債之已攤銷成本以及將利息收入分配予有關期間之方法。實際利率是將估計未來現金收入(包括所有構成實際利率整體部分之已付或已收費用、交易成本及其他溢價或折扣)透過債務工具之預期可使用年期或(倘適用)更短期間準確貼現至於初步確認時之賬面淨值之利率。

來自金融資產之利息及股息收入以及股東權利呈列為其他收益及其他收入。

Notes to Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Assets

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transition in note 3)

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- The financial asset is held within a business model whose objective is to collect contractual cash flows; and
- The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and interest income

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest method is a method of calculating the amortised cost of debt instrument and of allocating interest income over the relevant period.

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

2. 主要會計政策概要(續)

(i) 金融工具(續)

金融資產

金融資產之分類及其後計量(按照附註3所述過渡安排應用香港財務報告準則第9號後)

符合以下條件的金融資產其後按攤銷成本計量:

- 該金融資產以目的為收取合約現金流量之商業模式持有;及
- 該金融資產的合約條款導致於指定日期出現現金流量(其只能用作償還本金及本金結欠所產生的利息)。

攤銷成本及利息收入

金融資產的攤銷成本是指金融資產於初步確認時計量的金額減去本金還款,加上使用實際利率法計算的初始金額與到期金額之間任何差額的累計攤銷(就任何虧損撥備作出調整)。

實際利率法乃計算債務工具攤銷成本及於有關期間分配利息收入的方法。

實際利率指確切地在債務工具的預計年期內或(如適用)較短時期內,將估計未來現金收入(包括所有屬於實際利率一部份的已付或已收費用、交易成本及其他溢價或折讓)折現至初步確認時債務工具總賬面值的利率。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Assets (Continued)

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transition in note 3) (Continued)

Amortised cost and interest income (Continued)

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. 主要會計政策概要(續)

(i) 金融工具(續)

金融資產(續)

金融資產之分類及其後計量(按照附註3所述過渡安排應用香港財務報告準則第9號後)(續)

攤銷成本及利息收入(續)

其後按攤銷成本計量的金融資產的利息收入乃按實際利率基準確認。利息收入乃對金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外(見下文)。對於其後出現信貸減值的金融資產，利息收入乃透過對金融資產之攤銷成本應用實際利率確認。倘出現信貸減值的金融工具的信貸風險好轉，使金融資產不再出現信貸減值，則由釐定該資產不再出現信貸減值後之報告期開始，利息收入以對金融資產賬面總值應用實際利率方式確認。

符合以下條件的金融資產其後於其他全面收益表按公允價值列賬之金融資產：

- 該金融資產以目的為持有金融資產收取合約現金流量及出售金融資產的商業模式持有；及
- 該金融資產的合約條款導致於指定日期產生現金流量(其只能用作償還本金及本金結欠所產生的利息)。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Assets (Continued)

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transition in note 3) (Continued)

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in OCI if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 Business Combinations applies.

A financial asset is classified as held for trading if:

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

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

2. 主要會計政策概要(續)

(i) 金融工具(續)

金融資產(續)

金融資產之分類及其後計量(按照附註3所述過渡安排應用香港財務報告準則第9號後)(續)

所有其他金融資產其後於損益表按公允價值列賬之金融資產，惟倘股本投資並非持作買賣，亦並非由收購方於香港財務報告準則第3號「業務合併」所適用的業務合併中確認為或然代價，則本集團於初次應用／初步確認金融資產當日可以不可撤回地選擇於其他全面收入呈列股權投資之公平值之其後變動。

倘一項金融資產符合以下條件，則將該金融資產分類為持作買賣：

- 其主要收購作於不久將來出售用途；或
- 其於初次確認時為本集團一併管理且具有近期實際短期獲利模式的可辨認金融工具之可辨認組合之一部分；或
- 其為並非指定及用作對沖工具的衍生工具。

此外，本集團可以不可撤回地指定於損益表按公允價值列賬的方式來計量須按攤銷成本計量或於其他全面收益表按公允價值列賬的金融資產，前提是此舉能消除或大幅減少會計不一致的情況。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 in accordance with transition in note 3)

The Group recognises a loss allowance for expected credit losses (“ECL”) on financial assets which are subject to impairment under HKFRS 9 (including deposits, other receivables, cash and bank balances). The amount of ECL is updated at each reporting period to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month (“12m”) ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting period. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting period as well as the forecast of future conditions.

The Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

2. 主要會計政策概要(續)

(i) 金融工具(續)

金融資產(續)

金融資產之減值(按照附註3所述過渡安排應用香港財務報告準則第9號後)

本集團針對香港財務報告準則第9號範圍內須進行減值的金融資產(包括按金、其他應收款項、現金及銀行結餘)的預期信貸虧損(「預期信貸虧損」)確認虧損撥備。預期信貸虧損的金額於每個報告日期予以更新，以反映自初次確認以來信貸風險的變動。

全期預期信貸虧損指於相關工具預期壽命內發生所有可能的違約事件而導致的預期信貸虧損。相反，十二個月預期信貸虧損(「十二個月預期信貸虧損」)則指預期於報告日期後十二個月內可能發生的違約事件而導致的部分全期預期信貸虧損。預期信貸虧損根據本集團過往信貸虧損經驗進行評估，並根據債務人特定因素、一般經濟狀況及於報告日期對當前狀況及未來狀況預測的評估而作出調整。

本集團計量與十二個月預期信貸虧損等額的虧損撥備，除非自初次確認以來信貸風險已大幅增加，則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損，乃基於自初次確認起出現違約的可能性或風險是否大幅增加。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 in accordance with transition in note 3) (Continued)

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting period with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;

2. 主要會計政策概要(續)

(i) 金融工具(續)

金融資產(續)

金融資產之減值(按照附註3所述過渡安排應用香港財務報告準則第9號後)(續)

信貸風險大幅增加

為評估信貸風險自初次確認後是否已大幅增加，本集團會將金融工具於報告日出現違約的風險與該金融工具於初次確認當日出現違約的風險相比較。本集團進行評估時，會考慮合理及有依據的量化及質性資料，包括參考過往經驗及無須耗費不必要的成本或精力而取得的前瞻性資料。

具體而言，評估信貸風險是否已顯著增加時會考慮以下資料：

- 金融工具的外部(如有)或內部的信貸評級實際上或預期嚴重惡化；
- 信貸風險的外部市場指標嚴重轉差，例如債務人的信貸息差、信貸違約掉期價格顯著增加；
- 業務、金融或經濟環境目前受到或預期出現不利影響，並預計嚴重使債務人的債務償還能力下降；
- 債務人的經營業績實際上或預期嚴重惡化；



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 in accordance with transition in note 3) (Continued)

Significant increase in credit risk (Continued)

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

2. 主要會計政策概要(續)

(i) 金融工具(續)

金融資產(續)

金融資產之減值(按照附註3所述過渡安排應用香港財務報告準則第9號後)(續)

信貸風險大幅增加(續)

- 債務人面對的監管、經濟或技術環境在實際上或預計會發生重大不利變動，導致債務人的債務償還能力嚴重下降。

不論上述評估結果，本集團認為，當合約付款逾期超過三十天，則自初次確認以來信貸風險已顯著增加，除非本集團有合理及有依據之資料證明屬其他情況。

本集團定期監察用於識別信貸風險是否有大幅增加之標準是否有效，並對其進行適當修訂，以確保該標準能於款項逾期前識別信貸風險是否有大幅增加。

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綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 in accordance with transition in note 3) (Continued)

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is likely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

The Group considers that default has occurred when the instrument is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

2. 主要會計政策概要(續)

(i) 金融工具(續)

金融資產(續)

金融資產之減值(按照附註3所述過渡安排應用香港財務報告準則第9號後)(續)

違約之定義

由於過往經驗表明滿足下列標準的應收款項一般不可收回，本集團認為就內部信貸風險管理而言，下列情況構成違約事件：

- 倘交易對手方違反財務契諾；或
- 內部編製或自外部來源獲得的資料表明，債務人不大可能向其債權人(包括本集團)悉數還款(未計及本集團持有的任何抵押品)。

本集團認為，當工具逾期超過90天時，則發生違約事件，除非本集團有合理及支持資料可證明更寬鬆的違約標準更為合適，則作別論。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 in accordance with transition in note 3) (Continued)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

2. 主要會計政策概要(續)

(i) 金融工具(續)

金融資產(續)

金融資產之減值(按照附註3所述過渡安排應用香港財務報告準則第9號後)(續)

受信貸減值財務資產

如一項或多項違約事件發生，導致金融資產的估計未來現金流量受到負面影響，則該金融資產屬受信貸減值。金融資產受信貸減值之證據包括有關以下事件之可觀察數據：

- (a) 發行人或借款人出現嚴重財務困難；
- (b) 違約，例如逾期或拖欠事件；
- (c) 借款人之貸款人因與借款人出現財務困難相關經濟或合約理由授予借款人貸款人一般不會考慮的寬免；
- (d) 借款人很可能將宣佈破產或進行財務重組；或
- (e) 有關金融資產之活躍市場因財務困難而消失。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 in accordance with transition in note 3) (Continued)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

2. 主要會計政策概要(續)

(i) 金融工具(續)

金融資產(續)

金融資產之減值(按照附註3所述過渡安排應用香港財務報告準則第9號後)(續)

撇銷政策

如有資料顯示對手方出現嚴重財務困難且並無實際收回可能性(例如,對手方被清盤或已進入破產程序,或如屬貿易應收款項,有關款項逾期超過兩年(以較早發生者為準)),則本集團將有關金融資產撇銷。已撇銷金融資產仍可面臨本集團收回款項程序之強制執行活動,包括尋求法律意見(如適用)。撇銷構成一項終止確認事件。任何其後收回款項確認於損益。

預期信貸虧損的計量及確認

預期信貸虧損的計量為違約概率、違約損失率程度(即倘發生違約時的損失程度)及違約風險敞口的函數。違約概率及違約損失率程度之評估乃按過往數據為依據,並按前瞻性資料作出調整。預期信貸虧損的估計反映以相應發生違約風險作為加權釐訂之公正及概率加權金額。

一般而言,預期信貸虧損以根據合約中應付本集團的所有合約現金流量與本集團預期收取的所有現金流量之間的差額進行估算,並按初次確認時釐定的實際利率折現。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 in accordance with transition in note 3) (Continued)

Measurement and recognition of ECL (Continued)

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables and amounts due from customers are each assessed as a separate group. Loans to related parties are assessed for expected credit losses on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

2. 主要會計政策概要(續)

(i) 金融工具(續)

金融資產(續)

金融資產之減值(按照附註3所述過渡安排應用香港財務報告準則第9號後)(續)

預期信貸虧損的計量及確認(續)

如對預期信貸虧損共同計量或針對個別工具層面之證據可能尚未提供之情況，則金融工具按逾期賬齡分析基準分組：

- 金融工具性質(即，本集團之貿易及其他應收款項各作為獨立一組評估)；
- 逾期狀況；
- 債務人性質、規模及行業；及
- 外部信貸評級(如有)。

分組獲管理層定期檢討，以確保各組之組成繼續具有類似之信貸風險特徵。

利息收入乃根據金融資產的賬面總值計算，除非金融資產出現信貸減值，其利息收入則按有關金融資產的攤銷成本計算。

本集團就所有金融工具通過調整賬面值於損益中確認減值收益或虧損，惟貿易應收款項乃通過惟貿易應收款項通過虧損撥備賬對其賬面值進行相應調整。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Assets (Continued)

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018)

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

Financial assets at FVTPL

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

A financial asset is classified as held for trading if:

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

2. 主要會計政策概要(續)

(i) 金融工具(續)

金融資產(續)

金融資產之分類及其後計量(於二零一八年一月一日應用香港財務報告準則第9號前)

金融資產分為以下指定類別：於損益表按公允價值列賬之金融資產、可供出售金融資產以及貸款及應收賬款。分類依據金融資產之性質及用途且於初次確認時釐定。所有正常方式買賣之金融資產按交易日基準確認或終止確認。正常方式買賣金融資產為須於市場之規定或常規設立之時限內交付資產之金融資產買賣。

於損益表按公允價值列賬之金融資產

屬(i)持作買賣或(ii)指定為於損益表按公允價值列賬之金融資產乃分類為於損益表按公允價值列賬。

倘屬下列情況，金融資產則會分類為持作買賣：

- 購入之主要目的為於短期內銷售；
- 於初步確認時構成已識別金融工具組合之一部份，該組合乃由本集團一併管理，且近來具有短期獲利之實際模式；或
- 為未被指定及有效作對沖工具之衍生工具。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Assets (Continued)

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018) (Continued)

Financial assets at FVTPL (Continued)

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

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

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in the consolidated income statements excludes any dividend or interest earned on the financial assets and is included in the other revenue line item. Fair value is determined in the manner described in note 5 to the financial statements.

2. 主要會計政策概要(續)

(i) 金融工具(續)

金融資產(續)

金融資產之分類及其後計量(於二零一八年一月一日應用香港財務報告準則第9號前)(續)

於損益表按公允價值列賬之金融資產(續)

倘屬下列情況，金融資產(持作買賣之金融資產除外)可於初步確認時指定為於損益表按公允價值列賬：

- 有關指定能消除或大幅減少於其他情況下可能出現之不一致計量或確認；或
- 金融資產構成一組金融資產或金融負債或兩者之一部份，而該組合乃按公允價值基準管理，表現可根據本集團之書面風險管理或投資策略按公允價值評估，而有關分組之資料乃於內部按該基準提供；或
- 其構成載有一種或以上內含衍生工具之合約之一部份，而香港會計準則第39號「金融工具：確認及計量」允許全份經合併合約指定為於損益表按公允價值列賬。

於損益表按公允價值列賬之金融資產按公允價值列賬，而重新計量所產生之任何收益或虧損則於損益表確認。於損益表確認之收益或虧損淨額包括就金融資產賺取之任何股息或利息，並計入其他收入項目。公允價值按財務報表附註5所述方式釐定。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Assets (Continued)

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018) (Continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated as available-for-sale or are not classified as loans and receivables or financial assets at FVTPL.

Available-for-sale debt security that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less any identified impairment losses at the end of each reporting period.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade receivables, deposits paid, other receivables, loan receivables, time deposits and cash and bank balances) are measured at amortised cost using the effective interest method, less any impairment.

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

2. 主要會計政策概要(續)

(i) 金融工具(續)

金融資產(續)

金融資產之分類及其後計量(於二零一八年一月一日應用香港財務報告準則第9號前)(續)

可供出售金融資產

可供出售金融資產乃指定為可供出售或並無分類為貸款及應收款項或於損益表按公允價值列賬之金融資產之非衍生工具。

於活躍市場並無市場報價且公允價值不能可靠地計量之可供出售債務投資會於各呈報期末按成本減任何已識別減值虧損計量。

貸款及應收款項

貸款及應收款項為並非於活躍市場報價而具備固定或可釐定款項之非衍生金融資產。初步確認後，貸款及應收款項(包括貿易應收款項、已付按金、其他應收款項、應收貸款、定期存款及現金及銀行結餘)使用實際利息法按攤銷成本計量，並已扣除任何減值。

本集團採用實際利息法確認利息收入，惟利息確認並不重大之短期應收款項除外。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Assets (Continued)

Impairment of financial assets (before application of HKFRS 9 on 1 January 2018)

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

For available-for-sale equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

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

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

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

2. 主要會計政策概要(續)

(i) 金融工具(續)

金融資產(續)

金融資產減值(於二零一八年一月一日應用香港財務報告準則第9號前)

金融資產(於損益表按公允價值列賬者除外)會於各呈報期末評定是否有減值跡象。當有客觀證據顯示投資之估計未來現金流量因於初步確認金融資產後發生之一項或多項事件而受影響時，該金融資產會被視為出現減值。

就可供出售權益投資而言，該投資的公允價值大幅或持久下跌至其成本以下即被視為減值的客觀證據。

就所有金融資產，減值之客觀證據可包括：

- 發行人或交易對手出現嚴重財務困難；或
- 違約(如欠繳或拖欠利息或本金付款)；或
- 借款人很有可能將宣告破產或進行財務重組；或
- 因財政困難而導致該金融資產失去活躍市場。

就按攤銷成本列賬的金融資產而言，已確認的減值虧損金額為該資產賬面額與估計未來現金流量的現值(按該金融資產的原訂實際利率折現)之間的差額。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Assets (Continued)

Impairment of financial assets (before application of HKFRS 9 on 1 January 2018) (Continued)

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

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

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

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

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

2. 主要會計政策概要(續)

(i) 金融工具(續)

金融資產(續)

金融資產減值(於二零一八年一月一日應用香港財務報告準則第9號前)(續)

就按成本列賬之金融資產而言，減值虧損金額以資產賬面金額與按金融資產原先實際利率貼現估計未來現金流量之現值之差額計量。

所有金融資產之減值虧損會直接於金融資產之賬面金額中扣除，惟貿易應收賬款之賬面金額則透過使用撥備賬扣減。當貿易應收賬款被視為不可收回時，則於撥備賬內撇銷。其後收回先前撇銷之金額會計入撥備賬。撥備賬之賬面金額變動會在損益表確認。

當可供出售金融資產被視為已減值時，先前於其他全面收益內確認的累計收益或虧損則重新分類至期內損益內。

就按攤銷成本計量之金融資產而言，倘減值虧損金額於往後期間減少，而該減幅在客觀上與確認減值後發生之事件有關，則先前確認之減值虧損會透過損益表撥回，惟該投資於減值撥回當日之賬面金額不得超過未確認減值時之攤銷成本。

就可供出售債務證券而言，倘投資之公允價值增加在客觀上與確認減值虧損後發生之事件有關，則減值虧損其後透過損益表撥回。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Liabilities and Equity Instruments

Classification as debt or equity

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

Equity instruments

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

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.

Financial liabilities

Financial liabilities are classified as other financial liabilities.

Other financial liabilities

Other financial liabilities (including accrued charges and other payables, short-term loans, obligations under finance leases, amounts due to directors, amounts due to a related company and promissory notes) are subsequently measured at amortised cost, using the effective interest method.

2. 主要會計政策概要(續)

(i) 金融工具(續)

債務或權益之分類

分類為債務或權益

集團實體發行之債務及股本工具根據金融負債及股本工具之合約安排及釋義分類為金融負債或權益。

股本工具

股本工具為可證明於實體資產經扣除其所有負債後之餘額權益之任何合約。集團實體發行之股本工具按已收所得款項扣除直接發行成本確認。

本公司本身之股本工具之購回乃直接於權益內確認及扣除。並無於損益內確認購買、出售、發行或註銷本公司本身之股本工具之收益或虧損。

金融負債

金融負債獲分類為其他金融負債。

其他金融負債

其他金融負債(包括應計費用或其他應付款項、短期貸款、融資租賃承擔、應付董事款項、應付一間關聯公司款項及承兌票據)其後使用實際利息法按攤銷成本計量。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial Liabilities and Equity Instruments (Continued)

Effective interest method

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

Interest expense is recognised on an effective interest basis.

Derecognition

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

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

2. 主要會計政策概要(續)

(i) 金融工具(續)

債務或權益之分類(續)

實際利息法

實際利息法為計算金融負債之攤銷成本及於有關期間內攤分利息開支之方法。實際利率乃於金融負債之預計年期或(如適用)較短期間將估計未來現金付款(包括所有已付或已收之費用及費點，且形成實際利率、交易成本及其他溢價或折讓之主要部份)準確貼現至於初步確認時之賬面淨額之比率。

利息開支按實際利息法確認。

終止確認

本集團僅於自資產獲取現金流之合約權利到期時，或本集團將金融資產及資產擁有權之絕大部份風險及回報轉讓予另一實體時，方會終止確認金融資產。倘本集團既無轉讓亦無保留擁有權之絕大部份風險及回報，並繼續控制已轉讓資產，則本集團會確認於資產中的保留溢利，並就其或須支付款項確認相關負債。倘本集團保留已轉讓金融資產擁有權之絕大部份風險及回報，則本集團繼續確認該金融資產，亦會就已收所得款項確認有抵押借貸。

確認按攤銷成本計量之金融資產時，資產賬面金額與已收及應收代價之總和之間的差額會在損益表確認。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Derecognition (Continued)

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

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

(j) Cash and Bank Balances

For the purpose of the consolidated statement of cash flows, cash and bank balances comprise cash at banks and on hand, demand deposits with banks and other financial institutions, 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.

2. 主要會計政策概要(續)

(i) 金融工具(續)

終止確認(續)

除全面取消確認外，於取消確認金融資產時，本集團會將金融資產的過往賬面值，根據於其確認為繼續確認的部分及不再確認的部分於轉讓日期的相對公允價值在兩者間作出分配，而不再確認部分獲分配的賬面值與不再確認部分所收取代價及已於其他全面收益中確認的獲分配的任何累計收益或虧損的總和間的差額，乃於損益內確認。已於其他全面收益確認的累計收益或虧損，將按繼續確認之部分及不再確認的部分的相對公允價值間作出分配。

本集團僅於責任獲免除、取消或終止時，方會終止確認金融負債。被終止確認之金融負債之賬面金額與已付及應付代價間之差額會於損益表確認。

(j) 現金及銀行結餘

就綜合現金流量表而言，現金及銀行結餘包括銀行及手頭現金、存放於銀行及其他金融機構之活期存款，以及可隨時轉換為已知金額現金之短期高流動性投資，而該等投資之價值轉變風險較低，並為較短期之投資項目(一般為由購入日期起計三個月內到期)，並已減去須於要求時償還並組成本集團現金管理主要部份之銀行透支。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Revenue Recognition

Revenue from Contracts with Customers (Upon Application of HKFRS 15 in Accordance with Transitions in Note 3)

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group’s performance 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.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

2. 主要會計政策概要(續)

(k) 收益確認

來自客戶合約之收益(按照附註3所述過渡安排應用香港財務報告準則第15號後)

根據香港財務報告準則第15號，本集團於履約責任獲履行時確認收益，即當與特定履約責任相關的商品或服務的「控制權」轉讓予客戶時。

履約責任指個別的商品及服務(或一組商品或服務)或一系列大致相同的個別商品或服務。

倘符合以下其中一項標準，則控制權隨時間轉移，而收益則參照完全履行相關履約責任的進展情況而隨時間確認：

- 於本集團履約時，客戶同時取得並耗用本集團履約所提供的利益；
- 本集團的履約產生或提升一項資產，而該項資產於本集團履約時由客戶控制；或
- 本集團的履約並未產生讓本集團有替代用途的資產，且本集團對迄今已完成履約的付款具有可強制執行的權利。

否則，收益於客戶獲得個別商品或服務控制權的時間點確認。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Revenue Recognition (Continued)

Revenue from Contracts with Customers (Upon Application of HKFRS 15 in Accordance with Transitions in Note 3) (Continued)

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. 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 goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to a contract are accounted for and presented on a net basis.

For contracts that contain more than one performance obligations, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group estimates it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer.

2. 主要會計政策概要(續)

(k) 收益確認(續)

來自客戶合約之收益(按照附註3所述過渡安排應用香港財務報告準則第15號後)(續)

合約資產指本集團就換取本集團已向客戶轉讓的商品或服務而收取代價的權利(尚未成為無條件)，根據香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價的無條件權利，即代價到期付款前僅需時間推移。

合約負債指本集團因已向客戶收取代價(或已到期收取代價)，而須向客戶轉讓商品或服務的責任。

與同一合約相關的合約資產和合約負債按淨額記賬及呈列。

對於包含一項以上履約責任的合約，本集團按相對獨立的售價基準將交易價格分配至各項履約責任。

不同服務相關的各項履約責任之單獨售價於合約成立時釐定。其指本集團將承諾的服務單獨出售予客戶的價格。倘一項獨立的售價不能直接觀察，本集團採用適當的技術進行估計，以便最終分攤至任何履約責任之交易價格反映本集團預期將承諾的服務轉讓予客戶有權換取的代價金額。

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綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Revenue Recognition (Continued)

Revenue from Contracts with Customers (Upon Application of HKFRS 15 in Accordance with Transitions in Note 3) (Continued)

Principal Versus Agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

Revenue Recognitions (Before Application of HKFRS 15 on 1 January 2018)

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

Revenue represents dividend income from securities investments, bank interest income, other interest/dividend income from financial assets and net gain/loss on financial assets at FVTPL.

2. 主要會計政策概要(續)

(k) 收益確認(續)

來自客戶合約之收益(按照附註3所述過渡安排應用香港財務報告準則第15號後)(續)

主理人與代理人

當另一方參與向客戶提供商品或服務時，本集團會釐定其承諾之性質，是自己提供指定商品或服務之履約責任(即本集團為主理人)，或是安排另一方提供該等商品或服務(即本集團為代理人)。

倘本集團於有關商品或服務轉讓予客戶前對該等商品或服務具控制權，則為主理人。

倘本集團之履約責任為安排另一方提供指定商品或服務，則為代理人。在此情況下，本集團於指定商品或服務轉讓予客戶前並不對該等商品或服務具控制權。如本集團擔任代理人，則對預期為安排另一方提供指定商品或服務有權收取之任何費用或佣金之金額確認收益。

收益確認(於二零一八年一月一日應用香港財務報告準則第15號前)

收益按已收或應收代價之公允價值計量。

收益指證券投資之股息收入、銀行利息收入、來自金融資產之其他利息/股息收入，以及於損益表按公允價值列賬之金融資產之收益/虧損淨額。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Revenue Recognition (Continued)

Revenue Recognitions (Before Application of HKFRS 15 on 1 January 2018) (Continued)

Provided it is probable that the economic benefits will flow to the Group and the revenue can be measured reliably, revenue is recognised in the consolidated statement of profit or loss and other comprehensive income as follows:

- i. Dividend income from investments is recognised when the Group's rights to receive payment have been established.
- ii. Interest income from financial assets including financial assets at FVTPL are recognised on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which are the rates that exactly discounts and the estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.
- iii. Net gain/loss on financial assets at FVTPL is recognised on the transaction dates when the relevant contracts are executed.

2. 主要會計政策概要(續)

(k) 收益確認(續)

收益確認(於二零一八年一月一日應用香港財務報告準則第15號前)(續)

倘若收益之經濟利益很大可能流入本集團及收益能可靠地計量，則按以下方式於綜合損益及其他全面收益表確認：

- i. 投資之股息收入於本集團收取款項之權利確立時確認。
- ii. 金融資產之利息收入(包括於損益表按公允價值列賬之金融資產)按時間基準經參考尚未償還本金額以適用實際利率確認，該利率指於金融資產估計可使用年期將估計未來現金收入準確貼現至資產於初步確認時之賬面淨額之利率。
- iii. 於損益表按公允價值列賬之金融資產之收益／虧損淨額於簽立有關合約之交易日確認。

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綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Taxation

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

Current Tax

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

Deferred Tax

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

2. 主要會計政策概要(續)

(I) 稅項

所得稅開支指現行應繳稅項與遞延稅項之總和。

即期稅項

現行應繳稅項乃根據年內應課稅溢利計算。應課稅溢利有別於綜合損益及其他全面收益表呈報之「除稅前虧損」，原因為前者並無計入其他年度之應課稅或可扣稅收支項目及毋須課稅或不可扣稅之項目。本集團之即期稅項採用呈報期末已實施或實質上已實施之稅率計算。

遞延稅項

本集團就綜合財務報表之資產及負債賬面金額與計算應課稅溢利所用相應稅基兩者之暫時差額確認遞延稅項。本集團一般將會就所有應課稅暫時差額確認遞延稅項負債。遞延稅項資產一般於可能有應課稅溢利以供動用所有可扣減暫時差額時就該等可扣稅暫時差額確認。倘暫時差額因於一項不影響應課稅溢利或會計溢利之交易初步確認(業務合併除外)資產及負債而產生，則不會確認有關遞延稅項資產及負債。此外，倘暫時差額因初步確認商譽而產生，亦不會確認遞延稅項負債。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Taxation (Continued)

Deferred Tax (Continued)

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

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

2. 主要會計政策概要(續)

(I) 稅項(續)

遞延稅項

本集團就與於附屬公司及聯營公司之投資相關之應課稅暫時差額確認遞延稅項負債，惟倘本集團可控制暫時差額撥回，且暫時差額有可能不會於可見將來撥回則除外。因與有關投資及權益相關之可扣減暫時差額而產生之遞延稅項資產僅於可能產生足夠應課稅溢利以供動用暫時差額利益並預期可於可見將來撥回時確認。

遞延稅項資產賬面金額於各呈報期末審閱，並按不可能有足夠應課稅溢利以收回所有或部份資產之金額減少。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Taxation (Continued)

Deferred Tax (Continued)

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

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

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

Current and Deferred Tax for the Year

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

2. 主要會計政策概要(續)

(I) 稅項(續)

遞延稅項

遞延稅項資產及負債根據於呈報期末已實施或實質上已實施之稅率(及稅法),按清償負債或變現資產期間預期之適用稅率計量。

遞延稅項負債和資產之計量反映本集團於呈報期末預期能收回或清償其資產和負債賬面金額之稅務影響。

為就利用公允價值模型計量之投資物業計量遞延稅項負債或遞延稅項資產,該等物業之賬面金額乃推定為將全數透過銷售收回,除非有關推定遭推翻則作別論。當投資物業可計算折舊,並於旨在隨時間而非透過銷售耗用投資物業內含之絕大部份經濟利益之業務模型內持有時,即推翻有關推定。

年內即期及遞延稅項

即期及遞延稅項於損益表確認,惟當即期及遞延稅項與在其他全面收益確認或直接在權益確認之項目相關,亦會分別於其他全面收益或直接在權益確認。倘就業務合併於初步入賬後產生即期稅項或遞延稅項,本集團會於就業務合併入賬時計入稅務影響。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of Tangible Assets other than Goodwill

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

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

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or the CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

2. 主要會計政策概要(續)

(m) 有形資產(商譽除外)減值

於各呈報期末，本集團檢討其有形資產之賬面金額，以釐定是否有跡象顯示該等資產已蒙受減值虧損。倘出現任何有關跡象，則須估計資產之可收回金額，以釐定減值虧損(如有)之程度。倘無法估計個別資產之可收回金額，本集團則估計該資產所屬現金產生單位之可收回金額。當能確定合理及貫徹之分配基準，公司資產亦分配至個別現金產生單位，否則將分配至可確定合理及貫徹之分配基準之最小現金產生單位組別。

可收回金額為公允價值減出售成本與使用價值之較高者。於評估使用價值時，估計未來現金流量使用稅前貼現率貼現至現值，該貼現率反映當前市場對貨幣時間價值之評估及未調整估計未來現金流量之資產之特有風險。

倘估計資產(或現金產生單位)之可收回金額少於賬面金額，則會扣減資產(或現金產生單位)之賬面金額至其可收回金額。減值虧損即時於損益表確認。

倘減值虧損其後撥回，則該資產(或現金產生單位)之賬面金額將增至重新估計之可收回金額，但增加後之賬面金額不得超過資產(或現金產生單位)於過往年度若未確認減值虧損所釐定之賬面金額，而減值虧損撥回會即時於損益表確認。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2. 主要會計政策概要(續)

(n) 撥備

當本集團因過往事件而須承擔現時責任(法定或推定)，本集團很可能須履行該責任，且能可靠地估計責任金額，即確認撥備。

確認為撥備之金額乃對於呈報期末履行現時責任所需代價之最佳估計，當中已計及有關責任之風險及不確定因素。當撥備按利用履行現時責任估計所需之現金流量計量時，其賬面金額為有關現金流量之現值(如金錢時間價值之影響重大)。

當清償撥備所需之部份或全部經濟利益預期將從第三方收回，且實際上可確定會收到付還及應收款項金額能可靠地計量，則會將應收款項確認為資產。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

A contingent asset is not recognised but is disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

2. 主要會計政策概要(續)

(o) 或然負債及或然資產

或然負債指因過去事件而產生之可能債務，而其存在與否僅由不屬本集團全然掌握之一件或以上未確定未來事件之發生或不發生所確定。或然負債亦可以是過去事件所產生之現時債務，而由於不大可能導致經濟資源流失，或債務數額不能可靠地衡量而未予確認。

或然負債雖不作確認，惟於綜合財務報表附註披露。當資源外流之可能性有變，以致有可能流出經濟資源時，會確認或然負債為撥備。

或然資產指因過往事件而可能獲得之資產，其存在與否僅可視乎將來發生或不發生一件或以上非本集團所能完全控制之不明確事件確定。

或然資產雖不作確認，惟於有可能流入經濟利益時在綜合財務報表附註披露。當實際上可確定有關利益流入時，即會確認資產。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Employee Benefits

Retirement Benefits Scheme

The Group has participated in the Mandatory Provident Fund Scheme (the “MPF Scheme”) under the Mandatory Provident Fund Scheme Ordinance. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The MPF Scheme is generally funded by payments from employees and by the Group. The Group’s contributions to the MPF Scheme are expensed as incurred in accordance with the rules of the MPF Scheme and are not reduced by contributions forfeited by those employees who leave the MPF Scheme prior to vesting fully in the contributions.

Employee Leave Entitlements

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

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

Profit Sharing and Bonus Plans

The expected cost of profit sharing and bonus payments are recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liabilities for profit sharing and bonus plan are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

2. 主要會計政策概要(續)

(p) 僱員福利

退休福利計劃

本集團已根據強制性公積金計劃條例參與強制性公積金計劃(「強積金計劃」)。強積金計劃之資產與本集團之資產分開持有，並由獨立管理之基金管理。強積金計劃之款項一般是由僱員及本集團支付。本集團之強積金計劃供款於根據強積金計劃之規則向強積金計劃作出供款時支銷，且不會以僱員在取得全數供款前退出強積金計劃而被沒收之供款扣減。

僱員應有假期

僱員年假及長期服務假期於僱員應享時確認。本公司已就截至呈報期末僱員提供之服務所產生之年假及長期服務假期之估計負債作出撥備。

僱員應有病假及產假或陪產假期在申請假期時方予確認。

溢利分享及花紅計劃

當本集團因僱員提供服務而承擔現有法律或推定責任，且能夠對責任作出可靠估計，溢利分享及花紅付款之預期成本會確認為負債。

溢利分享及花紅計劃之負債預期於十二個月內償付，並按預期於償付時支付之款額計量。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Equity-settled Share-based Payments Transactions

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based payments transactions are set out in Note 38.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share option reserve).

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share option reserve.

For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

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

2. 主要會計政策概要(續)

(q) 按股權結算以股份為基礎付款之交易

向僱員或提供類似服務之其他人士支付按股權結算以股份為基礎支付之款項按股本工具於授出日期之公允價值計量。有關釐定按股權結算以股份為基礎付款之交易之公允價值之詳情，載於附註38。

於授出按股權結算以股份為基礎支付之款項當日釐定之公允價值根據本集團對最終將會歸屬之股本工具之估計，按直線法於歸屬期內支銷，而權益(購股權儲備)則相應增加。

於各呈報期末，本集團修訂對預期將會歸屬之股本工具數目之估計。修訂原估計所產生之影響(如有)於損益表確認，則累計開支反映經修訂之估計，且須對購股權儲備作出相應調整。

就於授出日期已即時歸屬之購股權而言，已授出購股權之公允價值即時於損益表支銷。

當購股權獲行使時，先前已在購股權儲備確認之金額會轉撥至股份溢價。倘購股權於歸屬日期後被沒收或於到期日仍未行使，先前已於購股權儲備確認之金額將轉撥至保留盈利。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Leasing

The Group as Lessee

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

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The Group as Lessor

Rental income from operating leases is recognised 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 on a straight-line basis over the lease term.

(s) Related Parties Transactions

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

- (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 the key management personnel of the Group or of a parent of the Group.

2. 主要會計政策概要(續)

(r) 租賃

本集團作為承租人

經營租賃款項於租期以直線法確認為開支，惟倘另有系統基準更能代表租賃資產消耗經濟利益之時間模式則作別論。根據經營租賃產生之或然租金於產生期間確認為開支。

倘訂立經營租賃時收取租賃優惠，則有關優惠會確認為負債。優惠利益總額以直線法確認為租金開支扣減，惟倘另有系統基準更能代表租賃資產耗用經濟利益之時間模式則作別論。

本集團作為出租人

經營租賃之租金收入按直線法於相關租期內確認。於協商及安排經營租賃時引致之初步直接成本乃加至租賃資產之賬面值，並按租賃期限以直線法確認。

(s) 關連人士交易

倘屬下列情況，一方即被視為與本集團有關連：

- (a) 倘屬以下情況，則該人士或其近親與本集團有關連：
 - (i) 該人士控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或其母公司之主要管理層成員。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Related Parties Transactions (Continued)

- (b) An entity is related to the Group if any of the following conditions applies:
- (i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiaries 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 employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employees are also 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 the key management personnel of the entity (or of a parent of the entity); or
 - (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 parent of the Group.

2. 主要會計政策概要(續)

(s) 關連人士交易(續)

- (b) 倘符合下列任何條件，則實體與本集團有關連：
- (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)；
 - (ii) 一間實體為另一實體之聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)；
 - (iii) 兩間實體均為同一第三方之合營企業；
 - (iv) 一間實體為一間第三方實體之合營企業，而另一實體為該第三方實體之聯營公司；
 - (v) 該實體為就本集團或與本集團有關連的實體的僱員利益而設立的離職福利計劃。倘本集團本身為有關計劃，供款僱員亦與本集團有關連；
 - (vi) 該實體受(a)項所識別之人士控制或受共同控制；
 - (vii) (a)(i)項所識別人士對該實體有重大影響力或屬該實體(或該實體之母公司)主要管理層成員；或
 - (viii) 該實體或其所屬集團之任何成員公司向本集團或其母公司提供主要管理人員服務。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Related Parties Transactions (Continued)

(b) (Continued)

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

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

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between the Group and a related party, regardless of whether a price is charged.

(t) Foreign Currencies

In preparing the consolidated financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at 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.

2. 主要會計政策概要(續)

(s) 關連人士交易(續)

(b) (續)

某個別人士之近親指與實體進行買賣時預期可影響該人士或受該人士影響之家庭成員及包括：

- (a) 該人士之子女及配偶或家庭伴侶；
- (b) 該人士之配偶或家庭伴侶之子女；及
- (c) 該人士或該人士之配偶或家庭伴侶之受贍養者。

不論有否收取價款，凡本集團與關連人士之間轉讓資源或責任之交易，均屬關連人士交易。

(t) 外幣

編製各個別集團實體之綜合財務報表時，以實體功能貨幣以外之貨幣(外幣)進行之交易按交易日通行之匯率確認。於各呈報期末，以外幣列值之貨幣項目按該日之通行匯率重新換算。以外幣列值並按公允價值列賬之非貨幣項目按釐定公允價值當日之通行匯率重新換算。以外幣列值並按歷史成本計量之非貨幣項目不予重新換算。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Foreign Currencies (Continued)

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

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

2. 主要會計政策概要(續)

(t) 外幣(續)

貨幣項目所產生之匯兌差額均於產生期間在損益表確認，惟以下各項除外：

- 與作未來生產用途之在建資產有關之外幣借貸之匯兌差額，該等匯兌差額於被視為該等外幣借貸利息成本之調整時計入該等資產之成本；
- 為對沖若干外幣風險而進行之交易之匯兌差額；及
- 應收或應付海外業務之貨幣項目之匯兌差額，而其既無計劃結算亦不大可能結算(因此構成海外業務投資淨額之一部份)，該等匯兌差額初步於其他全面收益確認，並於償還貨幣項目時自權益重新分類至損益表。

為呈列綜合財務報表，本集團海外業務之資產及負債會採用於各呈報期末通行之匯率換算為本集團之呈列貨幣(即港元)。收支項目按期內平均匯率換算，惟倘該期間內匯率大幅波動，則按交易日期之匯率換算。所產生之匯兌差額(如有)於其他全面收益確認，並於權益內之外幣換算儲備累計(視適用情況歸屬於非控股權益)。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Foreign Currencies (Continued)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

(u) Borrowing Costs

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

2. 主要會計政策概要(續)

(t) 外幣(續)

當出售海外業務(即出售本集團於海外業務之全部權益、出售涉及失去包括海外業務之附屬公司之控制權、或部份出售於包括海外業務之聯合安排或聯營公司之權益(其保留權益成為金融資產))、本公司擁有人應佔該業務而於權益累計之所有匯兌差額會重新分類至損益表。

此外,就部份出售包括海外業務之附屬公司(並無導致本集團失去對該附屬公司之控制權)而言,按比例分佔累計匯兌差額之份額會重新歸屬於非控股權益,且不會於損益表確認。就所有其他部份出售(即部份出售聯營公司或聯合安排而並無導致本集團失去重大影響力或共同控制權)而言,按比例分佔累計匯兌差額之份額會重新分類至損益表。

對透過收購海外業務而收購之可識別資產及承擔之負債作出之商譽及公允價值調整被視為該海外業務之資產及負債,並於各呈報期末按通行匯率換算。所產生之匯兌差額於其他全面收益確認。

(u) 借貸成本

所有借貸成本於產生之期間在損益表確認。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Leased Assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

- (i) Classification of assets leased to the Group
Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.
- (ii) Assets acquired under finance leases. Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost of the assets over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset, as set out in Note 2(g). Impairment losses are accounted for in accordance with the accounting policy as set out in Note 2(m). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

2. 主要會計政策概要(續)

(v) 租賃資產

倘本集團釐定由一項交易或一系列交易組成的安排涵蓋個別資產或多項資產於協定期限內的使用權，以換取付款或一系列付款，則該項安排乃屬或包含一項租賃。有關釐定工作乃以評估該項安排的實質內容為基準，而不論該項安排是否擁有租賃的法律形式。

- (i) 本集團承租的資產之分類。對於本集團以租賃持有的資產，如有關租賃將擁有資產的絕大部份風險和回報轉移至本集團，有關資產便會劃歸為以融資租賃持有。不向本集團轉移擁有權的絕大部份風險和回報的租賃乃列作經營租賃。
- (ii) 以融資租賃收購的資產。倘本集團以融資租賃獲得資產的使用權，代表租賃資產公允價值或該等資產最低租賃付款現值(以較低者為準)的金額計入物業、廠房及設備，而相應的負債則於扣除融資費用後入賬列為融資租賃承擔。折舊乃於相關租賃期或(倘本集團很可能將取得該資產的擁有權)資產的年期內按撇銷資產成本的比率計提，詳情載於附註2(g)。減值虧損乃根據會計政策作出，詳情載於附註2(m)。租賃付款內含融資費用乃於租賃期內計入損益表，藉此在每個會計期間以一個相若的息率計算負債餘額的融資費用。或然租金乃於產生的會計期間計入損益表。

Notes to Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Segment Reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type of class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2. 主要會計政策概要(續)

(w) 分類報告

經營分類及綜合財務報表所呈報各分類項目之金額乃自定期提供予本集團最高行政管理人員之財務資料中識別得出，以將資源分配至本集團各項業務及地理位置，以及評估本集團各項業務及地理位置之表現。

就財務報告而言，除非分類具備相似經濟特徵，且產品及服務性質、生產工序性質、客戶類型或類別、用於分銷產品或提供服務之方法及監管環境性質相似，否則個別重大經營分類不會進行合算。個別非重大之經營分類如符合上述大部份標準，則可進行合算。



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

In the current year, the Group has applied, for the first time, the following new and revised standard, amendments and interpretations (“new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are effective for the Group’s financial year beginning 1 January 2018. A summary of the new and revised HKFRSs applied by the Group is set out as follow:

HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions
HKFRS 4 (Amendments)	Applying HKFRS 9 <i>Financial Instruments</i> with HKFRS 4 <i>Insurance Contracts</i>
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and related Amendments
HKAS 28 (Amendments)	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle
HKAS 40 (Amendments)	Transfers of Investment Property
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration

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

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團首次應用以下由香港會計師公會頒佈並於本集團自二零一八年一月一日或之後開始之財政年度生效之新訂準則、修改本及詮釋（「新訂香港財務報告準則」）。新訂香港財務報告準則概述如下：

香港財務報告準則第2號 (修訂本)	以股份為基礎的付款交易之分類及計量
香港財務報告準則第4號 (修訂本)	與香港財務報告準則第9號金融工具一併應用的香港財務報告準則第4號保險合約
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	來自客戶合約之收益及相關修訂
香港會計準則第28號 (修訂本)	作為香港財務報告準則二零一四年至二零一六年週期之年度改善的一部分
香港會計準則第40號 (修訂本)	投資物業之轉讓
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，於本年度應用新訂香港財務報告準則並無對本集團本年度及過往年度之財務表現及狀況及／或該等綜合財務報表所載披露產生重大影響。

Notes to Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

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

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

(a) Impact on the Consolidated Financial Statements

The following tables show the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided. The adjustments are explained in more detail by standard below.

(a) 對綜合財務報表之影響

下表顯示對每個個別項目所確認之調整，並不包括不受變動影響之項目。因此，所披露小計及總計不能按所提供數字重新計算。有關調整於下文按準則詳細闡釋。

Consolidated statement of financial position (extract)	綜合財務狀況報表 (摘要)	At		At
		31 December 2017	HKFRS 9	1 January 2018
		於二零一七年十二月三十一日	香港財務報告準則第9號	於二零一八年一月一日
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Non-current assets	非流動資產			
Available-for-sale financial assets	可供出售金融資產	88,200	(88,200)	—
Financial assets at fair value through other comprehensive income (“FVTOCI”)	於其他全面收益表按公允價值列賬之金融資產	—	88,200	88,200
Conversion options embedded in convertible notes	可換股票據內含之換股權	7	(7)	—
Current assets	流動資產			
Available-for-sale financial assets	可供出售金融資產	20,487	(20,487)	—
Financial assets at fair value through profit or loss (“FVTPL”)	於損益表按公允價值列賬之金融資產	—	20,494	20,494
Net current liabilities	流動負債淨額	(49,332)	—	(49,332)
Total assets less current liabilities	資產總值減流動負債	62,890	—	62,890
Net liabilities	負債淨額	(47,443)	—	(47,443)
Capital and reserves	資本及儲備			
Reserves	儲備	(71,466)	—	(71,466)
Total equity	總權益	(47,443)	—	(47,443)



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

(b) HKFRS 9 Financial Instruments

Impacts and Changes in Accounting Policies of Application on HKFRS 9 “Financial Instruments”

In the current year, the Group has applied HKFRS 9 “Financial Instruments” and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for (1) the classification and measurement of financial assets and financial liabilities, (2) expected credit losses (“ECL”) for financial assets and (3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018. The difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening retained profits and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 “Financial Instruments: Recognition and Measurement”.

Summary of effects arising from initial application of HKFRS 9 below illustrates the classification and measurement (including impairment) of financial assets and financial liabilities and other items subject to ECL under HKFRS 9 and HKAS 39 at the date of initial application, 1 January 2018.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

(b) 香港財務報告準則第9號「金融工具」

應用香港財務報告準則第9號「金融工具」之影響及會計準則變動

於本年度，本集團已應用香港財務報告準則第9號「金融工具」及導致其他香港財務報告準則的相關後續修訂本。香港財務報告準則第9號引入1) 金融資產及金融負債之分類及計量；2) 金融資產的預期信貸虧損(「預期信貸虧損」)及3) 一般對沖會計的新規定。

本集團已根據香港財務報告準則第9號所載的過渡性條文應用香港財務報告準則第9號，即本集團對於二零一八年一月一日(首次應用當日)尚未終止確認的工具，追溯應用了分類和計量(包括減值)的規定，而不會對於二零一八年一月一日已經終止確認的工具應用有關規定。於二零一七年十二月三十一日之賬面值與於二零一八年一月一日之賬面值之間之差額於期初保留盈利及權益內其他項目中確認，毋須重列比較資料。

因此，若干比較資料未必可比較，原因是比較資料乃按照香港會計準則第39號「金融工具：確認及計量」編製。

以下應用香港財務報告準則第9號所產生的影響概述說明於首次應用日期(二零一八年一月一日)按照香港財務報告準則第9號及按照香港會計準則第39號對金融資產及金融負債以及其他須確認預期信貸虧損之其他項目之分類及計量(包括減值)。

Notes to Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

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

(b) HKFRS 9 Financial Instruments (Continued)

Impacts and Changes in Accounting Policies of Application on HKFRS 9 “Financial Instruments” (Continued)

Under the transition methods chosen, the Group recognises the cumulative effect of the initial application of HKFRS 9 as an adjustment to the opening balance of equity at 1 January 2018. Comparative information is not restated. The following table gives a summary of the opening balance adjustments recognised for each line item in the consolidated statement of financial position that has been affected by HKFRS 9.

Classification and Measurement

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

(b) 香港財務報告準則第9號「金融工具」(續)

應用香港財務報告準則第9號「金融工具」之影響及會計準則變動(續)

根據所選用過渡方法，本集團將首次應用香港財務報告準則第9號之累計影響確認作對於二零一八年一月一日期初權益結餘之調整，毋須重列比較資料。下表概述對於綜合財務報表中受香港財務報告準則第9號影響之各項目所確認的調整。

分類和計量

	At 31 December 2017	Impact on initial application of HKFRS 9	At 1 January 2018
	於二零一七年 十二月三十一日	首次應用香港 財務報告準則 第9號之影響	於二零一八年 一月一日
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Available-for-sale financial assets	108,687	(108,687)	—
Conversion options embedded in convertible notes	7	(7)	—
Financial assets at FVTOCI (Note ii)	—	88,200	88,200
Financial assets at FVTPL (Note i)	—	20,494	20,494
Reserves	(71,466)	—	(71,466)



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

(b) HKFRS 9 Financial Instruments (Continued)

Impacts and Changes in Accounting Policies of Application on HKFRS 9 “Financial Instruments” (Continued)

Classification and Measurement (Continued)

The impact of these changes on the group's equity is as follows:

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

(b) 香港財務報告準則第9號「金融工具」(續)

應用香港財務報告準則第9號「金融工具」之影響及會計準則變動(續)

分類和計量(續)

該等變動對本集團之權益的影響如下：

		Financial assets at FVTOCI reserve 於其他全面 收益表按公允 價值列賬之 金融資產儲備	Available- for-sale financial assets reserve 可供出售 金融資產儲備	Accumulated losses 累計虧損
	Note 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Opening balance – HKAS 39	期初結餘 – 香港會計準 則第39號	–	(1,786)	(869,355)
Reclassify from available-for-sale financial assets to financial assets at FVTPL	由可供出售金融資產重新 分類至於損益表按 公允價值列賬之 金融資產	–	(1,334)	1,334
	(i)			
Reclassify from available-for-sale financial assets to financial assets at FVTOCI	由可供出售金融資產重新 分類至於其他全面收 益表按公允價值列賬 之金融資產	(3,120)	3,120	–
	(ii)			
Balance at 1 January 2018 as restated	於二零一八年一月一日 經重列結餘	(3,120)	–	(868,021)

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

(b) HKFRS 9 Financial Instruments (Continued)

Impacts and Changes in Accounting Policies of Application on HKFRS 9 “Financial Instruments” (Continued)

Classification and Measurement (Continued)

Notes:

(i) From Available-for-sale Financial Assets to Financial Assets at FVTPL

The unlisted club debenture and convertible note with the carrying amount of approximately HK\$2,030,000 and HK\$18,464,000 were reclassified from available-for-sale (“AFS”) financial assets to financial assets at FVTPL. This is because even though the Group’s business model is to hold financial assets in order to collect contractual cash flows, the cash flows of these investments do not meet the HKFRS 9 criteria as solely payments of principal and interest on the principal amount outstanding.

There was no material impact on the amounts recognized in relation to these assets from the application of HKFRS 9.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

(b) 香港財務報告準則第9號「金融工具」(續)

應用香港財務報告準則第9號「金融工具」之影響及會計準則變動(續)

分類和計量(續)

附註:

(i) 由可供出售金融資產重新分類至於損益表按公允價值列賬之金融資產

賬面金額分別約2,030,000港元及18,464,000港元之非上市會所債權證及可換股票據由可供出售金融資產(「可供出售金融資產」)重新分類為於損益表按公允價值列賬之金融資產(「於損益表按公允價值列賬之金融資產」)。此乃由於儘管本集團之商業模式以目的為收取合約現金流量持有金融資產，該投資之現金流量並不符合香港財務報告準則第9號之標準，即現金流量只能用作償還本金及本金結欠所產生的利息。

應用香港財務報告準則第9號對與該資產相關所確認金額並無重大影響。



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

(b) HKFRS 9 Financial Instruments (Continued)

Impacts and Changes in Accounting Policies of Application on HKFRS 9 “Financial Instruments” (Continued)

Classification and Measurement (Continued)

Notes: (Continued)

(ii) From Available-for-sale Financial Assets to Financial Assets at FVTOCI

The Group elected to present in OCI for the fair value changes of all its equity investments previously classified as available-for-sale financial assets. These investments are not held for trading and not expected to be sold in the foreseeable future. At the date of initial application of HKFRS 9, HK\$88,200,00 were reclassified from available-for-sale investments to equity instruments at financial assets at FVTOCI, of which all related to unquoted equity investments previously measured at fair value under HKAS 39.

There was no material impact on the amounts recognized in relation to these assets from the application of HKFRS 9.

Under HKAS 39, debt securities and embedded derivative financial instruments not held for trading were classified as available-for-sale financial assets and financial assets/liabilities designated at FVTPL respectively. The Group considered that it is appropriate not to separate out the embedded derivative from the debt host contract and to classify these securities as financial assets at FVTOCI under HKFRS 9 at 1 January, 2018 based on latest assessment.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

(b) 香港財務報告準則第9號「金融工具」(續)

應用香港財務報告準則第9號「金融工具」之影響及會計準則變動(續)

分類和計量(續)

附註：(續)

(ii) 由可供出售金融資產重新分類至於其他全面收益表按公允價值列賬之金融資產

本集團選擇就原先分類為可供出售金融資產之所有股本投資之公允價值變動呈列於其他全面收益表。該等投資並非持作買賣，且並不預期會於可預見未來出售。於首次應用香港財務報告準則第9號日期，88,200,000港元由可供出售投資重新分類為於其他全面收益表按公允價值列賬之金融資產之股本投資，當中所有與原先按照香港會計準則第39號按公允價值計量之並無報價股本投資相關。

應用香港財務報告準則第9號對與該資產相關所確認金額並無重大影響。

根據香港會計準則第39號，並非持作買賣之債務證券及內含衍生金融工具分別分類為可供出售金融資產及指定為於損益表按公允價值列賬之金融資產／負債。本集團認為，將內含衍生工具從主債務合約分拆並不適當，並根據最新評估於二零一八年一月一日將該等證券按照香港財務報告準則第9號分類為於其他全面收益表按公允價值列賬之金融資產。

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

(b) HKFRS 9 Financial Instruments (Continued)

Impacts and Changes in Accounting Policies of Application on HKFRS 9 “Financial Instruments” (Continued)

There is no reclassification or remeasurement of the financial assets, including cash and bank balances, other receivables and deposit, for the adoption of HKFRS 9.

The measurement categories for all financial liabilities remain the same. The carrying amounts for all financial liabilities at 1 January 2018 have not been impacted by the initial application of HKFRS 9.

Impairment under ECL Model

The Group was required to revise its impairment methodology under HKFRS 9 for each of these classes of assets. There is no impact of the change in impairment methodology on the Group’s retained profits and equity.

While cash and bank balances are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

Deposit and Other Receivables

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all deposit and other receivables. There was no loss allowance on both 1 January 2018 and 31 December 2018.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

(b) 香港財務報告準則第9號「金融工具」(續)

應用香港財務報告準則第9號「金融工具」之影響及會計準則變動(續)

採用香港財務報告準則第9號毋須對金融資產(包括現金及銀行結存、其他應收款項及按金)重新分類或重新計量。

所有金融負債之計量類別維持不變。所有金融負債於二零一八年一月一日之賬面值並不受首次應用香港財務報告準則第9號影響。

預期信貸虧損模型下的減值

根據香港財務報告準則第9號，本集團須就該等資產級別各項修訂減值方法。改變減值方法並無對本集團之保留溢利及權益產生影響。

儘管現金及銀行結存亦須遵守香港財務報告準則第9號之減值規定，所識別減值虧損不屬重大。

按金及其他應收款項

本集團使用香港財務報告準則第9號簡化方法計量預期信貸虧損，即就所有按金及其他應收款項使用全期預期信貸虧損。於二零一八年一月一日及於二零一八年十二月三十一日均無虧損撥備。



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

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

HKFRSs (Amendments)	Annual Improvement to HKFRS, 2015–2017 Cycle ¹
HKFRS 3	Definition of Business ⁴
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation ¹
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
HKFRS 16	Leases ¹
HKFRS 17	Insurance Contracts ²
HKAS 1 and HKAS 8 (Amendments)	Definition of materials ⁵
HKAS 19 (Amendments)	Plan Amendment, Curtailment or Settlement ¹
HKAS 28 (Amendments)	Long-term interests in Associates and Joint Ventures ¹
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments ¹

- ¹ Effective for annual periods beginning on or after 1 January 2019.
- ² Effective for annual periods beginning on or after 1 January 2021.
- ³ Effective for annual periods beginning on or after a date to be determined.
- ⁴ Effective for business combination and asset acquisitions for which acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.
- ⁵ Effective for annual periods beginning on or after 1 January 2020.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則 (修訂本)	香港財務報告準則 於二零一五年至 二零一七年周期之 年度改善 ¹
香港財務報告準則第3號(修訂本)	對「業務」的定義 ⁴
香港財務報告準則第9號(修訂本)	具有負補償之提早還款 特性 ¹
香港財務報告準則第10號及香港會計 準則第28號(修訂本)	投資者及其聯營公司或 合營企業之間的資產 出售或注入資產 ³
香港財務報告準則第16號	租賃 ¹
香港財務報告準則第17號	保險合同 ²
香港會計準則第1號及 香港會計準則第8號(修訂本)	對「重大」的定義 ⁵
香港會計準則第19號(修訂本)	計劃修改、縮減或結算 ¹
香港會計準則第28號(修訂本)	於聯營公司或合營企業 之長期權益 ¹
香港(國際財務報告詮釋委員會) — 詮釋第23號	所得稅處理的不確定性 ¹

- ¹ 於二零一九年一月一日或之後開始之年度期間生效。
- ² 於二零二一年一月一日或之後開始之年度期間生效。
- ³ 於待釐定日期或之後開始之年度期間生效。
- ⁴ 對收購日期為二零二零年一月一日或之後開始之首年度期間之業務合併及資產收購生效。
- ⁵ 於二零二零年一月一日或之後開始之年度期間生效。

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

The directors of the Company anticipate that, except as described below, the application of other new and revised HKFRSs will have no material impact on the results and the financial position of the Group.

HKFRS 16 Leases

Nature of Change

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

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. In addition, HKFRS 16 requires sales and leaseback transactions to be determined based on the requirements of HKFRS 15 as to whether the transfer of the relevant asset should be accounted as a sale. HKFRS 16 also includes requirements relating to subleases and lease modifications.

Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

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

Furthermore, extensive disclosures are required by HKFRS 16.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本公司董事預期除下述者外，應用所有其他新訂及經修訂香港財務報告準則對本集團綜合財務報表並無重大影響。

香港財務報告準則第16號「租賃」

變動性質

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一套全面模式。香港財務報告準則第16號生效時將取代香港會計準則第17號「租賃」及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。此外，香港財務報告準則第16號規定售後租回交易須根據香港財務報告準則第15號的規定而釐定轉讓相關資產是否應作為銷售入賬。香港財務報告準則第16號亦包括有關分租及租約修改的規定。

承租人會計處理已撤除經營租賃及融資租賃的區分，並由承租人必須就所有租賃確認使用權資產及相應負債的模式取代，惟短期租賃及租賃低價值資產除外。

使用權資產初步按成本計量，其後按成本(若干例外情況除外)減累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。租賃負債初步按該日未支付的租賃付款的現值計量。其後，租賃負債就利息及租賃付款以及(其中包括)契約修訂之影響作出調整。就現金流量分類而言，本集團目前將自用及歸類為投資物業的租賃土地之前期預繳租賃付款呈列為投資現金流量，而其他經營租賃付款則呈列為經營現金流量。應用香港財務報告準則第16號後，與租賃負債有關的租賃付款將分配為本金及利息部分，該等部分將呈列為本集團的融資現金流量。

此外，香港財務報告準則第16號要求作出廣泛披露。



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

HKFRS 16 *Leases (Continued)*

Impact

The group has set up a project team which has reviewed all of the group’s leasing arrangements over the last year in light of the new lease accounting rules in HKFRS 16. The standard will affect primarily the accounting for the group’s operating leases.

At 31 December 2018, the Group has non-cancellable operating lease commitments of approximately HK\$2,268,000 as disclosed in note 35 to the consolidated financial statements. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. The Group intends to elect the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening retained earnings without restating comparative information.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第16號「租賃」(續)

影響

鑒於香港財務報告準則第16號新的租賃處理規則，本集團已成立項目團隊於上年審閱本集團所有租賃安排。該準則將主要影響本集團的經營租賃。

誠如綜合財務報表附註35披露，本集團於二零一八年十二月三十一日擁有2,268,000港元之不可撤銷的經營租賃承擔。初步評估顯示該等安排將符合租賃之定義。應用香港財務報告準則第16號後，本集團將就所有該等租賃確認使用權資產及相應負債，除非其符合低價值或短期租賃資格。

應用新規定可能導致上述計量、呈列方式及披露出現變動。本集團擬選擇就作為承租人應用香港財務報告準則第16號選用經修訂追溯方法，將首次應用之累計影響確認於期初保留盈利，毋須重列比較資料。



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4. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

In the application of the Group's accounting policies, which are described in Note 2, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates 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 critical judgments, apart from those involving estimations are that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

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

4. 重要會計判斷及估計

於應用附註2所述之本集團會計政策時，管理層須就未能於其他來源取得之資產及負債之賬面金額作出判斷、估計及假設。估計及相關假設乃根據過往經驗及其他被認為屬相關之因素作出。實際結果可能與該等估計有異。

本集團會持續審閱該等估計及相關假設。倘會計估計之修訂僅影響作出修訂估計之期間，則有關估計修訂將於作出修訂之期間確認，或倘修訂對本期及未來期間均會構成影響，則會於作出修訂之期間及未來期間確認。

除涉及估計者外，管理層亦於應用本集團會計政策過程中作出對於綜合財務報表確認之金額具有最重大影響之重要判斷。

於呈報期末有關未來之主要假設及估計不明朗因素之其他主要來源具有導致資產及負債之賬面金額於下一財政年度內作出大幅調整之重大風險。



4. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

Critical Judgments in Applying Accounting Policies, Accounting Estimates and Assumptions

Provision of ECL for Deposits and Other Receivables

The loss allowances for financial assets at amortised cost are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 5(b).

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's deposits and other receivables are disclosed in notes 5(b) and 22.

Impairment of Property, Plant and Equipment and Other Tangible Assets

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the CGUs to which property, plant and equipment have been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. The Group tests annually whether the assets have suffered any impairment. The recoverable amount of an asset or a cash generating unit is determined based on value in use calculations which require the use of assumptions and estimates.

Determining whether other tangible assets are impaired requires an estimation of the fair value less cost to disposal to which other tangible assets have been allocated. The recoverable value calculation requires the Group to estimate the future cash flows expected to arise from the assets. Impairment loss has been made if the recoverable amounts of the other tangible assets were below their carrying amounts. Details of the recoverable amount calculations are disclosed in Note 17.

4. 重要會計判斷及估計(續)

應用會計政策、會計估計及假設時之重大判斷

按金及其他應收款項之預期信貸虧損撥備

按攤銷成本計量之金融資產的虧損撥備乃根據有關違約風險及預期虧損率之假設作出。基於本集團過往的經驗、現行市況及於各報告期末的前瞻性估計，本集團於作出該等假設及選擇減值計算的輸入數據時已運用判斷。有關所用的主要假設及輸入數據的詳情披露於附註5(b)。

預期信貸虧損撥備對估計變動十分敏感。有關預期信貸虧損及本集團按金及其他應收款項的資料披露於附註5(b)及22。

物業、廠房及設備以及其他有形資產之減值

於釐定物業、廠房及設備有否出現減值時，本集團需估計獲分配物業、廠房及設備之現金產生單位之使用價值。於計算使用價值時，本集團需估計現金產生單位預期產生之未來現金流量及適當之貼現率，藉此計算現值。本集團每年測試資產有否出現減值。資產或現金產生單位之可收回金額乃根據使用價值計算法釐定，當中需要作出假設及估計。

於釐定其他有形資產是否出現減值時，本集團需估計獲分配其他有形資產之現金產生單位之公允價值減出售成本。於計算可收回價值時，本集團需估計資產預期產生之未來現金流量。倘其他有形資產之可收回金額少於其賬面金額，則出現減值虧損。有關計算可收回金額之詳細資料載於附註17。

4. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

Critical Judgments in Applying Accounting Policies, Accounting Estimates and Assumptions (Continued)

Income Taxes

The Group is subject to income taxes. Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of the business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Fair Value of Financial Assets at FVTOCI/Available-for-sale Financial Assets

The fair value of financial assets at FVTOCI/available-for-sale financial assets that are not traded in active market is determined by valuation techniques. Fair value of financial assets at FVTOCI/available-for-sale financial assets is determined by independent valuers with reference to the market value of underlying net assets. Valuation techniques that include inputs that are not based on observable market data and make assumptions that are primarily based on market conditions existing at the end of each reporting period. Note 19 provide detailed information about key assumptions used in the determination of the fair value.

4. 重要會計判斷及估計(續)

應用會計政策、會計估計及假設時之重大判斷(續)

所得稅

本集團須繳納所得稅。釐定所得稅撥備時須作出重大判斷。在日常業務過程中，大部份交易及計算之最終稅務決定均不明朗。本公司根據附加稅項會否到期之估計來確認預計稅項審核事宜之負債。倘此等事宜之最終稅務結果有別於首次錄得之金額，有關差額將對作出決定期間之所得稅及遞延稅項撥備構成影響。

於其他全面收益表按公允價值列賬之金融資產／可供出售金融資產之公允價值

並無於活躍市場買賣之於其他全面收益表按公允價值列賬之金融資產／可供出售金融資產之公允價值採用估值技巧釐定。於其他全面收益表按公允價值列賬之金融資產／可供出售金融資產之公允價值由獨立估值師參考相關淨資產市值釐定。估值技巧包括並非以可見市場數據為基礎之輸入數據，並主要根據各呈報期末當時之市場情況作出假設。有關用於釐定公允價值之主要假設之詳細資料載於附註19。



4. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

Critical Judgments in Applying Accounting Policies, Accounting Estimates and Assumptions (Continued)

Useful Lives of Property, Plant and Equipment

In accordance with HKAS 16, the Group estimates the useful lives of property, plant and equipment in order to determine the amount of depreciation expenses to be recorded. The useful lives are estimated at the time the asset is acquired based on historical experience, the expected usage, wear and tear of the assets, as well as technical obsolescence arising from changes in the market demands. The Group also performs annual reviews on whether the assumptions made on useful lives continue to be valid.

Going Concern

As disclosed in Note 2(b), the directors of the Company have prepared the consolidated financial statements on a going concern basis as per following reasons:

- (1) The Group will seek to obtain additional financing by means of including but not limited to rights issue, open offer and placing of the new shares.
- (2) The Group will implement operation plans to control costs and generate adequate cash flows from the Group's operations.

4. 重要會計判斷及估計(續)

應用會計政策、會計估計及假設時之重大判斷(續)

物業、廠房及設備之可使用年期

本集團根據香港會計準則第16號估計物業、廠房及設備之可使用年期，從而判斷所須記錄之折舊開支金額。於購置資產之時，根據過往經驗、資產之預期使用量、損耗程度，以及技術會否因市場需求變動而變成過時，估計其可使用年期。本集團亦於每年作出檢討，以判斷為資產可使用年期所作出之假設是否仍然有效。

持續經營

誠如附註2(b)所披露，本公司董事已按持續經營基準編製綜合財務報表，原因如下：

- (1) 本集團將尋求額外融資，方法包括但不限於供股、公開發售及配售新股份。
- (2) 本集團將執行經營計劃以監控成本及從本集團經營中產生充足現金流量。

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5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT

5. 金融工具及資本風險管理

(a) Categories of Financial Instruments

(a) 金融工具類別

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial assets	金融資產		
Financial assets at FVTOCI	於其他全面收益表按公允價值列賬之金融資產	51,310	—
Financial assets at FVTPL	於損益表按公允價值列賬之金融資產	2,180	—
Available-for-sale financial assets	可供出售金融資產	—	108,687
Conversion options embedded in convertible notes	可換股票據內含之換股權	—	7
Financial assets at amortised cost (including cash and bank balances)	按攤銷成本計量之金融資產(包括現金及現金等值項目)	3,994	41,685
		57,484	150,379
Financial liabilities	金融負債		
At amortised cost	按攤銷成本	160,099	222,374

(b) Financial Risk Management Objectives and Policies

(b) 金融風險管理目標及政策

The Group's principal financial instruments comprise financial assets at FVTOCI, financial assets at FVTPL, available-for-sale financial assets, conversion options embedded in convertible notes and cash and bank balances. The main purpose of holding these financial instruments is to generate short-term appreciation gain and gain from trading of these financial instruments. The Group has other financial assets and liabilities such as deposits and other receivables, which arise directly from its operations.

本集團之主要金融工具包括於其他全面收益表按公允價值列賬之金融資產、於損益表按公允價值列賬之金融資產、可供出售金融資產、可換股票據內含之換股權以及現金及銀行結存。持有該等金融工具之主要目的為產生短期升值收益及因買賣該等金融工具而獲利。本集團擁有直接由經營產生之其他金融資產及負債(如按金及其他應收款項)。

The main risks arising from the Group's financial instruments are market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks and they are summarised below.

從本集團金融工具所產生之主要風險為市場風險(包括外幣風險、利率風險及價格風險)、信貸風險及流動資金風險。董事會檢討及同意管理各項該等風險之政策,有關政策概述如下。



5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(b) Financial Risk Management Objectives and Policies (Continued)

Market Risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and equity prices.

Market risk exposures are measured by sensitivity analysis.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured. Details of sensitivity analysis for foreign currency risk and interest rate risk are set out below.

Foreign Currency Risk

Foreign exchange risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group carries out its business mainly in Hong Kong and all of the transactions are denominated in HK\$. The Group's assets and liabilities are mainly denominated in HK\$, except certain bank balances are denominated in United States dollars ("US\$"). As Hong Kong dollar are pegged to US\$, it is assumed that there would be no material currency risk exposure between these two currencies. The Group does not have any formal hedging policies.

5. 金融工具及資本風險管理(續)

(b) 金融風險管理目標及政策(續)

市場風險

本集團業務主要承受外幣匯率、利率及股本價格變動之財務風險。

所承受之市場風險以敏感度分析計量。

本集團所面對之市場風險或管理及計量該等風險之方法概無改變。外幣風險及利率風險之敏感度分析詳情載列於下文。

外幣風險

外匯風險指金融工具之價值因匯率變動而波動之風險。本集團主要於香港從事業務，而所有交易均以港元計值。本集團之資產及負債主要是以港元計值，惟若干銀行結餘按美元計值。由於港元與美元掛鈎，故假設兩種貨幣之間並無重大貨幣風險。本集團並無任何正式對沖政策。

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5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(b) Financial Risk Management Objectives and Policies (Continued)

Market Risk (Continued)

Interest Rate Risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group has interest-bearing assets in relation to cash at banks carried at effective interest rates with reference to the market. The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group has not used any financial instrument to hedge potential fluctuations in interest rates. The exposure to interest rates risk for the Group's cash at banks is considered minimal. The Group has no variable rate interest bearing borrowings which is not exposed to changes in market interest rates.

The Group does not have any exposure to interest rate risk at the end of the reporting period and is not exposed to changes in market interest rates.

The policies to manage interest rate risk have been followed by the Group since prior years and are considered to be effective.

5. 金融工具及資本風險管理(續)

(b) 金融風險管理目標及政策(續)

市場風險(續)

利率風險

利率風險指金融工具之公允價值或現金流量會因市場利率改變而出現波動之風險。

本集團擁有與銀行現金有關並按參考市場實際利率計息之資產。本集團之收入及經營現金流量大部分獨立於市場利率變動。本集團並無使用任何金融工具對沖利率潛在波動。本集團銀行現金面臨之利率風險輕微。本集團並無不受市場利率變動影響的浮息借款。

於報告期末，本集團並無面臨任何利息風險，亦無面臨任何市場利率變動。

本集團自過往年度一直遵從與管理利率風險有關的政策。我們認為有關政策有效。



5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(b) Financial Risk Management Objectives and Policies (Continued)

Market Risk (Continued)

Price Risk

The Group is exposed to equity securities price risk because investments held by the Group are classified in the consolidated statement of financial position either as available-for-sale financial assets, financial assets at FVTOCI or as financial assets at FVTPL. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risk at the reporting date:

If the equity prices had been 5% higher or lower:

- Loss before taxation for the years ended 31 December 2018 and 2017 would have no change. This is mainly due to no equity securities held included the financial assets at FVTPL at the end of both years.
- Financial assets at FVTOCI reserve/available-for-sale financial assets equity reserve would increase or decrease by approximately HK\$2,565,000 (2017: HK\$5,434,000). This is mainly due to change in fair value of financial assets at FVTOCI/available-for-sale financial assets.

5. 金融工具及資本風險管理(續)

(b) 金融風險管理目標及政策(續)

市場風險(續)

價格風險

由於本集團持有之投資於綜合財務狀況表內分類為可供出售金融資產、於其他全面收益表按公允價值列賬之金融資產或於損益表按公允價值列賬之金融資產，故本集團承受股本證券價格風險。本集團分散其投資組合，以管理其因投資於股本證券而產生之價格風險。

敏感度分析

以下敏感度分析乃按呈報日期所面對之股本價格風險而釐定：

倘股本價格上升或下跌5%：

- 截至二零一八年及二零一七年十二月三十一日止年度之除稅前虧損並無變動，主要因為於該兩年度年末，於損益表按公允價值列賬之金融資產之公允價值並不包括任何股本證券。
- 於其他全面收益表按公允價值列賬之金融資產儲備／可供出售金融資產權益儲備將增加或減少約2,565,000港元(二零一七年：5,434,000港元)。這主要因為於其他全面收益表按公允價值列賬之金融資產／可供出售金融資產之公允價值變動所致。

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(b) Financial Risk Management Objectives and Policies (Continued)

Credit Risk

As at 31 December 2018 and 2017, the Group's maximum exposure to credit risk is bank balances, deposits and other receivables, arises from default of the counterparty.

Credit Risks and Impairment Assessment

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to deposits and other receivables and cash and bank balances. At 31 December 2018, the Group's maximum exposure to credit risk, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arising from the carrying amounts of the respective recognised financial assets as stated in the consolidated statement of financial position. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

Deposits and Other Receivables

Other receivables relating to accounts that are long overdue with significant amounts, known insolvencies or non-response to collection activities, they are assessed individually for impairment allowance. The Group recognised the provision for expected credit losses by assessing the credit risk characteristics of debtor, discount rate and the likelihood of recovery and considering the prevailing economic conditions.

5. 金融工具及資本風險管理(續)

(b) 金融風險管理目標及政策(續)

信貸風險

於二零一八年及二零一七年十二月三十一日，本集團所面臨之最高信貸風險為銀行結餘、按金及其他應收款項，乃因為交易對手違約所致。

信貸風險及減值評估

信貸風險指交易對手違反其合約責任，對本集團造成財務虧損的風險。本集團的信貸風險主要可歸因於按金及其他應收款項以及現金及銀行結餘。於二零一八年十二月三十一日，本集團面臨最大的信貸風險將會對本集團造成財務虧損，有關風險乃因交易對手未能履行綜合財務狀況表所載的各個已確認金融資產所產生的責任所致。本集團並無持有任何抵押品或其他信用加強產品，以涵蓋與其金融資產有關的信貸風險。

按金及其他應收款項

與長期逾期且大額或已知破產或對催收無回應的賬目有關的其他應收款項乃單獨評估減值撥備。本集團透過評估應收賬款的信貸風險特征、折現率及收回的可能性及考慮現行經濟狀況，確認預期信貸虧損撥備。



5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(b) Financial Risk Management Objectives and Policies (Continued)

Credit Risks and Impairment Assessment (Continued)

Deposits and Other Receivables (Continued)

The movement of loss allowances for deposits and other receivables during the year are as follows:

5. 金融工具及資本風險管理(續)

(b) 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

按金及其他應收款項(續)

本年度，按金及其他應收款項的虧損撥備變動如下：

		Deposits and other receivables
		按金及其他應收款項
		HK\$'000
		千港元
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	—
Allowance for expected credit losses	預期信貸虧損撥備	1,674
At 31 December 2018	於二零一八年十二月三十一日	1,674

In relation to the Group's deposit with bank, the Group limits its exposure to credit risk by placing deposits with financial institution with high credit rating and no recent history of default. The directors consider that the Group's credit risk on the bank deposits is low. Management continues to monitor the position and will take appropriate action if their ratings are changed. As at 31 December 2018 and 2017, the Group has no significant concentration of credit risk in relation to deposit with bank.

就本集團的銀行存款而言，本集團透過將存款存入具有高信貸評級且無近期違約記錄的金融機構，以限制其信貸風險。董事認為本集團銀行存款的信貸風險屬低水平。管理層將繼續監控有關狀況，並於評級出現變動時採取適當行動。於二零一八年及二零一七年十二月三十一日，本集團的銀行存款並無重大集中信貸風險。

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5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(b) Financial Risk Management Objectives and Policies (Continued)

Liquidity Risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements.

The following tables detail the Group's remaining contractual maturity for its financial liabilities which are included in the maturity analysis provided internally to the key management personnel for the purpose of managing liquidity risk. For non-derivative liabilities, the tables reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

5. 金融工具及資本風險管理(續)

(b) 金融風險管理目標及政策(續)

流動資金風險

董事會負有管理流動資金風險之最終責任，並已建立適當之流動資金風險管理架構，以管理本集團之短期、中期及長期資金及流動資金管理要求。

下表詳列本集團就其金融負債之餘下合約期(已列入為管理流動資金風險而向主要管理人員內部提供之到期分析內)。就非衍生負債而言，有關列表反映根據本集團可被要求還款之最早日期計算之金融負債未貼現現金流量。有關列表包括利息及本金現金流量。



5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

5. 金融工具及資本風險管理(續)

(b) Financial Risk Management Objectives and Policies (Continued)

(b) 金融風險管理目標及政策(續)

Liquidity Risk (Continued)

流動資金風險(續)

		Weighted average effective interest rate	Within 1 year	2 to 3 years	Over 5 years	Total undiscounted cash flow	Total Carrying amount
		加權平均 實際利率 %	一年內 HK\$'000 千港元	兩年至五年 HK\$'000 千港元	超過五年 HK\$'000 千港元	未貼現總額 HK\$'000 千港元	總賬面金額 HK\$'000 千港元
2018	二零一八年						
Non-derivative financial liabilities	非衍生金融負債						
Accrued charges and other payables	應付開支及其他應付款項	-	29,235	-	-	29,235	29,235
Amounts due to directors	應付董事款項	-	10,415	-	-	10,415	10,415
Amounts due to a related company	應付一間關聯公司款項	-	10,791	-	-	10,791	10,791
Promissory notes	承兌票據	5.35	84,852	30,262	-	115,114	109,658
			135,293	30,262	-	165,555	160,099
		Weighted average effective interest rate	Within 1 year	2 to 3 years	Over 5 years	Total undiscounted cash flow	Total Carrying amount
		加權平均 實際利率 %	一年內 HK\$'000 千港元	兩年至五年 HK\$'000 千港元	超過五年 HK\$'000 千港元	未貼現總額 HK\$'000 千港元	總賬面金額 HK\$'000 千港元
2017	二零一七年						
Non-derivative financial liabilities	非衍生金融負債						
Accrued charges and other payables	應付開支及其他應付款項	-	62,610	-	-	62,610	62,610
Short-term loans	短期貸款	12	6,833	-	-	6,833	6,833
Obligations under finance leases	融資租賃承擔	2.36	619	1,081	-	1,700	1,582
Promissory notes	承兌票據	5.35	5,500	115,184	-	120,684	109,310
			75,562	116,265	-	191,827	180,335

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5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(c) Fair Value Estimation

The fair value of financial assets and financial liabilities are determined as follows:

- (i) the fair value of financial assets and financial liabilities (including derivative instruments) with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively; and
- (ii) the fair value of other financial assets and financial liabilities (including derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input. For an option-based derivative, the fair value is estimated using option pricing model (for example, the binomial option pricing model).

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded in the consolidated financial statements approximate their fair values except for the promissory notes.

5. 金融工具及資本風險管理(續)

(c) 公允價值估計

金融資產及金融負債之公允價值乃以下列方式釐定：

- (i) 受標準條款及條件規管並於活躍流動市場買賣之金融資產及金融負債(包括衍生工具)之公允價值，分別參考市場所報之買入價及賣出價而釐定；及
- (ii) 其他金融資產及金融負債(包括衍生工具)之公允價值，則根據公認定價模型按貼現現金流量分析使用可供對照之現有市場交易之價格或比率作為輸入數據而釐定。就以期權為基礎之衍生工具而言，公允價值乃以期權定價模型(如二項式期權定價模型)估計。

本公司董事認為，除承兌票據外，於綜合財務報表內列賬之金融資產及金融負債之賬面金額與其公允價值相若。



5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(c) Fair Value Estimation (Continued)

Fair Value Measurements Recognised in the Consolidated Statement of Financial Position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

5. 金融工具及資本風險管理(續)

(c) 公允價值估計(續)

於綜合財務狀況表確認之公允價值計量

下表提供於初步確認後按公允價值計量之金融工具分析，其按公允價值可觀察程度分為1至3級：

- 第1級公允價值計量乃自相同資產或負債於活躍市場所報未調整價格得出；
- 第2級公允價值計量乃除第1級計入之報價外，自資產或負債可直接(即價格)或間接(即自價格衍生)可觀察輸入數據得出；及
- 第3級公允價值計量乃自計入並非根據可觀察市場數據(無法觀察輸入數據)之資產或負債數據之估值方法得出。



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5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

5. 金融工具及資本風險管理(續)

(c) Fair Value Estimation (Continued)

(c) 公允價值估計(續)

Fair Value Measurements Recognised in the Consolidated Statement of Financial Position (Continued)

於綜合財務狀況表確認之公允價值計量(續)

2018 二零一八年		Level 1 第1級 HK\$'000 千港元	Level 2 第2級 HK\$'000 千港元	Level 3 第3級 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Financial assets	金融資產				
Financial assets at FVTOCI	於其他全面收益表按公允價值列賬之金融資產	-	-	51,310	51,310
Financial assets at FVTPL	於損益按公允價值列賬之金融資產	-	-	2,180	2,180
		-	-	53,490	53,490
2017 二零一七年		Level 1 第1級 HK\$'000 千港元	Level 2 第2級 HK\$'000 千港元	Level 3 第3級 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Financial assets	金融資產				
Conversion options embedded in convertible notes	可換股票據內含之換股權	-	-	7	7
Available-for-sale financial assets	可供出售金融資產				
Unlisted debt securities	非上市債務證券	-	-	20,487	20,487
Unlisted equity securities	非上市股本證券	-	-	88,200	88,200
		-	-	108,694	108,694

During the reporting period, there were no transfer of fair value measurements between Level 1 and Level 2 and no transfer into or out of Level 3.

於呈報期內，第1級與第2級之間並無轉撥公允價值計量，且概無轉入或轉出第3級。



5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

5. 金融工具及資本風險管理(續)

(c) Fair Value Estimation (Continued)

(c) 公允價值估計(續)

Reconciliation of Level 3 Fair Value Measurements of Financial Assets

金融資產第3級公允價值計量之對賬

		Unlisted equity securities	Unlisted debt securities	Conversion options embedded in convertible notes	Total
2018		非上市股本證券	非上市債務證券	可換股票據內含之換股權	合計
二零一八年		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Opening balance	年初結餘	88,200	20,487	7	108,694
Gains or losses recognised in:	於下列項目確認之收益或虧損：				
- profit or loss	- 損益	7,350	(18,307)	(7)	(10,964)
- other comprehensive loss	- 其他全面虧損	(44,240)	-	-	(44,240)
Closing balance	年終結餘	51,310	2,180	-	53,490
2017					Total
二零一七年		非上市股本證券	非上市債務證券	可換股票據內含之換股權	合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Opening balance	年初結餘	101,000	18,132	747	119,879
Gains or losses recognised in:	於下列項目確認之收益或虧損：				
- profit or loss	- 損益	(13,868)	1,691	(740)	(12,917)
- other comprehensive loss	- 其他全面虧損	1,068	664	-	1,732
Closing balance	年終結餘	88,200	20,487	7	108,694

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5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(c) Fair Value Estimation (Continued)

Reconciliation of Level 3 Fair Value Measurements of Financial Assets (Continued)

The gains or losses included in the consolidated statement of profit or loss and other comprehensive income for the years mainly related to financial assets at FVTPL, change in fair value of financial assets at FVTPL and conversion options embedded in convertible notes, disposal, change in fair value of financial assets at FVTPL, and change in fair value of financial assets at FVTOCI.

The gains and losses included in other comprehensive income for the current year related to the fair value change in unlisted equity securities held at the end of the reporting period and are reported as changes of “Financial assets at FVTOCI reserve”/“available-for-sale financial assets equity reserve”.

5. 金融工具及資本風險管理(續)

(c) 公允價值估計(續)

金融資產第3級公允價值計量之對賬(續)

計入有關年度綜合損益及其他全面收益表之收益或虧損乃主要有關於損益表按公允價值列賬之金融資產、於損益表按公允價值列賬之金融資產及可換股票據內含之換股權之公允價值變動、出售、於損益按公允價值列賬之金融資產之公允價值變動及於其他全面收益表按公允價值列賬之金融資產之公允價值變動。

計入本年度其他全面收益之收益及虧損乃與於呈報期末所持非上市股本證券之公允價值變動有關，而該等變動已於「於其他全面收益表按公允價值列賬之金融資產」/「可供出售金融資產權益儲備」之變動中呈報。



5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

5. 金融工具及資本風險管理(續)

(c) Fair Value Estimation (Continued)

Reconciliation of Level 3 Fair Value Measurements of Financial Assets (Continued)

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Financial assets 金融資產	Fair value as at 於下列日期之公允價值		Fair value hierarchy 公允價值等級	Valuation techniques and key inputs 估值技巧及主要輸入數據		Significant unobservable inputs 重大不可觀察輸入數據
	31 December 2018 二零一八年十二月三十一日	31 December 2017 二零一七年十二月三十一日				
1) Conversion options embedded in convertible notes classified as financial assets at FVTPL (Note 20)	Conversion options embedded in convertible notes by Premium Castle Limited (Note (vi)) –	Conversion options embedded in convertible notes by Premium Castle Limited (Note (vi)) – HK\$7,000	Level 3	Binomial option pricing model (Note (x))	The expected share price volatility is with reference to historical daily volatilities of comparable companies, a risk-free rate of 1.62% (2017: a risk-free rate of 0.86%).	The fair value measurement is positively correlated to the credit spread. As at 31 December 2018, the credit spread used in the valuation is 8.68% (2017: 8.51%), and it is estimated that with all other variables held constant, an increase/decrease of 10% in the credit spread would increase/decrease the fair value of the option by approximately HK\$Nil (2017: HK\$200/HK\$300).
1) 分類為於損益表按公允價值列賬之金融資產之可換股票據內含之換股權(附註20)	由Premium Castle Limited發行之可換股票據內含之換股權(附註(vi)) –	由Premium Castle Limited發行之可換股票據內含之換股權(附註(vi)) – 7,000港元	第3級	二項式期權定價模型(附註(x))	預期股價波幅乃參照可資比較公司之歷史每日波幅，無風險利率為1.62%(二零一七年：無風險利率為0.86%)。	公允價值計量與信用息差有正面關聯。於二零一八年十二月三十一日，估值所用信用息差為8.68%(二零一七年：8.51%)，估計所有其他變數維持不變，信用息差增加/減少10%會導致購股權公允價值增加/減少零港元(二零一七年：200港元/300港元)。

(c) 公允價值估計(續)

金融資產第3級公允價值計量之對賬(續)

本集團部份金融資產於各呈報期末按公允價值計量。下表提供如何釐定該等金融資產公允價值(特別是所用之估值技巧及輸入數據)之資料。

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5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

5. 金融工具及資本風險管理(續)

(c) Fair Value Estimation (Continued)

(c) 公允價值估計(續)

Reconciliation of Level 3 Fair Value Measurements of Financial Assets (Continued)

金融資產第3級公允價值計量之對賬(續)

Financial assets 金融資產	Fair value as at 於下列日期之公允價值		Fair value hierarchy 公允價值等級	Valuation techniques and key inputs 估值技巧及主要輸入數據	Significant unobservable inputs 重大不可觀察輸入數據
	31 December 2018 二零一八年十二月三十一日	31 December 2017 二零一七年十二月三十一日			
2) Unlisted equity securities classified as financial assets at FVTOCI/available-for-sale financial assets (Note 19)	0.39% equity investment in Co-Lead Holdings Limited (Note (i)) - HK\$6,900,000	0.49% equity investment in Co-Lead Holdings Limited (Note (i)) - HK\$13,700,000	Level 3	Market approach (Note (viii))	The price to book ratio of the comparable companies are considered in the valuation to reflect the condition that there are premium or discount on its stock price and its book value as at valuation date. Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries at 35% as at 31 December 2018 (2017: 35.00%). If the discount rate was 5% higher/lower while all other variables were held constant, the carrying amount of unlisted equity securities would decrease/increase by approximately HK\$550,000/HK\$500,000 (2017: HK\$1,100,000/HK\$1,000,000).
2) 分類為於其他全面收益表按公允價值列賬之金融資產/可供出售金融資產之非上市股本證券(附註19)	於Co-Lead Holdings Limited之 0.39%股本投資(附註(i)) - 6,900,000港元	於Co-Lead Holdings Limited之0.49%股本投資(附註(i)) - 13,700,000港元	第3級	市場法(附註(viii))	估值考慮可資比較公司之市賬率，以反映於估值日期較其股價及賬面值有所溢價或折讓之情況。 於二零一八年十二月三十一日，參照類似行業上市實體之股價釐定缺乏市場流通性之折讓為35% (二零一七年：35.00%)。如折讓率上升/下跌5%，而所有其他變數維持不變，則非上市股本證券之賬面金額將減少/增加約550,000港元/500,000港元 (二零一七年：1,100,000港元/1,000,000港元)。
	3.35% equity investment in FreeOpt Holdings Limited (Note (ii)) - HK\$5,260,000	3.35% equity investment in FreeOpt Holdings Limited (Note (ii)) - HK\$15,400,000			The price to book ratio of the comparable companies is considered in the valuation to reflect the condition that there are premium or discount on its stock price and its book value as at valuation date. Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries at 35% as at 31 December 2018 (2017: 35.00%). If the discount rate was 5% higher/lower while all other variables were held constant, the carrying amount of unlisted equity securities would decrease/increase by approximately HK\$410,000/HK\$400,000 (2017: HK\$1,100,000/ HK\$1,200,000).
	於FreeOpt Holdings Limited之 3.35%股本投資(附註(ii)) - 5,260,000港元	於FreeOpt Holdings Limited之3.35%股本投資(附註(ii)) - 15,400,000港元			估值考慮可資比較公司之市賬率，以反映於估值日期較其股價及賬面值有所溢價或折讓之情況。 於二零一七年十二月三十一日，參照類似行業上市實體之股價釐定缺乏市場流通性之折讓為35% (二零一七年：35.00%)。如折讓率上升/下跌5%，而所有其他變數維持不變，則非上市股本證券之賬面金額將減少/增加約410,000港元/400,000港元 (二零一七年：1,100,000港元/1,200,000港元)。



5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

5. 金融工具及資本風險管理(續)

(c) Fair Value Estimation (Continued)

(c) 公允價值估計(續)

Reconciliation of Level 3 Fair Value Measurements of Financial Assets (Continued)

金融資產第3級公允價值計量之對賬(續)

Financial assets 金融資產	Fair value as at 於下列日期之公允價值		Fair value hierarchy 公允價值等級	Valuation techniques and key inputs 估值技巧及主要輸入數據	Significant unobservable inputs 重大不可觀察輸入數據
	31 December 2018 二零一八年十二月三十一日	31 December 2017 二零一七年十二月三十一日			
0.59% equity investment in Freewill Holdings Limited (Note (iii)) - HK\$4,960,000	0.59% equity investment in Freewill Holdings Limited (Note (iii)) - HK\$1,840,000		Level 3	Market approach (Note (viii))	The price to book ratio of the comparable companies is considered in the valuation to reflect the condition that there are premium or discount on its stock price and its book value as at valuation date. Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries at 35% as at 31 December 2018 (2017: 35.00%). If the discount rate was 5% higher/lower while all other variables were held constant, the carrying amount of unlisted equity securities would decrease/increase by approximately HK\$380,000 (2017: HK\$140,000).
於Freewill Holdings Limited之0.59%股本投資(附註(iii)) - 4,960,000港元	於Freewill Holdings Limited之0.59%股本投資(附註(iii)) - 1,840,000港元		第3級	市場法(附註(viii))	估值考慮可資比較公司之市賬率，以反映於估值日期較其股價及賬面值有所溢價或折讓之情況。 於二零一八年十二月三十一日，參照類似行業上市實體之股價釐定缺乏市場流通性之折讓為35% (二零一七年：35.00%)。如折讓率上升/下降5%，而所有其他變數維持不變，則非上市股本證券之賬面金額將減少/增加約380,000港元(二零一七年：140,000港元)。
0.18% equity investment in Satinu Resources Group Limited (Note (xii)) - HK\$3,350,000	N/A		Level 3	Market approach	The price to book ratio of the comparable companies is considered in the valuation to reflect the condition that there are premium or discount on its stock price and its book value as at valuation date. Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries at 35% as at 31 December 2018. If the discount rate was 5% higher/lower while all other variables were held constant, the carrying amount of unlisted equity securities would decrease/increase by approximately HK\$260,000.
於Satinu Resources Group Limited (附註(xii))之0.18%股本投資 - 3,350,000港元	不適用		第3級	市場法	估值考慮可資比較公司之市賬率，以反映於估值日期較其股價及賬面值有所溢價或折讓之情況。 於二零一八年十二月三十一日，參照類似行業上市實體之股價釐定缺乏市場流通性之折讓為35%。如折讓率上升/下降5%，而所有其他變數維持不變，則非上市股本證券之賬面金額將減少/增加約300,000港元。

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5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

5. 金融工具及資本風險管理(續)

(c) Fair Value Estimation (Continued)

(c) 公允價值估計(續)

Reconciliation of Level 3 Fair Value Measurements of Financial Assets (Continued)

金融資產第3級公允價值計量之對賬(續)

Financial assets	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs
金融資產	31 December 2018 二零一八年十二月三十一日	於下列日期之公允價值 31 December 2017 二零一七年十二月三十一日	公允價值等級	估值技巧及主要輸入數據	重大不可觀察輸入數據
0.88% equity investment in Joint Global Limited (Note (iv)) - HK\$540,000		0.88% equity investment in Joint Global Limited (Note (iv)) - HK\$700,000	Level 3	Market approach (Note (viii))	The price to book ratio of the comparable companies is considered in the valuation to reflect the condition that there are premium or discount on its stock price and its book value as at valuation date.
於Joint Global Limited之0.88%股本投資 (附註(iv)) - 540,000港元		於Joint Global Limited之0.88%股本投資 (附註(iv)) - 700,000港元	第3級	市場法(附註(viii))	Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries at 35% as at 31 December 2018 (2017: 35.00%). If the discount rate was 5% higher/lower while all other variables were held constant, the carrying amount of unlisted equity securities would decrease/increase by approximately HK\$40,000 (2017: HK\$100,000/HK\$Nil). 估值考慮可資比較公司之市賬率，以反映於估值日期較其股價及賬面價值有所溢價或折讓之情況。 於二零一八年十二月三十一日，參照類似行業上市實體之股價釐定缺乏市場流通性之折讓為35% (二零一七年：35.00%)。如折讓率上升/下跌5%，而所有其他變數維持不變，則非上市股本證券之賬面金額將減少/增加約40,000港元(二零一七年：100,000港元/零港元)
8% equity investment in Smart Role Limited (Note (v)) - HK\$30,300,000;		8% equity investment in Smart Role Limited (Note (v)) - HK\$56,560,000;	Level 3	Comparable sales approach (Note (ix))	Prices for each species were taken from on-site research and interview, official construction cost journals, local practitioners, and forestry products industry information in the PPC from various websites in the public domains. No allowances for transportation was considered as these costs are normally paid by the buyer. However, the referenced prices adopted are after allowance for the uprooting and loading. If the prices parameters was 5% higher/lower while all other variables were held constant, the carrying amount of unlisted equity securities would increase/decrease by approximately RMB23,000,000/RMB22,000,000 (2017: RMB35,000,000/RMB35,000,000).
於Smart Role Limited之8%股本投資 (附註(v)) - 30,300,000港元;		於Smart Role Limited之8%股本投資 (附註(v)) - 56,560,000港元;	第3級	可資比較銷售法 (附註(ix))	Reasonable recovery rates were applied to allow for losses before and during harvesting for each species at the representation of the appointed personnel of the Group's management. If the recovery rates were 5% higher/lower while all other variables were held constant, the carrying amount of unlisted equity securities would increase/decrease by approximately RMB28,000,000 (2017: RMB4,300,000/RMB4,300,000). 各樹木品種之價錢乃取自實地調查及訪問，官方建設成本日誌、地方業內人士以及不同公開網站之中國林產品行業資料。由於運輸費用一般由買方支付，故並無考慮有關費用。然而，所採用之參考價已扣除連根拔起及裝貨費用。如價格參數上升/下跌5%，而所有其他變數維持不變，則非上市股本證券之賬面金額將增加/減少約人民幣23,000,000/人民幣22,000,000 (二零一七年：人民幣35,000,000/人民幣35,000,000)。 作為獲本集團管理層委任之代表，有關方面已應用合理收利率，以考慮採收各樹木品種於收成期之前及期間之損失。如收利率上升/下跌5%，而所有其他變數維持不變，則非上市股本證券之賬面金額將增加/減少約人民幣28,000,000 (二零一七年：人民幣43,000,000/人民幣43,000,000)。



5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

5. 金融工具及資本風險管理(續)

(c) Fair Value Estimation (Continued)

(c) 公允價值估計(續)

Reconciliation of Level 3 Fair Value Measurements of Financial Assets (Continued)

金融資產第3級公允價值計量之對賬(續)

Financial assets 金融資產	Fair value as at 於下列日期之公允價值		Fair value hierarchy 公允價值等級	Valuation techniques and key inputs 估值技巧及主要輸入數據	Significant unobservable inputs 重大不可觀察輸入數據
	31 December 2018 二零一八年十二月三十一日	31 December 2017 二零一七年十二月三十一日		估值技巧及主要輸入數據	重大不可觀察輸入數據
3) Unlisted debt securities classified as financial assets at FVTPL/available-for-sale financial assets (Note 21)	Convertible notes issued by Premium Castle Limited (Note (vii)) --	Convertible notes issued by Premium Castle Limited (Note (vii)) - HK\$18,457,000	Level 3	Amortised cost model (Note (xi))	Risk-free rate of 1.62% and a coupon rate of 2.00% (2017: risk-free rate of 0.86% and a coupon rate of 2.00%).
3) 分類於損益表按公允價值列賬之金融資產/為可供出售金融資產之非上市債務證券(附註21)	由Premium Castle Limited發行之可換股票據(附註(vii)) -- 港元	由Premium Castle Limited發行之可換股票據(附註(vii)) - 18,457,000港元	第3級	攤銷成本模型(附註(xi))	無風險利率1.62%及票息率2.00%(二零一七年:無風險利率0.86%及票息率2.00%)。
					The fair value measurement is negatively correlated to the credit spread. As at 31 December 2018, the credit spread used in the valuation is 8.68% (2017: 8.51%), and it is estimated that with all other variables held constant, an increase/decrease of 10% in the credit spread would decrease/increase the fair value of the convertible notes as a whole by approximately HK\$Nil (2017: HK\$164,000/HK\$166,000).
					公允價值計量與信用息差呈負相關關係。於二零一八年十二月三十一日, 估值所用信用息差為8.68%(二零一七年: 8.51%), 估計所有其他變數維持不變, 信用息差增加/減少10%會導致可換股票據整體公允價值減少/增加約零港元(二零一七年: 164,000港元/166,000港元)。
4) Club debenture classified as financial assets at FVTPL (Note 21)	Debenture issued by the American Club (Note (viii)) - HK\$2,180,000	Debenture issued by the American Club (Note (viii)) - HK\$2,030,000	Level 3	Market approach (Note (viii))	Market comparable ranges from HK\$2.1 million to HK\$2.3 million (2017: HK\$1.95 million to HK\$2.1 million) and the individual factors considered are the second hand quotation price of American Club Corporate (Full) Membership in Hong Kong.
4) 分類為於損益表按公允價值列賬之金融資產之會所債權證(附註21)	由The American Club發行之債權證(附註(viii)) - 2,180,000港元	由The American Club發行之債權證(附註(viii)) - 2,030,000港元	第3級	市場法(附註(viii))	市場比較範圍介乎2,100,000港元至2,300,000港元(二零一七年: 1,950,000港元至2,100,000港元), 而所考慮個別因素為香港The American Club公司(正式)會籍之二手報價。

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(c) Fair Value Estimation (Continued)

Reconciliation of Level 3 Fair Value Measurements of Financial Assets (Continued)

Notes:

- (i) Co-Lead Holdings Limited is an exempted company incorporated in the British Virgin Islands with limited liability on 22 January 2014, which is principally engaged in investment holding.
- (ii) FreeOpt Holdings Limited is an exempted company incorporated in the Republic of the Marshall Islands with limited liability on 22 December 2015, which is principally engaged in investment holding.
- (iii) Freewill Holdings Limited is an exempted company incorporated in the Republic of the Marshall Islands with limited liability on 16 June 2014, which is principally engaged in investment holding.
- (iv) Joint Global Limited is an exempted company incorporated in the Republic of the Marshall Islands with limited liability on 14 September 2015, which is principally engaged in investment holding.
- (v) Smart Role Limited is an exempted company incorporated in the British Virgin Islands with limited liability on 7 November 2013, which is principally engaged in investment holding.
- (vi) On 24 December 2013, the Company subscribed a new convertible note issued by Premium Castle Limited with principal amount of HK\$18,600,000. The completion of the subscription took place on 25 February 2014.
- (vii) On 23 March 2015, the Company subscribed a debenture issued by the American Club with consideration of HK\$1,800,000. The completion of subscription took place on 1 June 2015.
- (viii) The market approach determines the fair value of the assets by reference to the transaction prices, or valuation multiples implicit in the transactions prices, of identical or similar assets on the market.

5. 金融工具及資本風險管理(續)

(c) 公允價值估計(續)

金融資產第3級公允價值計量之對賬(續)

附註：

- (i) Co-Lead Holdings Limited為於二零一四年一月二十二日在英屬處女群島註冊成立之獲豁免有限公司，主要從事投資控股業務。
- (ii) FreeOpt Holdings Limited為於二零一五年十二月二十二日在馬紹爾群島共和國註冊成立之獲豁免有限公司，主要從事投資控股業務。
- (iii) Freewill Holdings Limited為於二零一四年六月十六日在馬紹爾群島共和國註冊成立之獲豁免有限公司，主要從事投資控股業務。
- (iv) Joint Global Limited為於二零一五年九月十四日在馬紹爾群島共和國註冊成立之獲豁免有限公司，主要從事投資控股業務。
- (v) Smart Role Limited為於二零一三年十一月七日在英屬處女群島註冊成立之獲豁免有限公司，主要從事投資控股業務。
- (vi) 於二零一三年十二月二十四日，本公司認購由Premium Castle Limited所發行本金額為18,600,000港元之新可換股票據。認購已於二零一四年二月二十五日完成。
- (vii) 於二零一五年三月二十三日，本公司認購由The American Club發行之債權證，代價為1,800,000港元。認購已於二零一五年六月一日完成。
- (viii) 市場法參照市場上相同或類似資產之成交價或成交價隱含之估值倍數釐定資產之公允價值。



5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(c) Fair Value Estimation (Continued)

Reconciliation of Level 3 Fair Value Measurements of Financial Assets (Continued)

Notes: (Continued)

- (ix) Comparable sales approach is the present market value in terms of price per unit volume of the final product and the total merchantable volume of each species in the concession as basis for coming up with the estimated value. The underlying theory of this approach is existing market price is dependent parameter since it reflects how much the buyer is willing to pay and how much the seller is willing to receive to give up his goods and services.
- (x) Binomial option pricing model determines the fair value of the assets by adopting discrete time, non-closed form model of varying price over time of the underlying instruments.
- (xi) Amortised cost model is the amount at which the financial asset is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment on uncollectibility.
- (xii) Satinu Resources Group Limited is a company incorporated in the British Virgin Islands with limited liability on 17 August 2016, which is principally engaged in integrated financial services, securities brokerage services, money lending, securities and other direct investments.

(d) Capital Risk Management

The Group manages its capital to ensure that the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2016.

The capital structure of the Group mainly consists of net debt, which include short-term loans, obligations under finance leases and promissory notes and interest-bearing other payables. It finances its operation primary through equity attributable to owners of the Company, comprising share capital, share premium, share option reserve, financial assets at FVTOCI reserve, exchange reserve and accumulated losses.

5. 金融工具及資本風險管理(續)

(c) 公允價值估計(續)

金融資產第3級公允價值計量之對賬(續)

附註：(續)

- (ix) 可資比較銷售法為以各樹木品種最終產品之現行市值(按每單位數量價格計算)及林場內可銷售林木總量為基準，計算有關估計價值。此方法之基本理論為現行市價為依據參數，因其反映買方願意付出之價格及賣方就售出貨物及提供服務而願意收取之價格。
- (x) 二項式期權定價模型採用離散時間(相關工具價格隨時間而有所不同之非閉合式模型)釐定資產之公允價值。
- (xi) 攤銷成本模型為於初步確認時計量金融資產之金額減本金還款，另加入或減去就初步金額與到期金額之任何差額以實際利息法計算之累計攤銷，再減去就不可收回性作出之減值之任何扣減。
- (xii) Satinu Resources Group Limited 為一間於二零一六年八月十七日於英屬處女群島註冊成立的有限公司，主要從事綜合財務服務、證券經紀商服務、放債、證券及其他直接投資。

(d) 資本風險管理

本集團管理其資本，以確保本集團能夠繼續持續經營，並同時透過優化債務及權益之結餘，令各權益關涉方獲得最高回報。本集團之整體策略與二零一六年比較並無變動。

本集團之資本架構主要包括債務淨額(包括短期貸款、融資租賃承擔、承兌票據及計息其他應付款項)。本集團主要通過本公司擁有人應佔權益(包括股本、股份溢價、購股權儲備、於其他全面收益表按公允價值列賬之金融資產儲備之金融資產、匯兌儲備及累積虧損)為其經營撥付資金。

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綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(d) Capital Risk Management (Continued)

Gearing Ratio

The Group has adopted a higher finance leverage compared to the last year. Based on the Group's policy, the gearing ratio, as calculated as total debt divided by total equity at the end of the reporting period was as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Debt (Note (i))	債務(附註(i))	109,658	158,435
Equity (Note (iii))	權益(附註(iii))	(100,495)	(47,443)
Gearing ratio	資本負債比率	N/A 不適用	N/A 不適用

Notes:

- (i) Debt comprises short-term loans, obligations under finance leases, promissory notes and interest-bearing other payables.
- (ii) Equity includes all capital and reserves attributable to owners of the Company.

附註:

- (i) 債務包括短期貸款、融資租賃承擔、承兌票據及其他計息應付款項。
- (ii) 權益包括本公司擁有人應佔之所有資本及儲備。

6. SEGMENT INFORMATION

The Group manages its business by both business lines and geography. In a manner consistent with the way in which information is reported internally to the Board of Directors, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance, the Group has presented its reportable segments under HKFRS 8 as follows:

Business Segment

The Group operates one segment for both years ended 31 December 2018 and 2017. All of the Group's revenue was derived from investment income from investments in listed and unlisted securities. Accordingly, the Group does not have separately reportable segment.

5. 金融工具及資本風險管理(續)

(d) 資本風險管理(續)

資本負債比率

本集團採納較去年為高之財務槓桿。依據本集團之政策，於呈報期末之資本負債比率(以債務總值除以權益總額計算)如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
--	----------------------------------	----------------------------------

Debt (Note (i))	債務(附註(i))	109,658	158,435
Equity (Note (iii))	權益(附註(iii))	(100,495)	(47,443)
Gearing ratio	資本負債比率	N/A 不適用	N/A 不適用

Notes:

- (i) Debt comprises short-term loans, obligations under finance leases, promissory notes and interest-bearing other payables.
- (ii) Equity includes all capital and reserves attributable to owners of the Company.

附註:

- (i) 債務包括短期貸款、融資租賃承擔、承兌票據及其他計息應付款項。
- (ii) 權益包括本公司擁有人應佔之所有資本及儲備。

6. 分類資料

本集團按照業務線及地區管理其業務。呈列方式與提供予董事會(即主要經營決策者)作分配資源及評估分類表現之內部報告一致，本集團根據香港財務報告準則第8號所呈列之可呈報分類如下：

業務分類

截至二零一八年及二零一七年十二月三十一日止兩個年度內，本集團經營一項分類。本集團之收益全部來自投資上市證券及非上市證券之投資收入。故此，本集團並無個別可呈報分類。



6. SEGMENT INFORMATION (CONTINUED)**Geographical Information**

The Group's operations are located in Hong Kong. The following table provides an analysis of the Group's revenue by geographical market:

		Revenue by geographical market	
		按地區市場劃分之收益	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong	香港	9,690	2,915

The following is an analysis of the carrying amount of non-current assets (excluding financial assets at FVTOCI) analysed by the geographical area in which the assets are located:

		Carrying amount of non-current assets	
		非流動資產之賬面值	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong	香港	2,059	24,015

No single customer of the Group contributed 10% or more to the Group's revenue for both years.

6. 分類資料(續)**地區資料**

本集團之業務位於香港。下表提供本集團按地區市場劃分之收益分析：

		Revenue by geographical market	
		按地區市場劃分之收益	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong	香港	9,690	2,915

按資產所在地區劃分之非流動資產(不包括於其他全面收益表按公允價值列賬之金融資產)賬面金額分析如下：

		Carrying amount of non-current assets	
		非流動資產之賬面值	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong	香港	2,059	24,015

本集團於兩個年度內概無單一客戶之貢獻佔本集團收益10%或以上。

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綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

7. REVENUE

The amount of significant category of revenue recognised during the year is as follow:

7. 收益

於年內已確認主要類別收益金額如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Net gain on financial assets at fair value through profit or loss ("FVTPL") (Note)	於損益按公允價值列賬(「於損益按公允價值列賬」)之金融資產之收益淨額 (附註)	-	575
Bank interest income	銀行利息收入	3	30
Interest income from financial asset at FVTPL	於損益按公允價值列賬之金融資產之利息收入	2,337	2,064
Dividend income	股息收入	7,350	246
		9,690	2,915

Note:

Net gain on financial assets at FVTPL represented:

附註：

於損益表按公允價值列賬之金融資產之收益淨額指：

		Equity securities 股本證券	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Proceeds on sales	銷售所得款項	-	13,365
Less: Cost of sales	減：銷售成本	-	(12,790)
Net realised gain on financial assets at FVTPL	於損益表按公允價值列賬之金融資產之已變現收益淨額	-	575



8. OTHER INCOME**8. 其他收入**

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Gain on settlement of short-term loans	結算短期貸款之收益	1,367	-
Waiver of payment of consultancy fee	豁免諮詢費付款	-	3,313
Sundry income	雜項收入	500	1,211
Net exchange gain	匯兌收益淨額	-	1
		1,867	4,525

9. FINANCE COSTS**9. 融資成本**

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Interest expenses on promissory notes	承兌票據之利息開支	5,848	5,829
Interest expenses on other payables	其他應付款項之利息開支	104	9,338
Interest expenses on short-term loans	短期貸款之利息開支	677	163
Interest expenses on obligations under finance leases	融資租賃承擔之利息開支	47	78
Interest expenses on securities trading	證券買賣之利息開支	-	7
		6,676	15,415

10. TAXATION**10. 稅項****Current Taxation**

No provision for Hong Kong Profits Tax has been made as the Group had no estimated assessable profits for the year ended 31 December 2018 (2017: Nil).

即期稅項

由於本集團於截至二零一八年十二月三十一日止年度並無估計應課稅溢利，故並無就香港利得稅作出撥備(二零一七年：無)。

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10. TAXATION (CONTINUED)

Current Taxation (Continued)

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

		2018 二零一八年		2017 二零一七年	
		HK\$'000	%	HK\$'000	%
		千港元	%	千港元	%
Loss before taxation	除稅前虧損	(59,654)		(123,593)	
Tax at Hong Kong Profits Tax rate of 16.5% (2017: 16.5%)	按香港利得稅稅率16.5% (二零一七年: 16.5%) 計算之稅項	(9,843)	(16.5)	(20,393)	(16.5)
Estimated tax effect on income that are not taxable in determining taxable profit	釐定應課稅溢利時毋須課稅收入之估計稅務影響	(1,599)	(2.7)	(386)	(0.3)
Estimated tax effect on expenses that are not deductible in determining taxable profit	釐定應課稅溢利時不可扣稅開支之估計稅務影響	5,851	9.8	12,327	10.0
Estimated tax effect of temporary difference	暫時差額之估計稅務影響	(615)	(1.0)	(392)	(0.3)
Estimated tax effect of unrecognised tax losses	未確認稅項虧損之估計稅務影響	6,206	10.4	8,844	7.1
		-	-	-	-

10. 稅項(續)

即期稅項(續)

年內所得稅開支與綜合損益及其他全面收益表之除稅前虧損對賬如下:



11. LOSS FOR THE YEAR

11. 年內虧損

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss for the year has been arrived after charging:		
Auditors' remuneration		
— Audit services	350	350
— Non-audit services	—	150
Directors' and chief executive officers' emoluments (Note 12)	3,735	5,560
Total staff costs, excluding Directors' emoluments	12,494	15,253
Depreciation of property, plant and equipment	2,652	11,110
Operating lease rental in respect of land and building	10,331	12,231
Written off of property, plant and equipment	1,652	—
Loss on disposal of property, plant and equipment	236	—
Change in fair value of financial assets at FVTPL	20,279	—
Impairment loss of available-for-sale financial assets	—	13,868
Impairment loss of other tangible assets	8	1,007
Impairment loss of other receivables	1,674	40,800

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12. DIRECTORS' AND CHIEF EXECUTIVE OFFICERS' EMOLUMENTS

The emoluments paid or payable to each of the 11 (2017: eight) directors and the chief executive officer for the years ended 31 December 2018 and 2017 were as follows:

2018

Name of Director/ Chief Executive Officer	Fee	Salary	Other benefits	Contribution to pension scheme 退休金 計劃供款	Total	
董事/行政總裁姓名	袍金 HK\$'000 千港元	薪金 HK\$'000 千港元	其他福利 HK\$'000 千港元	計劃供款 HK\$'000 千港元	合計 HK\$'000 千港元	
Executive Directors	執行董事					
Mr. Wong Danny F. (Note (i))	汪曉峰先生(附註(i))	—	1,215	1,260	18	2,493
Mr. Wu Tse Wai, Frederick (Note (ii))	吳子惠先生(附註(ii))	—	264	—	—	264
Mr. Fong Chi Wah (Note (iii))	方志華先生(附註(iii))	—	185	—	9	194
Mr. Chan Cheong Yee (Note (iv))	陳昌義先生(附註(iv))	34	—	—	—	34
Non-executive Director	非執行董事					
Ms. Xie Xiangrong (Chairman) (Note (v))	謝湘蓉女士(主席) (附註(v))	70	—	—	—	70
Independent Non-executive Directors	獨立非執行董事					
Mr. Char Shik Ngor, Stephen (Note (vi))	查錫我先生(附註(vi))	—	173	—	—	173
Mr. Liu Jin	劉進先生	—	189	—	—	189
Mr. Law Tze Lun (Note (vii))	羅子麟先生(附註(vii))	—	137	—	—	137
Mr. Li Li (Note (viii))	李力先生(附註(viii))	56	—	—	—	56
Ms. Chan So Fong (Note (ix))	陳素芳女士(附註(ix))	27	—	—	—	27
Mr. Liao Kai (Note (x))	廖凱先生(附註(x))	27	—	—	—	27
Chief Executive Officer	行政總裁					
Mr. Feng Wen (Note (xi))	馮文先生(附註(xi))	—	—	—	—	—
Mr. Dai Wei (Note (xii))	戴維先生(附註(xii))	—	70	—	1	71
		214	2,233	1,260	28	3,735

12. 董事及行政總裁酬金

截至二零一八年及二零一七年十二月三十一日止年度已付或應付十一名(二零一七年:八名)董事及行政總裁之酬金列載如下:

二零一八年



12. DIRECTORS' AND CHIEF EXECUTIVE OFFICERS' EMOLUMENTS (CONTINUED)

12. 董事及行政總裁酬金(續)

2017

二零一七年

Name of Director/ Chief Executive Officer	Fee	Salary	Other benefits	Contribution to pension scheme	Total
董事/行政總裁姓名	袍金	薪金	其他福利	退休金 計劃供款	合計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
Executive Directors 執行董事					
Mr. Wong Danny F. (Chairman) (Note (i)) 汪曉峰先生(主席)	—	1,500	1,680	18	3,198
Mr. Wu Tse Wai, Frederick (Note (ii)) 吳子惠先生	—	378	—	—	378
Mr. Fong Chi Wah (Note (iii)) 方志華先生	—	277	—	14	291
Non-executive Directors 非執行董事					
Mr. Gao Chengming (Note (xiii)) 高城銘先生(附註(i))	—	98	—	—	98
Mr. Lau Chi Lung, Johnny (Note (xiv)) 劉嗣龍先生(附註(ii))	—	98	—	—	98
Independent Non-executive Directors 獨立非執行董事					
Mr. Char Shik Ngor, Stephen (Note (vi)) 查錫我先生	—	189	—	—	189
Mr. Liu Jin 劉進先生	—	189	—	—	189
Mr. Law Tze Lun (Note (vii)) 羅子璘先生	—	189	—	—	189
Chief Executive Officer 行政總裁					
Mr. Feng Wen (Note (xi)) 馮文先生(附註(iii))	—	930	—	—	930
	—	3,848	1,680	32	5,560

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12. DIRECTORS' AND CHIEF EXECUTIVE OFFICERS' EMOLUMENTS (CONTINUED)

Notes:

- (i) Mr. Wong Danny F. resigned as a chairman on 8 October 2018 and resigned as the executive director on 18 March 2019.
- (ii) Mr. Wu Tse Wai, Frederick resigned on 12 September 2018.
- (iii) Mr. Fong Chi Wah resigned on 31 August 2018.
- (iv) Mr. Chan Cheong Yee appointed as the executive director on 27 November 2018.
- (v) Ms. Xie Xiangrong appointed as a chairman and non-executive director on 8 October 2018.
- (vi) Mr. Char Shik Ngor, Stephen resigned on 20 November 2018.
- (vii) Mr. Law Tze Lun resigned on 21 September 2018.
- (viii) Mr. Li Li appointed as independent non-executive director on 8 October 2018.
- (ix) Ms. Chan So Fong appointed as independent non-executive director on 20 November 2018.
- (x) Mr. Liao Kai appointed as independent non-executive director on 20 November 2018.
- (xi) Mr. Feng Wen appointed as the CEO on 21 March 2016 and resigned on 27 June 2018.
- (xii) Mr. Dai Wei appointed as the CEO on 8 October 2018 and resigned on 13 March 2019.
- (xiii) Mr. Gao Chengming appointed on 4 March 2015 and resigned on 30 June 2017.
- (xiv) Mr. Lau Chi Lung, Johnny appointed on 17 March 2015 and resigned on 30 June 2017.

During the years ended 31 December 2018 and 2017, there was no arrangement under which a director or CEO waived or agreed to waive any emoluments.

For both years ended 31 December 2018 and 2017, no emoluments were paid by the Group to the directors or CEO as an inducement to join, or upon joining the Group, or as compensation for loss of office.

12. 董事及行政總裁酬金(續)

附註:

- (i) 汪曉峰先生於二零一八年十月八日辭任主席，並於二零一九年二零一九年三月十八日辭任執行董事。
- (ii) 吳子惠先生於二零一八年九月十二日辭任執行董事。
- (iii) 方志華先生於二零一八年八月三十一日辭任執行董事。
- (iv) 陳昌義先生於二零一八年十一月二十七日獲委任為執行董事。
- (v) 謝湘蓉女士於二零一八年十月八日獲委任為主席兼非執行董事。
- (vi) 查錫我先生於二零一八年十一月二十日辭任獨立非執行董事。
- (vii) 羅子璘先生於二零一八年九月二十一日辭任獨立非執行董事。
- (viii) 李力先生於二零一八年十月八日獲委任為獨立非執行董事。
- (ix) 陳素芳女士於二零一八年十一月二十日獲委任為獨立非執行董事。
- (x) 廖凱先生於二零一八年十一月二十日獲委任為獨立非執行董事。
- (xi) 馮文先生於二零一八年六月二十七日辭任行政總裁。
- (xii) 戴維先生於二零一八年十月八日獲委任為行政總裁，並於二零一九年三月十三日辭任。
- (xiii) 高城銘先生於二零一七年六月三十日辭任非執行董事。
- (xiv) 劉嗣龍先生於二零一七年六月三十日辭任非執行董事。

於截至二零一八年及二零一七年十二月三十一日止年度，概無董事或行政總裁放棄或同意放棄任何酬金之安排。

截至二零一八年及二零一七年十二月三十一日止年度，本集團概無向董事或行政總裁支付酬金作為加入本集團之獎勵或離職補償。



12. DIRECTORS' AND CHIEF EXECUTIVE OFFICERS' EMOLUMENTS (CONTINUED)

The number of the directors and CEO fell within the following bands:

12. 董事及行政總裁酬金(續)

董事及行政總裁之酬金組別如下：

		Number of directors and CEO 董事及行政總裁人數	
		2018 二零一八年	2017 二零一七年
Nil to HK\$1,000,000	零至1,000,000港元	12	8
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	—	—
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	—	—
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	1	—
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	—	—
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	—	1
		13	9

13. SENIOR MANAGEMENT'S EMOLUMENTS AND INDIVIDUALS WITH HIGHEST EMOLUMENTS

(a) Five Highest Paid Individuals

The five individuals whose emoluments were the highest in the Group for the year included one executive director (2017: one) whose emoluments were reflected in the analysis presented in Note 12 to the consolidated financial statements. The emoluments of the remaining four individuals (2017: four) were as follows:

13. 高級管理人員酬金及最高薪人士

(a) 五位最高薪人士

本集團年內五位最高薪人士中，包括一名(二零一七年：一名)執行董事，其酬金已於綜合財務報表附註12所呈列之分析中反映。其餘四名(二零一七年：四名)人士之酬金如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	5,772	5,530
Contribution to pension scheme	退休金計劃供款	30	36
		5,802	5,566

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13. SENIOR MANAGEMENT'S EMOLUMENTS AND INDIVIDUALS WITH HIGHEST EMOLUMENTS (CONTINUED)

(a) Five Highest Paid Individuals (Continued)

The emoluments of the four individuals (2017: four), included four individuals (2017: four) of senior management, with the highest emoluments are within the following band:

		Number of individuals 人數	
		2018 二零一八年	2017 二零一七年
Nil to HK\$1,000,000	零至1,000,000港元	—	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	2	—
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	2	2
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	—	1
		4	4

(b) Senior Management of the Company

The emoluments of the senior management of the Company are within the following band:

		Number of individuals 人數	
		2018 二零一八年	2017 二零一七年
Nil to HK\$1,000,000	零至1,000,000港元	—	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	2	—
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	2	2
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	—	1
		4	4

During the year, no bonus was paid to the five highest paid individuals of the Group (2017: Nil). No emoluments were paid by the Group to any of the five highest paid individuals as an inducement to join, or upon joining the Group, or as a compensation for loss of office (2017: Nil).

13. 高級管理人員酬金及最高薪人士 (續)

(a) 五位最高薪人士 (續)

四名(二零一七年: 四名)最高薪人士(包括四名(二零一七年: 四名)高級管理人員)之酬金組別如下:

(b) 本公司之高級管理人員

本公司高級管理人員之酬金組別如下:

年內, 概無向本集團五位最高薪人士支付花紅(二零一七年: 無)。本集團概無向五位最高薪人士支付酬金作為加入本集團之獎勵或離職補償(二零一七年: 無)。



14. DIVIDENDS

The directors of the Company do not recommend the payment of a dividend in respect of both years ended 31 December 2018 and 2017.

15. LOSS PER SHARE

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

Loss 虧損		2018	2017
		二零一八年 HK\$'000 千港元	二零一七年 HK\$'000 千港元
Loss for the purpose of basic and diluted loss per share	計算每股基本及攤薄虧損時採用之虧損	(59,654)	(123,593)
Number of shares 股份數目		2018	2017
		二零一八年 '000 千股	二零一七年 '000 千股 (restated) (重列)
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	計算每股基本及攤薄虧損時採用之普通股加權平均數	373,877	254,524

The weighted average of ordinary shares for the purpose of calculating basic loss per share for the year ended 31 December 2018 have been adjusted for the effects of rights issue and placing of shares completed on 2 January 2018 and 23 October 2018 respectively and also the share consolidation completed on 6 March 2019 (2017: adjusted for the effects of both placing and rights issue completed on 10 January 2017, 7 March 2017 and 2 January 2018 and the share consolidation completed on 6 March 2019 respectively). The share consolidation completed on 6 March 2019 has been reflected retrospectively by restating the weighted average number of ordinary shares for the year ended 31 December 2017.

For the years ended 31 December 2018 and 2017, the Company's outstanding share options were not included in the calculation of diluted loss per share because the effects of the Company's outstanding share options were anti-dilutive.

14. 股息

本公司董事不建議派付截至二零一八年及二零一七年十二月三十一日止兩個年度之股息。

15. 每股虧損

本公司擁有人應佔之每股基本及攤薄虧損乃按下列數據計算：

截至二零一八年十二月三十一日止年度，計算每股基本虧損時採用之普通股加權平均數已分別就於二零一八年一月二日及二零一八年十月二十三日完成之供股及配售股份以及於二零一九年三月六日完成之股份合併之影響作出調整(二零一七年：分別就於二零一七年一月十日、二零一七年三月七日及二零一八年一月二日完成之配售及供股以及於二零一九年三月六日完成之股份合併之影響作出調整)。截至二零一七年十二月三十一日止年度之普通股加權平均數已經重列，以追溯反映於二零一九年三月六日完成之股份合併之影響。

截至二零一八年及二零一七年十二月三十一日止年度，由於本公司之尚未行使購股權具反攤薄影響，故計算每股攤薄虧損時並無將本公司之尚未行使購股權計算在內。

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16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Leasehold improvement 租賃物業裝修 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Computer 電腦 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At cost 按成本							
As at 1 January 2017	於二零一七年 一月一日	19,622	8,372	602	1,133	8,490	38,219
Additions	增購	950	—	—	—	2,081	3,031
As at 31 December 2017 and at 1 January 2018	於二零一七年 十二月三十一日 及於二零一八年 一月一日	20,572	8,372	602	1,133	10,571	41,250
Disposal	出售	—	(176)	—	—	(2,081)	(2,257)
Written off	撇銷	(20,572)	(8,190)	(579)	(1,133)	—	(30,474)
As at 31 December 2018	於二零一八年 十二月三十一日	—	6	23	—	8,490	8,519
Accumulated depreciation 累計折舊							
As at 1 January 2017	於二零一七年 一月一日	11,728	5,272	314	814	5,580	23,708
Charge for the year	年內支出	6,621	2,428	117	303	1,641	11,110
As at 31 December 2017 and at 1 January 2018	於二零一七年 十二月三十一日 及於二零一八年 一月一日	18,349	7,700	431	1,117	7,221	34,818
Charge for the year	年內支出	945	423	35	15	1,234	2,652
Disposal	出售	—	(175)	—	—	(438)	(613)
Written off	撇銷	(19,294)	(7,944)	(452)	(1,132)	—	(28,822)
As at 31 December 2018	於二零一八年 十二月三十一日	—	4	14	—	8,017	8,035
Net carrying amount 賬面淨值							
As at 31 December 2018	於二零一八年 十二月三十一日	—	2	9	—	473	484
As at 31 December 2017	於二零一七年 十二月三十一日	2,223	672	171	16	3,350	6,432

During the year ended 31 December 2017, additions of motor vehicles was financed by finance leases were approximately HK\$2,081,000 and carrying amount of the Group's motor vehicles held under finance lease was approximately HK\$1,782,000. The Group had no motor vehicle held under finance leases as at 31 December 2018.

截至二零一七年十二月三十一日止年度，增購汽車乃通過約2,081,000港元之融資租賃提供資金，而本集團於融資租賃項下持有之汽車賬面值約為1,782,000港元。於二零一八年十二月三十一日，本集團並無於融資租賃項下持有之汽車。



17. OTHER TANGIBLE ASSETS

17. 其他有形資產

HK'000
千港元

Cost	成本	
As at 1 January 2017, 31 December 2017 and 1 January 2018	於二零一七年一月一日、 於二零一七年十二月三十一日 及於二零一八年一月一日	21,730
Disposal during the year	年內出售	(20,140)
As at 31 December 2018	於二零一八年十二月三十一日	1,590
Accumulated impairment	累計減值	
As at 1 January 2017	於二零一七年一月一日	3,140
Impairment for the year	年內減值	1,007
As at 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日 及於二零一八年一月一日	4,147
Impairment for the year	年內減值	8
Disposal during the year	年內出售	(4,140)
As at 31 December 2018	於二零一八年十二月三十一日	15
Carrying amount	賬面金額	
As at 31 December 2018	於二零一八年十二月三十一日	1,575
As at 31 December 2017	於二零一七年十二月三十一日	17,583

The amount represents the aggregate cost of art work and diamond ring held by the Group. During the years ended 31 December 2018 and 2017, the directors of the Company, after referencing to professional valuation reports, determined that there is impairment loss of approximately HK\$8,000 (2017: HK\$1,007,000) as the recoverable amounts of the other tangible assets were below their carrying amounts.

The recoverable amount of other tangible assets are determined based on its fair value less costs to disposal by market comparison model. The value of the assets assessed by comparing the asset being valued to comparable items recently sold. Using similar units of comparison, adjustments are made based on the elements of comparison to the sales prices of the comparable. The fair value hierarchy is Level 2.

該等金額指本集團所持藝術品及鑽戒之成本總額。於截至二零一八年及二零一七年十二月三十一日止年度，經參考專業估值報告後，本公司董事釐定，由於其他有形資產之可收回金額低於其賬面金額，故減值虧損約為8,000港元(二零一七年：1,007,000港元)。

其他有形資產之可收回金額乃使用市場比較法按照其公允價值減出售成本釐定。資產價值之評估模型為比較所評估資產與最近出售之可資比較項目。有關調整使用類似比較單位，並已按照比較因素對可資比較項目之售價作出調整。有關公允價值屬第2級。

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18. INTERESTS IN ASSOCIATES

18. 於聯營公司之權益

A detail of the Group's interests in associates is as follows:

本集團於聯營公司之權益詳情如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost of investment in associates	聯營公司之投資成本		
– Unlisted	– 非上市	–	–
Share of post-acquisition loss and other comprehensive income, net of dividends received	應佔收購後虧損及其他全面收益，扣除已收股息		
– Unlisted	– 非上市	–	–
		–	–
Amount due from an associate (<i>Note (i)</i>)	應收聯營公司款項 (<i>附註(i)</i>)		
– Unlisted	– 非上市	30,000	30,000
Less: share of post-acquisition loss and other comprehensive income, net of dividends received	減：應佔收購後虧損及其他全面收益，扣除已收股息		
– Unlisted (<i>Note (ii)</i>)	– 非上市 (<i>附註(ii)</i>)	(30,000)	(30,000)
		–	–
Total	總額	–	–

Notes:

- (i) The amount due from an associate is unsecured, interest-free and has no fixed terms of repayment. In the opinion of the directors of the Company, the Company will not demand repayment within one year from the end of reporting period and are therefore considered as non-current.
- (ii) On 17 April 2014, Essence Sharp Holdings Limited, a wholly-owned subsidiary of the Group, has established Medisun Holdings (Overseas) Limited ("Medisun Holdings"), incorporated under the laws of British Virgin Islands. The principal activities of Medisun Holdings and its subsidiaries are development of bio-pharmaceutical and regenerative medicine system and products. The investment cost amount to approximately HK\$800 and the Group did not share of losses of associates for the years ended 31 December 2018 and 2017.

In the opinion of the directors of the Company, the amount due from an associate form part of the Group's net investment and the Group did not share of losses of associates for the years ended 31 December 2018 and 2017.

附註：

- (i) 應收聯營公司款項為無抵押、免息及無固定還款期。本公司董事認為，本公司不會於由呈報期末起計一年內要求償還，故被視作非即期。
- (ii) 於二零一四年四月十七日，本集團之全資附屬公司Essence Sharp Holdings Limited成立Medisun Holdings (Overseas) Limited (「Medisun Holdings」)，乃根據英屬處女群島法律註冊成立。Medisun Holdings及其附屬公司之主要業務為開發生物製藥及再生醫學系統及產品。投資成本約為800港元，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應佔聯營公司虧損(二零一七年：約800港元)。

本公司董事認為，截至二零一八年及二零一七年十二月三十一日止年度，應收一間聯營公司款項為本集團淨投資之一部份，而本集團並無應佔聯營公司虧損(二零一七年：本集團並無應佔聯營公司虧損



18. INTERESTS IN ASSOCIATES (CONTINUED)

Details of the Group's associates which are held indirectly by the Company as at 31 December 2018 and 2017 are as follows:

Name of Associate	Form of entity	Place of incorporation	Fully paid share capital	Principal place of operation	Class of shares held	Proportion of nominal value of issued share capital held 所持已發行股本面值比例	Proportion of voting power held 所持投票權比例	Principal activities
聯營公司名稱	實體形式	註冊成立地點	已繳足股本	主要營業地點	所持股份類別	股本面值比例	投票權比例	主要業務
Medisun Holdings	Incorporated	British Virgin Islands	US\$50,000	Hong Kong	Ordinary	30%	30% (Note (i))	Investment holdings
Medisun Holdings	註冊成立	英屬處女群島	50,000美元	香港	普通股	30%	30% (附註(i))	投資控股
Hong Kong National Investments Fund Limited	Incorporated	Hong Kong	HK\$5	Hong Kong	Ordinary	20%	20% (Note (iii))	Dormant
香港國盛基金管理有限公司	註冊成立	香港	5港元	香港	普通股	20%	20% (附註(iii))	暫無營業
OBOR Investment Fund Limited	Incorporated	Hong Kong	HK\$100	Hong Kong	Ordinary	30%	30% (Note (iii))	Dormant
一帶一路投資基金有限公司	註冊成立	香港	100港元	香港	普通股	30%	30% (附註(iii))	暫無營業

Notes:

- (i) The Group holds 30% of the issued share capital of Medisun Holdings. The directors of the Company consider that the Group does have significant influence over Medisun Holdings and it is therefore classified as an associate of the Group.
- (ii) The Group holds 20% of the issued share capital of Hong Kong National Investments Fund Limited ("Hong Kong National"). The directors of the Company consider that the Group does have significant influence over Hong Kong National and it is therefore classified as an associate of the Group.
- (iii) The Group holds 30% of the issued share capital of OBOR Investment Fund Limited ("OBOR Investment Fund"). The directors of the Company consider that the Group does have significant influence over OBOR Investment Fund and it is therefore classified as an associate of the Group.

18. 於聯營公司之權益(續)

於二零一八年及二零一七年十二月三十一日，由本公司間接持有之本集團聯營公司之詳情如下：

Name of Associate	Form of entity	Place of incorporation	Fully paid share capital	Principal place of operation	Class of shares held	Proportion of nominal value of issued share capital held 所持已發行股本面值比例	Proportion of voting power held 所持投票權比例	Principal activities
聯營公司名稱	實體形式	註冊成立地點	已繳足股本	主要營業地點	所持股份類別	股本面值比例	投票權比例	主要業務
Medisun Holdings	Incorporated	British Virgin Islands	US\$50,000	Hong Kong	Ordinary	30%	30% (Note (i))	Investment holdings
Medisun Holdings	註冊成立	英屬處女群島	50,000美元	香港	普通股	30%	30% (附註(i))	投資控股
Hong Kong National Investments Fund Limited	Incorporated	Hong Kong	HK\$5	Hong Kong	Ordinary	20%	20% (Note (iii))	Dormant
香港國盛基金管理有限公司	註冊成立	香港	5港元	香港	普通股	20%	20% (附註(iii))	暫無營業
OBOR Investment Fund Limited	Incorporated	Hong Kong	HK\$100	Hong Kong	Ordinary	30%	30% (Note (iii))	Dormant
一帶一路投資基金有限公司	註冊成立	香港	100港元	香港	普通股	30%	30% (附註(iii))	暫無營業

附註：

- (i) 本集團持有 Medisun Holdings 之 30% 已發行股本。本公司董事認為，本集團對 Medisun Holdings 有重大影響力，因此將其分類為本集團之聯營公司。
- (ii) 本集團持有香港國盛基金管理有限公司（「香港國盛」）之 20% 已發行股本。本公司董事認為，本集團對香港國盛有重大影響力，因此將其分類為本集團之聯營公司。
- (iii) 本集團持有一帶一路投資基金有限公司（「一帶一路投資基金」）之 30% 已發行股本。本公司董事認為，本集團對一帶一路投資基金有重大影響力，因此將其分類為本集團之聯營公司。

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18. INTERESTS IN ASSOCIATES (CONTINUED)

Summarised financial information in respect of each of the Group's associates is set out below. The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with HKFRSs.

All of these associates are accounted for using the equity method in these consolidated financial statements.

18. 於聯營公司之權益(續)

有關本集團各聯營公司之財務資料概要載列如下。下文所列之財務資料概要指聯營公司按照香港財務報告準則編製之財務報表所示金額。

所有該等聯營公司均以權益會計法計入此綜合財務報表。

		Medisun Holdings	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Current assets	流動資產	121,482	61,976
Non-current assets	非流動資產	106,631	108,906
Current liabilities	流動負債	(468,482)	(80,690)
Non-current liabilities	非流動負債	(67,362)	(372,492)
Revenue	收益	79,479	57,044
Loss for the year	年內虧損	(21,296)	(88,298)
Loss attributable to the Group	本集團應佔虧損	—	—



**18. INTERESTS IN ASSOCIATES
(CONTINUED)**

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

18. 於聯營公司之權益(續)

上述財務資料概要與綜合財務報表內所確認於聯營公司之權益之賬面金額之對賬：

		Medisun Holdings	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Net liabilities attributable to the owners of the associate	該聯營公司擁有人應佔淨負債	(307,731)	(282,300)
Proportion of the Group's ownership interest in Medisun Holdings	本集團於Medisun Holdings之擁有權益比例	30%	30%
Share of post-acquisition loss and other comprehensive loss, net of dividends received	應佔收購後虧損及其他全面虧損，扣除已收股息	—	—
Amount due from an associate	應收一間聯營公司款項	—	—
Others	其他	—	—
		—	—

		Hong Kong National	
		香港國盛	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Current assets	流動資產	25	4
Non-current assets	非流動資產	—	—
Current liabilities	流動負債	(33)	(11)
Non-current liabilities	非流動負債	(30)	(28)
Revenue	收益	—	—
Loss for the year	年內虧損	(3)	(4)
Loss attributable to the Group	本集團應佔虧損	—	—

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18. INTERESTS IN ASSOCIATES (CONTINUED)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

18. 於聯營公司之權益(續)

上述財務資料概要與綜合財務報表內所確認於聯營公司之權益之賬面金額之對賬：

		Hong Kong National 香港國盛	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Net liabilities attributable to the owners of the associate	該聯營公司擁有人應佔淨負債	(38)	(35)
Proportion of the Group's ownership interest in Hong Kong National	本集團於香港國盛之擁有權權益比例	20%	20%
Share of post-acquisition loss and other comprehensive loss, net of dividends received	應佔收購後虧損及其他全面虧損，扣除已收股息	—	—
Carrying amount of the Group's interest in Hong Kong National	本集團於香港國盛之權益之賬面金額	—	—
		OBOR Investment Fund 一帶一路投資基金	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current assets	流動資產	6	5
Non-current assets	非流動資產	—	—
Current liabilities	流動負債	—	—
Non-current liabilities	非流動負債	(54)	(52)
Revenue	收益	—	—
Loss for the year	年內虧損	(2)	(7)
Loss attributable to the Group	本集團應佔虧損	—	—



**18. INTERESTS IN ASSOCIATES
(CONTINUED)**

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

18. 於聯營公司之權益(續)

上述財務資料概要與綜合財務報表內所確認於聯營公司之權益之賬面金額之對賬：

		OBOR Investment Fund	
		一帶一路投資基金	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Net liabilities attributable to the owners of the associate	該聯營公司擁有人應佔淨負債	(48)	(47)
Proportion of the Group's ownership interest in OBOR Investment Fund	本集團於一帶一路投資基金之擁有權益比例	30%	30%
Share of post-acquisition loss and other comprehensive loss, net of dividends received	應佔收購後虧損及其他全面虧損，扣除已收股息	—	—
Carrying amount of the Group's interest in OBOR Investment Fund	本集團於一帶一路投資基金之權益之賬面金額	—	—

Unrecognised share of losses of associates**未確認之應佔聯營公司虧損**

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
The unrecognised share of losses of associates for the year	未確認之應佔聯營公司年內虧損	(6,390)	(26,492)
Cumulative share of losses of associates	累計應佔聯營公司虧損	(60,741)	(54,351)

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19. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/AVAILABLE-FOR-SALE FINANCIAL ASSETS

19. 於其他全面收益表按公允價值列賬之金融資產／可供出售金融資產

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Unlisted securities	非上市證券		
– Equity securities	– 股本證券	51,310	88,200
– Debt securities	– 債務證券	–	20,487
		51,310	108,687
Analysed for reporting purposes as:	就呈報目的分析為：		
– Non-current assets	– 非流動資產	51,310	88,200
– Current assets	– 流動資產	–	20,487
		51,310	108,687

The following is a list of financial assets at FVTOCI/available-for-sale financial assets as at 31 December 2018 and 2017:

以下為於二零一八年及二零一七年十二月三十一日之於其他全面收益表按公允價值列賬之金融資產／可供出售金融資產列表：

Name of equity/debt securities 股本／債務證券名稱	Proportion share capital owned as at 31 December 2018 於二零一八年 十二月三十一日 所擁有股本比例 (%)	Net assets attributable to the Group as at 31 December 2018 於二零一八年 十二月三十一日 本集團應佔 資產淨值 HK\$'000 千港元	Cost of investment 投資成本 HK\$'000 千港元	Fair value as at	Fair value as at
				31 December 2018 於二零一八年 十二月三十一日 之公允價值 HK\$'000 千港元	31 December 2017 於二零一七年 十二月三十一日 之公允價值 HK\$'000 千港元
Equity securities issued by:					
– Upperclass Developments Limited ("Upperclass") (Note (iii))	– Upperclass Developments Limited ("Upperclass") (附註(iii))	30	–	–	–
– Smart Role Limited ("Smart Role") (Note (iv))	– Smart Role Limited ("Smart Role") (附註(iv))	8	30,330	59,680	30,300
– Co-Lead Holdings Limited ("Co-Lead") (Note (vi))	– Co-Lead Holdings Limited ("Co-Lead") (附註(vi))	0.39	17,534	15,908	6,900
– FreeOpt Holdings Limited ("Freeopt") (Note (vii))	– FreeOpt Holdings Limited ("Freeopt") (附註(vii))	3.35	15,890	16,000	5,260
– Freewill Holdings Limited ("Freewill") (Note (viii))	– Freewill Holdings Limited ("Freewill") (附註(viii))	0.59	17,813	15,950	4,960
– Joint Global Limited ("Joint Global") (Note (ix))	– Joint Global Limited ("Joint Global") (附註(ix))	0.88	1,241	16,038	540
– Satinu Resources Group Limited ("Satinu") (Note (v))	– Satinu Resources Group Limited ("Satinu") (附註(v))	0.18	12,480	–	3,350
Debt securities issued by:					
– Premium Castle Limited ("Premium Castle") (Note (x))	– Premium Castle Limited ("Premium Castle") (附註(x))	N/A 不適用	N/A 不適用	12,056	–
– The American Club ("American Club") (Note (xi))	– The American Club ("American Club") (附註(xi))	N/A 不適用	N/A 不適用	1,800	–
				51,310	108,687



19. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONTINUED)

Notes:

- (i) Available-for-sale financial assets were reclassified to financial assets at FVTOCI for all unlisted equity securities and financial assets at FVTPL for all unlisted debt securities and club debentures (Note 21), upon the initial application of HKFRS 9 at 1 January 2018. Details reference to the note 3.
- (ii) The unlisted equity securities and unlisted debt securities are measured at fair value and are classified as Level 3 fair value measurement. The fair value of unlisted equity securities is estimated by applying price-to-book ratios for similar listed companies and reference to the market value of underlying net assets and adjusted to reflect the specific circumstance of the investments. The fair value of debt element of the unlisted debt securities is calculated based on the present value of contractually determined stream of future cash flows discounted at the required yield, which was determined with reference to the credit rating of the issuers of the unlisted debt securities and the maturity terms. Details reference to the note 5(c).
- (iii) Unlisted equity securities that do not have a quoted market price in an active market and the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed, such unlisted equity securities are measured at cost less any identified impairment losses as at 31 December 2017.

On 8 April 2013, Top Onward Development Limited, a wholly-owned subsidiary of the Group, has entered into agreement with Mr. Li, a shareholder of Upperclass which incorporated under the laws of British Virgin Islands, in relation to the acquisition of 30% equity interest and the transfer of contractual right to receive another receivable owed by Upperclass. This resulted in an indirectly held of approximately 16% equity interest in Hua Tong International Leasing Co., Limited ("Hua Tong"), incorporated in the People's Republic of China with limited liability. The principal activities of Hua Tong are leasing. The investment cost and other receivable amount to HK\$234 and approximately HK\$40,800,000 respectively, and the transaction was completed on 30 December 2013. The Group is unable to exercise significant influence over Upperclass and Hua Tong as it does not have the power to appoint any of their directors and do not participate in their policy-making processes.

19. 於其他全面收益表按公允價值列賬之金融資產／可供出售金融資產(續)

附註：

- (i) 就所有非上市股本證券及於損益表按公允價值列賬之金融資產、所有非上市債券及會所債權證(附註21)而言，可供出售金融資產於二零一八年一月一日初次應用香港財務報告準則第9號後重新分類至於其他全面收益表按公允價值列賬之金融資產。有關詳情請參閱附註3。
- (ii) 非上市股本證券及非上市債務證券按公允價值計量並分類為第3級公允價值計量。非上市股本證券之公允價值按類似上市公司之市賬率，並參考相關淨資產市值估計，並作出調整以反映投資之特定情況。非上市債務證券債務部份之公允價值乃按以規定回報率貼現之未來現金流之約定流量現值計算，其回報率乃參考非上市債務證券發行人之信貸評級及年期而釐定。有關詳情，請參閱附註5(c)。
- (iii) 非上市股本證券如於活躍市場上並無報價，而合理公允價值之估計範圍太大，且多項估計之可能性無法合理評估，則於二零一七年十二月三十一日按成本減任何已識別減值虧損計量有關非上市股本證券。

於二零一三年四月八日，拓匯發展有限公司(本集團之全資附屬公司)與Upperclass(根據英屬處女群島法律註冊成立之公司)股東李先生訂立一份協議，內容有關收購Upperclass之30%股權及轉讓收取Upperclass結欠之另一筆應收款項之合約權利。收購導致間接持有華通國際租賃有限公司(「華通」，於中華人民共和國註冊成立之有限責任公司)約16%股權。華通之主要業務為租賃。投資成本及其他應收款項分別為234港元及約40,800,000港元，而交易已於二零一三年十二月三十日完成。由於本集團無權委任Upperclass及華通之任何董事，亦無參與彼等之決策過程，故本集團無法對Upperclass及華通行使重大影響力。

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19. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONTINUED)

Notes: (Continued)

(iii) (Continued)

The other receivable amount to approximately HK\$40,800,000 has been impaired during the year ended 31 December 2017 as Hua Tong has significant financial difficulties and the directors of the Company considered that the possibility to recover was remote.

(iv) On 24 September 2014, Massive Shine Limited, a wholly-owned subsidiary of the Group, has entered into agreement with Trillion Cheer Toprich Limited (“Trillion Cheer”), a shareholder of Smart Role which incorporated under the laws of British Virgin Islands with limited liability. This result in an indirectly held in 8% equity interest of 漢誠(巴中)農林有限公司 (“Hancheng Bazhong”), incorporated under the People’s Republic of China with limited liability. The principal activities of Hancheng Bazhong are holding of the Forest Rights Certificates. The investment cost amount to approximately HK\$59,680,000, and the transaction was completed on 24 September 2014. No dividend was entitled to the Group during the years ended 31 December 2018 and 2017.

(v) On 22 June 2018, Fine East Trading Limited, a wholly-owned subsidiary of the Group, had received the distribution of the 1,815,405 shares of Satinu from Freewill Holdings Limited. The principal activities of Satinu are in integrated financial services, securities brokerage services, money lending, securities and other direct investments. The fair value of equity interest received as dividend income amount to approximately HK\$7,350,000.

(vi) On 14 January 2016, Old Peak Limited, a wholly-owned subsidiary of the Group, has entered into agreement with Co-Lead which incorporated under the laws of British Virgin Islands with limited liability. The principal activities of Co-Lead are investment holdings. The investment cost amount to approximately HK\$15,908,000, and the transaction was completed on 15 January 2016. The Group directly held 0.39% equity interest of Co-Lead according to issued share capital of Co-Lead as at 31 December 2018. No dividend was entitled to the Group during the year ended 31 December 2018.

19. 於其他全面收益表按公允價值列賬之金融資產／可供出售金融資產(續)

附註：(續)

(iii) (續)

由於華通陷入重大財政困難而本公司董事認為收回款項之可能性極微，故其他應收款項約40,800,000港元已於截至二零一七年十二月三十一日止年度減值。

(iv) 於二零一四年九月二十四日，Massive Shine Limited (本集團之全資附屬公司)與Smart Role (根據英屬處女群島法律註冊成立之有限責任公司)股東Trillion Cheer Toprich Limited (「Trillion Cheer」)訂立一份協議。此舉導致間接持有漢誠(巴中)農林有限公司(「漢誠巴中」，於中華人民共和國註冊成立之有限責任公司)之8%股權。漢誠巴中之主要業務為持有林權證。投資成本約為59,680,000港元，而交易已於二零一四年九月二十四日完成。截至二零一八年及二零一七年十二月三十一日止年度，本集團無權獲派股息。

(v) 於二零一六年六月二十二日，Fine East Trading Limited (本集團之全資附屬公司)從Freewill Holdings Limited獲取Satinu 1,815,405股股份之分派。Satinu之主要業務為綜合財務服務、證券交易服務、放債、證券及其他直接投資。股本權益公平值(收作股息收入)約為7,350,000港元。

(vi) 於二零一六年一月十四日，Old Peak Limited (本集團之全資附屬公司)與Co-Lead (根據英屬處女群島法律註冊成立之有限公司)訂立協議。Co-Lead之主要業務為投資控股。投資成本為約15,908,000港元，而交易已於二零一六年一月十五日完成。根據Co-Lead於二零一八年十二月三十一日之已發行股本，本集團直接持有Co-Lead之0.39%股權。本集團於截至二零一八年十二月三十一日止年度無權獲派股息。



19. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONTINUED)

Notes: (Continued)

(vi) (Continued)

For the year ended 31 December 2018, a change in fair value of approximately HK\$6,800,000 was recognised in financial assets at FVTOCI reserve.

For the year ended 31 December 2017, due to significant change with the performance of the available-for-sale financial asset, the available-for-sale financial asset decreased significantly. Impairment loss of approximately HK\$2,208,000 was recognised in the consolidated statement of profit or loss during the year ended 31 December 2017.

(vii) On 14 January 2016, the Company has entered into agreement with FreeOpt which incorporated in Republic of the Marshall Islands with limited liability. The principal activities of FreeOpt are investment holdings. The investment cost amount to approximately HK\$16,000,000, and the transaction was completed on 15 January 2016. The Group directly held 3.35% equity interest of FreeOpt according to issued share capital of FreeOpt as at 31 December 2018. No dividend was entitled to the Group during the year ended 31 December 2018.

For the year ended 31 December 2018, a change in fair value of approximately HK\$10,140,000 was recognised in financial assets at FVTOCI reserve.

For the year ended 31 December 2017, due to significant change with the performance of the available-for-sale financial asset, the fair value of the available-for-sale financial asset decreased significantly. An impairment loss of approximately HK\$600,000 was recognised in the Group's consolidated statement of profit or loss during the year ended 31 December 2017.

19. 於其他全面收益表按公允價值列賬之金融資產／可供出售金融資產(續)

附註：(續)

(vi) (續)

於截至二零一八年十二月三十一日止年度，公允價值變動約6,800,000港元確認於於其他全面收益表按公允價值列賬之金融資產儲備。

截至二零一七年十二月三十一日止年度，由於可供出售金融資產之表現出現大幅變動，可供出售金融資產之公允價值大幅減少。於截至二零一七年十二月三十一日止年度，減值虧損約2,208,000港元確認於綜合損益表。

(vii) 於二零一六年一月十四日，本公司與FreeOpt (在馬紹爾群島共和國註冊成立之有限公司)訂立協議。FreeOpt之主要業務為投資控股。投資成本為約16,000,000港元，而交易已於二零一六年一月十五日完成。根據FreeOpt於二零一八年十二月三十一日之已發行股本，本集團直接持有FreeOpt之3.35%股權。本集團於截至二零一八年十二月三十一日止年度無權獲派股息。

截至二零一八年十二月三十一日止年度，公允價值變動約10,140,000港元確認於於其他全面收益表按公允價值列賬之金融資產儲備。

截至二零一七年十二月三十一日止年度，由於可供出售金融資產之表現出現大幅變動，可供出售金融資產之公允價值大幅減少。於截至二零一七年十二月三十一日止年度，減值虧損約600,000港元確認於綜合損益表。

19. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONTINUED)

Notes: (Continued)

- (viii) On 14 January 2016, the Company has entered into agreement with Freewill which incorporated in Republic of the Marshall Islands with limited liability. The principal activities of Freewill are investment holdings. The investment cost amount to approximately HK\$15,950,000, and the transaction was completed on 15 January 2016. The Group directly held 0.59% equity interest of Freewill according to issued share capital of Freewill as at 31 December 2018. No dividend was entitled to the Group during the year ended 31 December 2018.

For the year ended 31 December 2018, a change in fair value of approximately HK\$3,120,000 was recognised in financial assets at FVTOCI reserve.

For the year ended 31 December 2017, due to significant change with the performance of the available-for-sale financial asset, the fair value of the available-for-sale financial asset decreased significantly. Impairment loss of approximately HK\$10,660,000 was recognised in the Group's consolidated statement of profit or loss during the year ended 31 December 2017.

- (ix) On 14 January 2016, Eighty Riches Limited, a wholly-owned subsidiary of the Group, has entered into agreement with Joint Global which incorporated in Republic of the Marshall Islands with limited liability. The principal activities of Joint Global are investment holdings. The investment cost amount to approximately HK\$16,038,000, and the transaction was completed on 15 January 2016. The Group directly held 0.88% equity interest of Joint Global according to issued share capital Joint Global as at 31 December 2018. No dividend was entitled to the Group during the year ended 31 December 2018.

For the year ended 31 December 2018, a change in fair value of approximately HK\$160,000 was recognised in financial assets at FVTOCI reserve.

For the year ended 31 December 2017, due to significant change with the performance of the available-for-sale financial asset, the fair value of the available-for-sale financial asset decreased significantly. Impairment loss of approximately HK\$400,000 was recognised in the Group's consolidated statement of profit or loss during the year ended 31 December 2017.

19. 於其他全面收益表按公允價值列賬之金融資產／可供出售金融資產(續)

附註：(續)

- (viii) 於二零一六年一月十四日，本公司與Freewill (在馬紹爾群島共和國註冊成立之有限公司)訂立協議。Freewill之主要業務為投資控股。投資成本為約15,950,000港元，而交易已於二零一六年一月十五日完成。根據Freewill於二零一八年十二月三十一日之已發行股本，本集團直接持有Freewill之0.59%股權。本集團於截至二零一八年十二月三十一日止年度無權獲派股息。

截至二零一八年十二月三十一日止年度，公允價值變動約3,120,000港元確認於於其他全面收益表按公允價值列賬之金融資產儲備。

截至二零一七年十二月三十一日止年度，由於可供出售金融資產之表現出現大幅變動，可供出售金融資產之公允價值大幅減少。於截至二零一七年十二月三十一日止年度，減值虧損約10,660,000港元確認於本集團之綜合損益表。

- (ix) 於二零一六年一月十四日，Eighty Riches Limited (本集團之全資附屬公司)與Joint Global (在馬紹爾群島共和國註冊成立之有限公司)訂立協議。Joint Global之主要業務為投資控股。投資成本為約16,038,000港元，而交易已於二零一六年一月十五日完成。根據Joint Global於二零一八年十二月三十一日之已發行股本，本集團直接持有Joint Global之0.88%股權。本集團於截至二零一八年十二月三十一日止年度無權獲派股息。

截至二零一八年十二月三十一日止年度，公允價值變動約160,000港元確認於於其他全面收益表按公允價值列賬之金融資產儲備。

截至二零一七年十二月三十一日止年度，由於可供出售金融資產之表現出現大幅變動，可供出售金融資產之公允價值大幅減少。於截至二零一七年十二月三十一日止年度，減值虧損約400,000港元確認於本集團之綜合損益表。



19. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONTINUED)

Notes: (Continued)

- (x) Premium Castle and the Group have agreed to settle the loan receivable by entering into a new subscription agreement (“Subscription Agreement”) on 24 December 2013 and subscribed a new convertible note issued by Premium Castle (“New Premium Castle CN”) with principal amount of HK\$18,600,000, which comprise principle amount and outstanding interest of HK\$17,000,000 and approximately HK\$1,600,000 respectively from the outstanding Premium Castle CN. The completion of the subscription took place on 25 February 2014. Details of the Subscription Agreement were set out in the Company’s announcement dated on 24 December 2013.

Initial recognition of the debt element of the New Premium Castle CN and the conversion options element of the New Premium Castle CN in accordance with HKAS 39, amounting to approximately HK\$12,056,000 and HK\$6,224,000 respectively.

As at 31 December 2017, the principal amount of the New Premium Castle CN is HK\$18,600,000 and no dividend was entitled to the Group during the year ended 31 December 2017. The New Premium Castle CN was reclassified as financial assets at FVTPL upon the initial application of HKFRS 9 at 1 January 2018. For details, please refer to note 21.

- (xi) On 23 March 2015, the Company subscribed a debenture issued by the American Club (the “club membership”) with a principal amount of HK\$625,000 at a consideration of HK\$1,800,000. The completion of the subscription took place on 1 June 2015. The club membership was reclassified as financial assets at FVTPL upon the initial application of HKFRS 9 at 1 January 2018. For details, please refer to note 21.

19. 於其他全面收益表按公允價值列賬之金融資產／可供出售金融資產(續)

附註：(續)

- (x) Premium Castle與本集團同意於二零一三年十二月二十四日訂立新認購協議(「認購協議」)，結清應收貸款，並認購Premium Castle所發行本金額為18,600,000港元之新可換股票據(「新Premium Castle可換股票據」)，有關本金額包括未獲轉換Premium Castle可換股票據之本金額17,000,000港元及未償還利息約1,600,000港元。認購事項於二零一四年二月二十五日完成。認購協議詳情載於本公司日期為二零一三年十二月二十四日之公告內。

根據香港會計準則第39號初步確認新Premium Castle可換股票據之債務部份及新Premium Castle可換股票據之換股權部份分別約12,056,000港元及6,224,000港元。

於二零一七年十二月三十一日，新Premium Castle可換股票據之本金為18,600,000港元，且於截至二零一七年十二月三十一日止年度本集團並無獲息權利。於二零一八年一月一日首次應用香港財務報告準則9號後，新Premium Castle可換股票據獲重新分類至於損益表按公允價值列賬。有關詳情，請參閱附註21。

- (xi) 於二零一五年三月二十三日，本公司認購由The American Club發行之債權證(「會所會籍」)，本金額為625,000港元，代價為1,800,000港元。認購事項已於二零一五年六月一日完成。該會所會籍於二零一八年一月一日初始應用香港財務報告準則第9號後獲重新分類為於損益表按公允價值列賬之金融資產。有關詳情請參閱附註21。

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19. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONTINUED)

The following is the analysis of fair value change of financial assets at FVTOCI/available-for-sale financial assets for the years ended 31 December 2018 and 2017:

19. 於其他全面收益表按公允價值列賬之金融資產／可供出售金融資產(續)

以下為截至二零一八年及二零一七年十二月三十一日止年度於其他全面收益表按公允價值列賬之金融資產／可供出售金融資產之公允價值變動分析：

Name of unlisted equity/debt securities 非上市股本／債務證券名稱	Change in fair value during the year ended 31 December 於截至十二月三十一日止年度之 公允價值變動	
	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Unlisted equity securities issued by:	以下公司發行之非上市	
	股本證券：	
— Smart Role	(26,260)	5,360
— Co-Lead	(6,800)	(1,800)
— FreeOpt	(10,140)	(5,300)
— Freewill	3,120	(10,600)
— Joint Global	(160)	(400)
— Satinu	(4,000)	—
Unlisted debt securities issued by:	以下公司發行之非上市	
	債務證券：	
— Premium Castle	—	354
— American Club	—	310



20. CONVERSION OPTIONS EMBEDDED IN CONVERTIBLE NOTES

20. 可換股票據內含之換股權

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of the year	年初	7	747
Fair value change	公允價值變動	(7)	(740)
At the end of the year	年終	—	7

Notes:

- (i) Conversion options embedded in convertible notes represented the conversion option element of the convertible notes subscribed by the Group and are measured at fair value using the binomial option pricing model at initial recognition and at the end of each reporting period. The debt element of the convertible notes is classified as available-for-sale financial assets as at 31 December 2017 and reclassified to financial assets at FVTPL upon application of HKFRS 9 as at 1 January 2018.
- (ii) As explained in Note 19, the Group subscribed New Premium Castle CN during the year ended 31 December 2014 and amount of approximately HK\$6,224,000 was recognised as conversion option embedded in convertible note which was measured at fair value at initial recognition. At 31 December 2018, the carrying amount of conversion option in New Premium Castle CN was HK\$Nil (2017: approximately HK\$7,000).

附註：

- (i) 可換股票據內含之換股權指本集團所認購可換股票據之換股權部份，乃於初步確認時及各呈報期末利用二項式期權定價模型以公允價值計量。可換股票據之債務部份於於二零一七年十二月三十一日分類為可供出售金融資產，並於二零一八年一月一日首次應用香港財務報告準則9號後獲重新分類至於損益表按公允價值列賬。
- (ii) 誠如附註19所闡述，本集團於截至二零一四年十二月三十一日止年度認購新Premium Castle可換股票據，而約6,224,000港元之金額已確認為可換股票據內含之換股權，乃於初步確認時按公允價值計量。於二零一八年十二月三十一日，新Premium Castle可換股票據內含之換股權之賬面金額約為零港元(二零一七年：7,000港元)。

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21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

As at the end of each reporting period, the total future minimum lease payments under non-cancellable operating leases falling due as follows:

21. 於損益表按公允價值列賬之金融資產

於各報告期末，在不可撤銷經營租賃項下到期的未來最低應付租賃款項總額如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Listed equity securities (note (i))	上市股本證券(附註(i))	—	—
Club debenture (note (ii))	會所債權證(附註(ii))	2,180	—
		2,180	—

Upon application of HKFRS 9 on 1 January 2018, the Group has reclassified available-for-sales financial assets to financial assets at FVTPL.

於二零一八年一月一日初始應用香港財務報告準則第9號後，本集團已將可供出售金融資產獲重新分類為於損益表按公允價值列賬之金融資產。

Notes:

- (i) No listed equity securities was held by the Group as at 31 December 2018 and 2017.

附註：

- (i) 本集團於二零一八年及二零一七年十二月三十一日並無持有任何上市股本證券。

The followings are the analysis of realised gain/(loss) of each held-for-trading investments for the year ended 31 December 2017:

以下為於截至二零一七年十二月三十一日止年度每項持作買賣投資之已變現收益／(虧損)分析：

2017

二零一七年

Name of equity securities	股本證券名稱	Place of incorporation	Stock code	Selling price	Cost of investment	Realised gain/(loss)
		註冊成立地點	股份代號	售價	投資成本	已變現收益／(虧損)
				HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
China Merchants Bank Co., Ltd.	招商銀行股份有限公司	People's Republic of China	3968	5,586	4,921	665
HSBC Holdings plc	HSBC Holdings plc	England	5	4,906	4,958	(52)
Tencent Holdings Limited	騰訊控股有限公司	Cayman Islands	700	2,873	2,911	(38)



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

Notes: (Continued)

(i) (Continued)

A brief description of the business and financial information of the above listed equity securities, based on its latest financial statements, is as follows:

China Merchants Bank Co., Ltd. is principally engaged in the provision of corporate and personal banking services, conducting treasury business, the provision of asset management and other financial services.

HSBC Holdings plc is principally engaged in the provision of financial services and products to companies, governments and institutions.

Tencent Holdings Limited is principally engaged in the provision of value-added services and online advertising services to users in the People's Republic of China.

During the year ended 31 December 2017, dividend income of approximately HK\$126,000 and HK\$120,000 was received from HSBC Holdings plc and China Merchants Bank Co., Ltd., respectively.

(ii) The club debenture represents the membership issued by the American club with a principal amount of HK\$625,000 at a consideration of HK\$1,800,000 on 23 March 2015. It is classified as available-for-sale financial assets stated at fair value as at 31 December 2017 and reclassified to financial assets at FVTPL at 1 January 2018 upon initial application of HKFRS 9. As at 31 December 2018 and 2017, the fair value of the club membership is arrived on the basis of a valuation carried out by an independent professional valuer.

21. 於損益表按公允價值列賬之金融資產(續)

附註：(續)

(i) (續)

根據最近期財務報表，上述上市股本證券的業務及財務資料簡述如下：

招商銀行股份有限公司主要從事提供企業及個人銀行服務、庫存業務、提供資產管理及其他金融服務業務。

HSBC Holdings plc主要從事向公司、政府及機構提供金融服務及產品業務。

騰訊控股有限公司主要於中華人民共和國從事向用戶提供增值服務及線上廣告服務業務。

截至二零一七年十二月三十一日止年度，約126,000港元及120,000港元之股息收入乃分別自HSBC Holdings plc及招商銀行股份有限公司收取。

(ii) 該會所債權證指由美國會於二零一五年三月二十三日發出的會籍，本金額為625,000港元，代價為1,800,000港元。該會籍於二零一七年十二月三十一日獲分類為按公允價值列賬之可供出售金融資產，並於二零一八年一月一日初始應用香港財務報告準則第9號後重新分類到於損益表按公允價值列賬之金融資產。於二零一八年及二零一七年十二月三十一日，該會所會籍的公允價值乃由一名獨立專業估值師進行的估值為基準得出。

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22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

22. 預付款項、按金及其他應收款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Prepayments	預付款項	61	537
Other receivables (Note)	其他應收款項(附註)	699	3,672
Rental deposits and other deposits	租金按金及其他按金	3,184	3,219
		3,944	7,428

Note:

As at 31 December 2017, other receivables mainly include interest receivables from available-for-sale financial assets of approximately HK\$2,964,000.

附註：

於二零一七年十二月三十一日，其他應收款項主要包括可供出售金融資產之應收利息約2,964,000港元。

23. CASH AND BANK BALANCES

23. 現金及銀行結餘

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	111	32,724
Pledged bank deposits	已抵押銀行存款	—	2,070
		111	34,794

Deposits with banks earn interest at floating rates based on bank deposit and saving rates. The bank balances and pledged bank deposits are deposited with creditworthy banks with no recent history of default. As at 31 December 2018, no bank deposits (2017: HK\$2,070,000) was pledged to a bank to secure trade credit facilities granted to the Group.

銀行存款根據銀行存款及儲蓄利率按浮動利率計息。銀行結餘及已抵押銀行存款存放於並無近期違約記錄及具信譽之銀行。於二零一七年十二月三十一日，並無銀行存款已抵押予銀行，以取得授予本集團之貿易信用融資(二零一七年：2,070,000港元)。



24. SHORT-TERM LOANS

24. 短期貸款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Amount due to an associate (<i>Note (i)</i>)	應付一間聯營公司款項 (附註(i))	—	6,833
Loans from third parties (<i>Notes (ii) and (iii)</i>)	第三方貸款 (附註(ii)及(iii))		
— Principal	— 本金	—	—
— Interest	— 利息	—	—
		—	6,833
Unsecured	無抵押	—	6,833
Carrying amount repayable (<i>Note (iv)</i>):	應償還賬面金額 (附註(iv)):		
Within one year	一年內	—	6,833

Notes:

- (i) Since 15 August 2017, the Company entered into loan agreements with Medisun Holdings Limited ("Medisun"), an associate of a subsidiary of the Company, in an aggregated amount of HK\$6,670,000. The loan was unsecured and repayable on the date of one year from the date of loan agreements with interest rate of 12% per annum. The balances represent the loan principal and outstanding interest of HK\$Nil (2017: approximately HK\$6,670,000 and HK\$163,000 respectively).

On the 8 October 2018, the Company, Medisun and Ms. Xie Xiangrong, an non-executive director, entered into a deed of the assignment. The outstanding principal amount and interest payable of approximately HK\$6,670,000 and HK\$1,840,000 respectively were settled by Ms. Xie Xiangrong on behalf of the Group.

- (ii) The Company entered into a loan agreement with Freeman Opto Money Lending Corporation Limited ("Freeman") amounted to HK\$1,500,000 on 12 October 2017. The loan was repayable on the date of one month from the date of loan agreement with interest rate of 2% per month. The loan principal and outstanding interest of approximately HK\$1,500,000 and HK\$80,000 respectively were recognised in other payables upon maturity (please refer to Note 25 for details).

附註:

- (i) 於二零一七年八月十五日，本公司與本公司一間附屬公司之聯營公司 Medisun Holdings Limited (「Medisun」) 訂立合共 6,670,000 港元之貸款協議。該貸款為無抵押且須於由貸款協議日期起計滿一年當日償還，每年按利率 12% 計息。餘額指零港元 (二零一七年：分別約 6,670,000 港元及 163,000 港元) 之貸款本金額及尚未償還利息。

於二零一八年十月八日，本公司、Medisun 與非執行董事謝湘蓉女士訂立轉讓契據。謝湘蓉女士代表本集團結算未償還本金約 6,670,000 港元及未償還應付利息約 1,840,000 港元。

- (ii) 本公司與 Freeman Opto Money Lending Corporation Limited (「Freeman」) 於二零一七年十月十二日訂立 1,500,000 港元之貸款協議。該貸款須於由貸款協議日期起計滿一個月當日償還，每月按利率 2% 計息。分別約 1,500,000 港元及 80,000 港元之貸款本金及未償還利息已於到期時於其他應付款項中確認 (詳情請參閱附註 25)。

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24. SHORT-TERM LOANS (CONTINUED)

Notes: (Continued)

- (iii) The Company entered into a loan agreement with Enhanced Finance Limited (“Enhanced”) amounted to HK\$65,000,000 and HK\$10,000,000 on 14 January 2016 and 2 February 2016 respectively. The loan was repayable on the date of one year from the date of loan agreement with interest rate of 12% per annum. The balance of approximately HK\$60,294,000 was partially settled by cash on 28 January 2016 resulting an outstanding principal of HK\$15,000,000 (the “Enhanced Facility”).

The Company entered into loan agreements with Hansom Finance Limited (“Hansom”) amounted to HK\$5,000,000 (the “First Facility”) and HK\$5,000,000 (the “Second Facility”) on 8 April 2016 and 16 May 2016 respectively, which was secured by a charge over the interest in its wholly owned subsidiaries, namely Massive Shine Limited, Old Peak Limited, Eighty Riches Limited, Union Power Holdings Limited and Fine East Trading Limited in favour of the lender. The loan was repayable on the date of three months from the date of drawdown with interest rate of 2% per month.

On the 20 June 2016, the Company, Enhanced and Hansom entered into a deed of assignment whereas Enhanced, as the assignor, assigned the outstanding principal of HK\$15,000,000 of the Enhanced Facility to Hansom (the “Assigned Loan”).

On 20 June 2016, the Company entered into a deed of promissory note (the “PN Deed”) with Hansom to merge the outstanding principal of the Assigned Loan, the First Facility and the Second Facility of HK\$15,000,000, HK\$5,000,000 and HK\$5,000,000 respectively; and the outstanding interest on the Assigned Loan of approximately HK\$716,000, into a single debt with an aggregated principal amount of approximately HK\$25,716,000 (the “PN”). The PN was repayable on or before 19 December 2016 with interest rate of 3% per month. The Company charged its assets by way of floating charge as well as the interest in its wholly owned subsidiaries in favour of Hansom as security of the debt.

24. 短期貸款(續)

附註：(續)

- (iii) 本公司與進陞信貸有限公司(「進陞信貸」)分別於二零一六年一月十四日及二零一六年二月二日訂立65,000,000港元及10,000,000港元之貸款協議。該貸款須於由貸款協議日期起計滿一年當日償還，每年按利率12厘計息。結餘約60,294,000港元已於二零一六年一月二十八日部份以現金結清，由此產生未償還本金額15,000,000港元(「進陞融資」)。

本公司與恒盛財務有限公司(「恒盛」)分別於二零一六年四月八日及二零一六年五月十六日訂立5,000,000港元(「第一份融資」)及5,000,000港元(「第二份融資」)之貸款協議，以貸款人為受益人抵押本公司於其全資附屬公司(Massive Shine Limited、Old Peak Limited、Eighty Riches Limited、Union Power Holdings Limited及Fine East Trading Limited)之權益作擔保。該貸款須於由提取日期起計滿三個月當日償還，每月按利率2厘計息。

於二零一六年六月二十日，本公司、進陞信貸及恒盛訂立轉讓契據，據此，進陞信貸(作為轉讓人)轉讓進陞融資未償還本金15,000,000港元予恒盛(「轉讓貸款」)。

於二零一六年六月二十日，本公司與恒盛訂立承兌票據契據(「承兌票據契據」)以合併轉讓貸款、第一份融資及第二份融資之未償還本金，金額分別為15,000,000港元、5,000,000港元及5,000,000港元；而轉讓貸款的未償還利息約716,000港元將計入本金總額約為25,716,000港元之單一債務(「承兌票據」)。承兌票據須於二零一六年十二月十九日或之前償還，每月按利率3厘計息。本公司以浮動抵押方式抵押其資產及其全資附屬公司之權益作為債務之擔保，有關擔保之受益人為恒盛。



24. SHORT-TERM LOANS (CONTINUED)*Notes: (Continued)*(iii) *(Continued)*

Pursuant to the deed of assignment entered between Hansom and Citizens Money Lending Corporation Limited ("Citizens") on 19 July 2016, whereas Hansom assigned all its rights, title, benefits and interest in the debt under the PN to Citizens.

The Company did not repay the debt and any part thereof on the repayment date, therefore, in order to relieve the Group from immediate repayment obligation of the debt and reduce the burdensome interest expenses incurred, the Company and Citizens have agreed on a settlement proposal pursuant to the terms and conditions of a deed of settlement (the "Settlement Deed").

Pursuant to the terms of the Settlement Deed, the Company shall duly issue and allot 800,000,000 shares at the price of HK\$0.025 per share to Citizens. The aggregate price of the shares is in sum of HK\$20,000,000 which shall be partially set off against the debt. Further, the Company shall also duly issue and deliver a convertible bond with a principal amount of HK\$11,000,000 to Citizens in full and final settlement of the balance of the debt and all outstanding accrued interest. Completion of the Settlement Deed is conditional upon fulfilment of certain conditions on or before 8 May 2017. Given that those conditions have not yet been fulfilled, the Company and Citizens entered into two supplemental deeds dated 5 May 2017 and 9 June 2017 to extend the long stop date to 8 June 2017 and 8 August 2017, respectively. Please refer to the announcements of the Company dated 9 February 2017, 5 May 2017 and 9 June 2017 for more information in relation to the Settlement Deed.

As certain conditions precedent to the Settlement Deed have not been fulfilled on or before 8 August 2017, the Settlement Deed has lapsed pursuant to the terms therein. As such, the Settlement Deed has become null and void and of no further effect, and both parties to the Settlement Deed have been released from their respective obligations under the Settlement Deed save for any antecedent breaches thereof. During the year ended 31 December 2018, the outstanding balances include other payables were fully settled. (2017: the outstanding principal amount and accrued interest were included in other payables HK\$25,716,000 and HK\$13,414,000 respectively) (please refer to Note 25 for details).

(iv) The amounts due are based on the scheduled repayment dates set out in the loan agreements.

24. 短期貸款(續)*附註：(續)*(iii) *(續)*

根據恒盛與民眾財務有限公司(「民眾」)於二零一六年七月十九日訂立之轉讓契據，據此恒盛已轉讓承其於承兌票據項下之所有權利、所有權、利益及債務權益予民眾。

本公司於償還日期並未償債務或其任何部份，因此，為使本集團免除即時償還債務之責任，並減少所產生繁重之利息開支，本公司與民眾按償付契據(「償付契據」)之條款及條件協定償付建議。

根據償付契據之條款，本公司須按每股股份0.025港元之價格妥為發行及配發800,000,000股股份予民眾。股份之總價為數20,000,000港元將部份抵銷債務。此外，本公司亦須妥為發行及交付本金額為11,000,000港元之可換股債券予民眾，以悉數及最終償付債務餘額及所有尚未償還之應計利息。償付契約須待若干條件於二零一七年五月八日或之前獲達成後，方告完成。鑒於該等條件尚未獲達成，本公司及民眾於二零一七年五月五日及二零一七年六月九日訂立兩份補充契約，以將截止日期分別延長至二零一七年六月八日及二零一七年八月八日。有關償付契據之更多資料，請參閱本公司日期為二零一七年二月九日、二零一七年五月五日及二零一七年六月九日之公告。

由於償付契據之若干先決條件於二零一七年八月八日或之前尚未獲達成，故償付契據已根據其條款失效。因此，償付契據已告無效且無進一步效力，且償付契據之訂約雙方均已解除彼等各自於償付契據項下之責任，惟任何先違反者則除外。截至二零一八年十二月三十一日止年度，計入其他應付款項之尚未償還結餘已全數結清(二零一七年：計入其他應付款項的尚未償還本金及應計利息分別為25,716,000港元及13,414,000港元)(詳情請參閱附註25)。

(iv) 應付款項乃根據貸款協議所載預訂還款日期計量。

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25. ACCRUED CHARGES AND OTHER PAYABLES

25. 應付開支及其他應付款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Accrued charges	應付開支	14,181	12,066
Other payables (Notes)	其他應付款項(附註)	15,054	92,583
		29,235	104,649

Notes:

Other payables mainly include interest payables to promissory notes of approximately HK\$15,034,000 (2017: HK\$9,834,000) (please refer to Note 28 for details).

附註:

其他應付款項包括應付承兌票據利息約15,034,000港元(二零一七年: 9,834,000港元)(詳情請參閱附註28)。

26. OBLIGATIONS UNDER FINANCE LEASES

26. 融資租賃承擔

The Group lease certain of its property, plant and equipment under finance leases.

本集團根據融資租賃租賃若干物業、廠房及設備。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Minimum lease payments under finance leases	融資租賃項下之最低租金付款		
— within one year	— 一年內	—	619
— in the second to fifth years, inclusive	— 第二年至第五年(包括首尾兩年)	—	1,081
		—	1,700
Less: Future finance charges	減: 未來融資費用	—	(118)
Present value of finance leases	融資租賃之現值	—	1,582
Present value of minimum lease payments under finance leases	融資租賃項下之最低租金付款之現值		
— within one year	— 一年內	—	559
— in the second to fifth years, inclusive	— 第二年至第五年(包括首尾兩年)	—	1,023
		—	1,582
Less: Amount due for settlement within one year	減: 須於一年內償還之款項	—	(559)
Amount due for settlement after one year	須於一年後償還之款項	—	1,023



27. AMOUNTS DUE TO DIRECTORS/ AMOUNTS DUE TO A RELATED COMPANY

The amounts are unsecured, interest-free and repayable on demand.

28. PROMISSORY NOTES

On 21 November 2012 and 11 April 2013, the Group issued seven and four promissory notes respectively of HK\$10,000,000 each to eleven independents third parties. Each promissory note is issued at 5% interest rate per annum with 7 years maturity from the date of issue. The net proceeds are intended to be used for investment in listed securities and/or general capital of the Group.

The carrying amount and fair value of promissory notes at the end of the reporting period are as follows:

	Carrying amount		Fair value	
	賬面金額		公允價值	
	2018	2017	2018	2017
	二零一八年	二零一七年	二零一八年	二零一七年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
Promissory notes				
— Non-current liabilities	29,889	109,310	27,640	100,700
— Current liabilities	79,769	—	75,060	—
	109,658	109,310	102,700	100,700

The fair value of the promissory notes is calculated based on the present value of contractually determined stream of future cash flow discounted at rate of approximately 13% (2017: 10%).

29. DEFERRED TAXATION

No provision for deferred taxation has been made as the Group had no material temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements (2017: Nil).

At the end of the reporting period, the Group has estimated tax losses of approximately HK\$570,745,000 (2017: HK\$533,132,000) that are available for offsetting against future taxable profits of the Group. No deferred tax asset has been recognised due to the unpredictability of the future profit streams.

27. 應付董事／一間關聯公司款項

有關款項為無抵押、不計息且須來索即付。

28. 承兌票據

於二零一二年十一月二十一日及二零一三年四月十一日，本集團向十一名獨立第三方分別發行七份及四份承兌票據，每份為數10,000,000港元。每份承兌票據按年利率5厘發行，於由發行日期起計滿七年期。所得款項淨額擬用於投資上市證券及／或用作本集團之一般資金。

承兌票據於呈報期末之賬面金額及公允價值如下：

承兌票據之公允價值乃依照按約13%（二零一六年：10%）貼現之約定未來現金流量之現值計算。

29. 遞延稅項

由於本集團資產及負債之稅基與其於綜合財務報表內之賬面金額並無重大暫時差額，故並無作出遞延稅項撥備（二零一七年：無）。

於呈報期末，本集團之估計稅項虧損約為570,745,000港元（二零一七年：533,132,000港元），可用於抵銷本集團日後之應課稅溢利。由於難以預測日後溢利來源，因此並無確認遞延稅項資產。

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30. SHARE CAPITAL

30. 股本

		Number of shares		Amount	
		股份數目		款額	
		2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年
				HK\$'000	HK\$'000
				千港元	千港元
Authorised:	法定：				
At 1 January, ordinary shares of HK\$0.01 each	於一月一日，每股面值0.01港元之普通股	20,000,000	20,000,000	200,000	200,000
At 31 December, ordinary shares of HK\$0.01 each	於十二月三十一日，每股面值0.01港元之普通股	20,000,000	20,000,000	200,000	200,000
Issued and fully paid:	已發行及繳足：				
At 1 January, ordinary shares of HK\$0.01 each	於一月一日，每股面值0.01港元之普通股	2,402,261	2,132,261	24,023	21,323
Placing (Notes (i) and (ii))	配售(附註(i)及(ii))	—	270,000	—	2,700
Rights issue (Note (iii))	供股(附註(iii))	1,201,130	—	12,011	—
Placing (Note (iv))	配售(附註(iv))	720,678	—	7,207	—
At 31 December	於十二月三十一日	4,324,069	2,402,261	43,241	24,023

Notes:

- (i) On 10 January 2017, the Company placed 160,000,000 placing shares at the placing price of HK\$0.1 per placing share. A share premium of approximately HK\$14,400,000 had credited to share premium account. The net proceeds of approximately HK\$15,520,000 are intended to be used for general working capital of the Group and/or for future investments pursuant to the investment objectives of the Company. Details of the placing were set out in the Company's announcements dated 6 January 2017 and 10 January 2017.

附註：

- (i) 於二零一七年一月十日，本公司以配售價每股配售股份0.1港元配售160,000,000股配售股份。股份溢價約14,400,000港元已計入股份溢價賬。所得款項淨額約15,520,000港元擬根據本公司之投資目標用作本集團之一般營運資金及／或未來投資。配售之詳情載於本公司日期為二零一七年一月六日及二零一七年一月十日之公告內。



30. SHARE CAPITAL (CONTINUED)

Notes: (Continued)

- (ii) On 7 March 2017, the Company placed 110,000,000 placing shares at the placing price of HK\$0.142 per placing share. A share premium of approximately HK\$14,520,000 had credited to share premium account. The net proceeds of approximately HK\$15,151,000 are intended to be used for general working capital of the Group and/or for future investments pursuant to the investment objectives of the Company. Details of the placing were set out in the Company's announcements dated 28 February 2017 and 7 March 2017.
- (iii) On 2 January 2018, the Company completed a rights issue and issued 1,201,130,456 new shares with par value of HK\$0.01 each at a subscription price of HK\$0.035 per rights share on the basis of one rights share for every two shares then existing share held, and the net proceeds of the Rights Issue, after deducting the related expense, were approximately HK\$40,378,000 which were mainly used to repay the principal amount and interests of Group's loans including the Citizens Money Lending Corporation Limited. Details of the rights issue were disclosed in the announcements of the Company dated 21 November 2017, 28 November 2017, 2 January 2018 and the prospectus of the Company 7 December 2017.
- (iv) On 23 October 2018, the Company placed 720,678,273 placing shares at the placing price of HK\$0.015 per placing share. A share premium of approximately HK\$3,603,000 had credited to share premium account. The net proceeds of approximately HK\$10,464,000 are intended to be used for general working capital of the Group and/or for future investments pursuant to the investment objectives of the Company. Details of the placing were set out in the Company's announcements dated 5 October 2018 and 23 October 2018.

All the shares issued during the year rank pari passu with the then existing shares in all respects.

30. 股本(續)

附註：(續)

- (ii) 於二零一七年三月七日，本公司以配售價每股配售股份0.142港元配售110,000,000股配售股份。股份溢價約14,520,000港元已計入股份溢價賬。所得款項淨額約15,151,000港元擬根據本公司之投資目標用作本集團之一般營運資金及／或未來投資。配售之詳情載於本公司日期為二零一七年二月二十八日及二零一七年三月七日之公告內。
- (iii) 於二零一八年一月二日，本公司完成供股，並按當時每持有兩股現有股份獲發一股供股股份之基準，以每股供股股份0.035港元之認購價發行1,201,130,456股每股面值0.01港元之新股份，及供股之所得款項淨額(扣除相關開支後)約為40,379,000港元，主要用於償還本集團貸款(包括民眾財務有限公司)之本金金額及利息。供股詳情於本公司日期為二零一七年十一月二十一日、二零一七年十一月二十八日及二零一八年一月二日之公告以及日期為二零一七年十二月七日之本公司章程中披露。
- (iv) 於二零一八年十月二十三日，本公司按每股配售股0.015港元之配售價配售720,678,273股配售股份。股份溢價約3,603,000港元已入賬股份溢價賬。所得款項淨額約10,464,000港元擬用作本集團一般營運資金及／或根據本公司投資目標之未來投資。有關配售的詳情載於本公司日期為二零一八年十月五日及二零一八年十月二十三日之公告。

年內發行之所有股份於所有方面與當時之現有股份享有同等權益。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

31. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 31. 本公司之財務狀況表

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Assets:	資產：		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	484	6,432
Other tangible assets	其他有形資產	1,575	17,583
Interests in subsidiaries	於附屬公司之權益	51,659	85,556
Conversion options embedded in convertible notes	可換股票據內含之換股權	—	7
		53,718	109,578
Current assets	流動資產		
Available-for-sale financial assets	可供出售金融資產	—	20,487
Financial assets at FVTPL	於其他全面收益表按公允價值列賬之金融資產	2,180	—
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	3,944	7,428
Cash and bank balances	現金及銀行結餘	55	34,784
		6,179	62,699
Total assets	資產總值	59,897	172,277
Equity:	權益：		
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備		
Share capital	股本	43,241	24,023
Reserves (Note 32)	儲備(附註32)	(144,559)	(75,261)
Total equity	權益總額	(101,318)	(51,238)



31. STATEMENT OF FINANCIAL POSITION
OF THE COMPANY (CONTINUED)

31. 本公司之財務狀況表(續)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Liabilities:	負債：		
Current liabilities	流動負債		
Short-term loans	短期貸款	—	6,833
Accrued charges and other payables	應付開支及其他應付款項	29,215	104,649
Obligations under finance leases	融資租賃承擔	—	559
Amounts due to directors	應付一名董事款項	10,415	—
Amount due to a related company	應付一間關聯公司款項	10,791	—
Promissory notes	承兌票據	79,769	—
		130,190	112,041
Non-current liabilities	非流動資產		
Amount due to subsidiaries	應付附屬公司款項	1,136	1,141
Promissory notes	承兌票據	29,889	109,310
Obligations under finance leases	融資租賃承擔	—	1,023
		31,025	111,474
Total liabilities	負債總額	161,215	223,515
Total equity and liabilities	權益及負債總額	59,897	172,277
Net current liabilities	流動負債淨額	(124,011)	(49,342)
Total assets less current liabilities	資產總值減流動負債	(70,293)	60,236

Approved by the Board of Directors on 26 March 2019 and signed on its behalf by:

經董事會於二零一九年三月二十六日批准及由以下人士代表簽署：

Xie Xiangrong
謝湘蓉
Director
董事

Chan Cheong Yee
陳昌義
Director
董事

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

32. RESERVES OF THE COMPANY

32. 本公司之儲備

		Share premium	Share option reserve	Available-for-sale financial assets equity reserve	Accumulated losses	Total
		股份溢價	購股權儲備	可供出售金融資產股本儲備	累積虧損	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
As at 1 January 2017	於二零一七年一月一日	771,704	2,193	671	(754,942)	19,626
Loss for the year	年內虧損	—	—	—	(123,522)	(123,522)
Other comprehensive income for the year, net of income tax	年內其他全面收益，已扣除所得稅	—	—	664	—	664
Total comprehensive loss for the year	年內全面虧損總額	—	—	664	(123,522)	(122,858)
Share options lapsed	購股權失效	—	(2,193)	—	2,193	—
Placing	配售	28,920	—	—	—	28,920
Placing expenses	配售開支	(949)	—	—	—	(949)
As at 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	799,675	—	1,335	(876,271)	(75,261)
New adoption of HKFRS 9	新採用香港財務報告準則第9號	—	—	(1,335)	1,335	—
Restated balance at 1 January 2018	於二零一八年一月一日重列結餘	799,675	—	—	(874,936)	(75,261)
Loss for the year	年內虧損	—	—	—	(100,922)	(100,922)
Other comprehensive income for the year, net of income tax	年內其他全面收益，已扣除所得稅	—	—	—	—	—
Total comprehensive loss for the year	年內全面虧損總額	—	—	—	(100,922)	(100,922)
Right issue	供股	30,028	—	—	—	30,028
Right issue expenses	供股開支	(1,661)	—	—	—	(1,661)
Placing	配售	3,603	—	—	—	3,603
Placing expenses	配售開支	(346)	—	—	—	(346)
As at 31 December 2018	於二零一八年十二月三十一日	831,299	—	—	(975,858)	(144,559)

33. NET LIABILITIES VALUE PER SHARE

33. 每股負債淨值

As at 31 December 2018, the net liabilities value per share is HK\$(0.02) (2017: HK\$(0.02)).

於二零一八年十二月三十一日，每股負債淨額為(0.02)港元(二零一七年：每股資產淨值0.02港元)。

The calculation of net liabilities value per share is based on the net liabilities of approximately HK\$(100,495,000) (2017: approximately HK\$(47,443,000)) and 4,324,069,000 ordinary shares in issue as at 31 December 2018 (2017: 2,402,261,000).

每股負債淨值乃按於二零一八年十二月三十一日之負債淨額約(100,495,000)港元(二零一七年：負債淨額約(47,443,000)港元)及4,324,069,000股(二零一七年：2,402,261,000股)已發行普通股計算。



34. DISPOSAL OF A SUBSIDIARY**OBOR Investments Fund Management Limited**

On 26 March 2018, the Group has disposed of the entire issued share capital of OBOR Investments Fund Management Limited with cash consideration of HK\$1. On that date, interest of the subsidiary passed to the acquirer. Details of the liability disposed of, and the calculation of the gain on disposal, are disclosed below:

Analysis of Asset and Liability Over Which Control was Lost

		2018 二零一八年 HK\$'000 千港元
Current asset	流動資產	
Cash and bank balances	現金及銀行結餘	10
Non-current liability	非流動負債	
Amount due to the Group	應付本集團款項	(15)
Net liability disposed of	所出售之負債淨額	(5)

Loss on Disposal of a Subsidiary

		2018 二零一八年 HK\$'000 千港元
Consideration received	已收代價	—
Net liability disposed of	所出售之負債淨額	(5)
Sale loan	銷售貸款	15
Loss on disposal	出售虧損	10

34. 出售一間附屬公司**一帶一路投資基金有限公司**

於二零一八年三月二十六日，本集團已按現金代價1港元出售一帶一路投資基金有限公司之全部已發行股本。當日，於附屬公司之權益移交至收購人。有關所出售負債及出售虧損之計算方法披露如下：

喪失控制權之資產及負債分析

		2018 二零一八年 HK\$'000 千港元
Current asset	流動資產	
Cash and bank balances	現金及銀行結餘	10
Non-current liability	非流動負債	
Amount due to the Group	應付本集團款項	(15)
Net liability disposed of	所出售之負債淨額	(5)

出售一間附屬公司之虧損

		2018 二零一八年 HK\$'000 千港元
Consideration received	已收代價	—
Net liability disposed of	所出售之負債淨額	(5)
Sale loan	銷售貸款	15
Loss on disposal	出售虧損	10

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34. DISPOSAL OF A SUBSIDIARY (CONTINUED)

OBOR Investments Fund Management Limited (Continued)

Net Cash Inflow on Disposal of a Subsidiary

34. 出售一間附屬公司(續)

一帶一路投資基金有限公司(續)

出售一間附屬公司之現金流入淨額

	2018 二零一八年 HK\$'000 千港元
Consideration received in cash and bank balances	—

35. OPERATING LEASE COMMITMENTS

As Lessee

As at the end of each reporting period, the total future minimum lease payments under non-cancellable operating leases falling due as follows:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	2,268	9,915
In the second to fifth years, inclusive	—	3,462
	2,268	13,377

The Group leases office properties under operating lease arrangement and the lease payments are fixed and pre-determined for the term one to two years (2017: one to four years).

35. 經營租賃承擔

作為承租人

於各呈報期末，根據不可撤銷經營租賃到期應付之未來最低租賃款項總值如下：

本集團根據經營租賃安排租賃辦公室物業，而租賃款項乃固定且預先確定為一至兩年(二零一七年：一至四年)。



36. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flow were, or future cash flows will be classified in the Group's consolidated statement of cash flows from financing activities.

36. 融資活動所產生負債之對賬

下表詳列本集團融資活動所產生負債之變動，包括現金及非現金變動。融資活動所產生負債指現金流量已或未來現金流量將於本集團綜合報表中分類為融資活動產生之現金流量的負債。

		Obligations under finance			Total
		Promissory notes	leases	Short-term loans	
		承兌票據	租賃承擔	短期貸款	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
As at 1 January 2018	於二零一八年一月一日	109,310	1,582	6,833	117,725
Financing cash inflows	融資現金流入	—	—	2,500	2,500
Financing cash outflows	融資現金流出	—	(1,629)	(1,500)	(3,129)
Interest paid	已付利息	(300)	—	—	(300)
Non-cash movement	非現金變動				
Finance costs	融資成本	5,848	47	677	6,572
Interest payable	應付利息	(5,200)	—	—	(5,200)
Repayment	還款款項	—	—	(8,510)	(8,510)
As at 31 December 2018	於二零一八年十二月三十一日	109,658	—	—	109,658

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37. MATERIAL RELATED PARTY TRANSACTIONS

Saved as disclosed elsewhere in the consolidated financial statements, for the years ended 31 December 2018 and 2017, the Group had entered into transactions with related parties, which, in the opinion of the directors of the Company, were carried out on normal commercial terms and in the ordinary course of the Group's business.

37. 重大關連人士交易

除綜合財務報表其他部份所披露者外，於截至二零一八年及二零一七年十二月三十一日止年度，本集團與關連人士訂立交易，本公司董事認為有關交易乃於本集團之日常業務過程中按一般商業條款進行。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest income received from a related party (Note (i))	已收關連人士之利息收入(附註(i))	372	372
Commission expenses paid to a related party (Note (ii))	支付予關連人士之佣金費用(附註(ii))	—	949
Rental income received from a related party (Note (ii))	已收關連人士之租金收入(附註(ii))	500	1,200
Interest receivable from a related party (Note (iii))	應收關連人士之利息(附註(iii))	—	1,487
Short-term loans settled by a director (Note (iii))	由一位董事結算之短期貸款(附註(iii))	8,510	—

Notes:

- (i) Mr. Wong Danny F. is a director of the Company and the shareholder of Premium Castle. Please refer to the paragraph in relation to "Subscription Agreement" under the section headed "Connected Transactions" in the Report of the Directors on page 50.
- (ii) Mr. Wong Danny F. is a director of the Company and the shareholder of Beijing Securities Limited's holding company.
- (iii) Ms. Xie Xiangrong is a non-executive director of the Company and please reference to note 24 for the details.
- (iv) For the transactions constitute non-exempted connected transactions under the Listing Rules, please refer to the section headed "Connected Transactions" and "Continuing Connected Transactions" in the Report of the Directors on pages 50 - 51.

附註：

- (i) 汪曉峰先生為本公司之董事及Premium Castle之股東。請參閱第50頁董事報告「關連交易」一節中「認購協議」一段。
- (ii) 汪曉峰先生為本公司之董事及北京證券有限公司之控股公司之股東。
- (iii) 謝湘蓉女士為本公司非執行董事，詳情請參閱附註24。
- (iv) 有關構成上市規則項下之非豁免關連交易，請參閱董事報告第50-51頁「關連交易」及「持續關連交易」等節。

Key Management Compensation

主要管理層薪酬

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	5,772	5,528
Employer's contribution to pension scheme	退休金計劃之僱主供款	30	32
		5,802	5,560



38. SHARE-BASED PAYMENT TRANSACTIONS

The share option scheme adopted on 27 August 2007 (the “Old Scheme”) has expired and was replaced by a new share option scheme approved by the shareholders of the Company on 30 June 2017 (the “Share Option Scheme”). No further option can be granted under the Old Scheme upon its expiration, but all options granted previously will remain exercisable in accordance with the terms of the Old Scheme and the relevant letters of offers to the respective grantees. The Share Option Scheme had a life of ten years and is due to expire on 29 June 2027.

Pursuant to the terms and conditions of the Share Option Scheme, the purpose of the Share Option Scheme, in principle, is to enable the Company to motivate participants for their significant contributions to the growth of the Company and to retain and maintain on-going business relationship with such participants whose contributions are or will be beneficial to the long-term growth of the Company. It is important for the Company to provide them, where appropriate, with an additional incentive by offering them an opportunity to obtain an ownership interest in the Company and to reward them for contributing to the Company’s long-term success and prosperity. The principal terms of the Share Option Scheme are as follows:

- (i) The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any options to be granted under any other scheme must not in aggregate exceed 10% of the aggregate of the shares in issue as at the adoption date unless refreshed by the shareholders. However, the total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and all outstanding options granted and yet to be exercised under any other scheme should not exceed 30% of the shares in issue from time to time.
- (ii) The total number of shares in respect of which options may be granted to each eligible participant in any 12-month period must not exceed 1% of the issued share capital of the Company for the time being.

38. 以股份為基礎付款之交易

於二零零七年八月二十七日採納的購股權計劃(「舊計劃」)已屆滿並由本公司股東於二零一七年六月三十日批准的新購股權計劃(「購股權計劃」)所替代。舊計劃屆滿後並無進一步據此授出購股權，惟先前授出的所有購股權仍可根據舊計劃及向各承授人發出相關要約函件的條款予以行使。購股權計劃的期限為十年並將於二零二七年六月二十九日屆滿。

根據購股權計劃之條款及條件，購股權計劃原則上旨在讓本公司能鼓勵參與者對本公司發展作出重大貢獻，挽留及維持與該等參與者(彼等之貢獻乃有利於或將會有利於本公司之長遠發展)之持續業務關係。重要的是，本公司於適當時給予彼等機會獲得本公司擁有權權益作為額外獎勵，並獎勵彼等對本公司長遠成功及興旺所作出之貢獻。購股權計劃主要條款如下：

- (i) 除非獲股東更新，否則於行使根據購股權計劃將予授出之全部購股權及根據任何其他計劃將予授出的任何購股權時可予發行之股份總數，合共不得超過於採納日期已發行股份總數之10%。然而，於行使根據計劃已授出但尚未行使之全部購股權，以及根據任何其他計劃已授出但尚未行使之全部購股權時可予發行之股份總數，不得超過不時已發行股份之30%。
- (ii) 每一位合資格參與者在任何十二個月期間內可獲授出之購股權所涉及之股份總數，不得超過本公司當時已發行股本之1%。

38. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

- (iii) The subscription price shall be a price determined by the Board, but shall not be less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations on the date of grant, which must be a business day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of grant; and (iii) the nominal value of the share.
- (iv) An option may be accepted by an eligible participant within 28 days from the date of offer of the option. Upon acceptance of the option, the grantee shall pay HK\$1.00 to the Company by way of consideration for the grant of the option.
- (v) The Share Option Scheme will remain valid for a period of ten years commencing on 30 June 2017.

On 3 September 2013, the rights issue was completed. The number and exercise price of Outstanding Share Options has been adjusted. The 174,720 and 11,670,000 Outstanding Share Options with an exercise price of HK\$19 and HK\$1.89 granted on 28 November 2007 and 18 April 2011 immediately before the rights issue has been adjusted to 209,664 and 14,004,000 with an exercise price of HK\$15.83 and HK\$1.58 respectively. Details of the adjustment of Outstanding Share Options have been disclosed in the announcement dated on 3 September 2013.

On 20 February 2014, the rights issue was completed. The number and exercise price of Outstanding Share Options has been adjusted. The 209,664 and 14,004,000 Outstanding Share Options with an exercise price of HK\$15.83 and HK\$1.58 granted on 28 November 2007 and 18 April 2011 immediately before the rights issue has been adjusted to 587,059 and 39,211,200 with an exercise price of HK\$5.65 and HK\$0.56 respectively. Details of the adjustment of Outstanding Share Options have been disclosed in the announcement dated 20 February 2014.

On 11 July 2014, the Company granted 132,640,000 share options to eligible person to subscribe for up to 132,640,000 ordinary shares at an exercise price of HK\$0.40 within the exercisable period, under the Old Scheme.

38. 以股份為基礎付款之交易(續)

- (iii) 認購價由董事釐定，惟不得低於以下三者之最高者：(i)股份於授出日期(必須為營業日)在聯交所每日報價表之收市價；(ii)股份於緊接授出日期前五個營業日在聯交所每日報價表之平均收市價；及(iii)股份之面值。
- (iv) 合資格參與者可於提呈購股權日期起計28天內接受購股權。一旦接納該購股權，則承授人須向本公司支付1.00港元，作為所授出購股權之代價。
- (v) 購股權計劃自二零一七年六月三十日起10年期內將維持有效。

供股於二零一三年九月三日完成。未行使購股權之數目及行使價已作調整。於二零零七年十一月二十八日及二零一一年四月十八日分別授出之174,720份及11,670,000份未行使購股權(緊接供股前之行使價為19港元及1.89港元)已調整為209,664份及14,004,000份(行使價15.83港元及1.58港元)。未行使購股權調整之詳情已於日期為二零一三年九月三日之公告披露。

供股於二零一四年二月二十日完成。未行使購股權之數目及行使價已作調整。於二零零七年十一月二十八日及二零一一年四月十八日分別授出之209,664份及14,004,000份未行使購股權(緊接供股前之行使價為15.83港元及1.58港元)已調整為587,059份及39,211,200份(行使價5.65港元及0.56港元)。未行使購股權調整之詳情已於日期為二零一四年二月二十日之公告披露。

於二零一四年七月十一日，本公司向合資格人士授出132,640,000份購股權，以於可行使期內根據舊計劃按行使價0.40港元認購最多132,640,000股普通股。



38. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

At 31 December 2018 and 2017, no share options had been granted and remained outstanding under the Share Option Scheme. No share options were exercised by the grantees for both years.

The fair value of the share options granted during the year ended 31 December 2011 was HK\$0.03 each. Options were priced using a binomial option pricing model.

Inputs into the Model

Grant date share price	HK\$0.081
Exercise price	HK\$0.890
Expected volatility	88.71%
Option life	6.4 years
Dividend yield	0%
Risk-free interest rate	2.210%
Exercise multiple	1.2

Expected volatility was determined by using the historical volatility of the comparable companies share price over the previous 331 weeks.

The fair value of the share options granted during the year ended 31 December 2014 was HK\$0.19 each. Options were priced using a binomial option pricing model.

Inputs into the Model

Grant date share price	HK\$0.4
Exercise price	HK\$0.4
Expected volatility	90.43%
Option life	3.1 years
Dividend yield	0%
Risk-free interest rate	0.88%
Exercise multiple	2.2

Expected volatility was determined by using the historical volatility of the comparable companies share price over the previous 162 weeks.

38. 以股份為基礎付款之交易(續)

於二零一八年及二零一七年十二月三十一日，根據購股權計劃概無授出惟尚未行使之購股權。承授人於兩個年度概無行使任何購股權。

於截至二零一一年十二月三十一日止年度授出之購股權之公允價值為每份0.03港元。購股權乃按二項式期權定價模型定價。

該模型之輸入值

授出日期之股價	0.081港元
行使價	0.890港元
預期波幅	88.71%
購股權有效期	6.4年
股息回報率	0%
無風險利率	2.210%
行使倍數	1.2

預期波幅以可資比較公司股價於過去331個星期之歷史波幅釐定。

於截至二零一四年十二月三十一日止年度授出之購股權之公允價值為每份0.19港元。購股權乃按二項式期權定價模型定價。

該模型之輸入值

授出日期之股價	0.4港元
行使價	0.4港元
預期波幅	90.43%
購股權有效期	3.1年
股息回報率	0%
無風險利率	0.88%
行使倍數	2.2

預期波幅以可資比較公司股價於過去162個星期之歷史波幅釐定。

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38. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

The binomial option pricing model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

The following table discloses movements of the Company's share options held by directors and employees during the year ended 31 December 2017:

38. 以股份為基礎付款之交易(續)

二項式期權定價模型乃用以估計購股權之公允價值。計算購股權公允價值時所用之變數及假設乃基於董事之最佳估計。購股權價值可因若干主觀假設之不同變數而變化。

下表披露董事及僱員所持本公司購股權於截至二零一七年十二月三十一日止年度之變動：

	Number of share options 購股權數目				Outstanding at 31 December 2017 於二零一七年 十二月三十一日 尚未行使	Exercise price at 1 January 2017 於二零一七年 一月一日 之行使價 (HK\$) (港元)	Exercise price at 31 December 2017 於二零一七年 十二月三十一日 之行使價 (HK\$) (港元)	Date of grant 授出日期	Exercisable period (Note (i)) (附註(i))
	Outstanding at 1 January 2017 於二零一七年 一月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效					
Directors 董事									
Mr. Wong Danny F. 汪曉峰先生	73,382	-	-	(73,382)	-	5.65	Nil 零	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	(389,760)	-	0.56	Nil 零	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Mr. Wu Tse Wai Frederick 吳子惠先生	73,382	-	-	(73,382)	-	5.65	Nil 零	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	(389,760)	-	0.56	Nil 零	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Mr. Fong Chi Wah 方志華先生	73,382	-	-	(73,382)	-	5.65	Nil 零	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	(389,760)	-	0.56	Nil 零	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Mr. Char Shik Ngor, Stephen 查錫我先生	73,383	-	-	(73,383)	-	5.65	Nil 零	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	(389,760)	-	0.56	Nil 零	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Mr. Liu Jin 劉進先生	73,382	-	-	(73,382)	-	5.65	Nil 零	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	(389,760)	-	0.56	Nil 零	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
	2,315,711	-	-	(2,315,711)	-				



38. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

38. 以股份為基礎付款之交易(續)

	Number of share options 購股權數目				Outstanding at 31 December 2017 於二零一七年 十二月三十一日 尚未行使	Exercise price at 1 January 2017 於二零一七年 一月一日 之行使價 (HK\$) (港元)	Exercise price at 31 December 2017 於二零一七年 十二月三十一日 之行使價 (HK\$) (港元)	Date of grant 授出日期	Exercisable period 行使期 (Note (i)) (附註(i))
	Outstanding at 1 January 2017 於二零一七年 一月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效					
Resigned directors 已辭任董事	220,148	-	-	(220,148)	-	5.65	Nil 零	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	1,169,280	-	-	(1,169,280)	-	0.56	Nil 零	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Other eligible participants 其他合資格參與者	10,594,080	-	-	(10,594,080)	-	0.56	Nil 零	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Total 合計	14,299,219	-	-	(14,299,219)	-				
Weighted average exercise price 加權平均行使價	HK\$0.77 0.77港元	-	-	-	HK\$Nil 零港元				

39. PRINCIPAL SUBSIDIARIES

39. 主要附屬公司

Details of the Company's principal subsidiaries at the end of the reporting period are as follows:

於呈報期末，本公司主要附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation or operation 註冊成立或營業地點	Class of share 股份類別	Fully Paid share capital 已繳足股本	Proportion of nominal value equity interest and voting power directly attributable to the Company 本公司直接應佔股權面值比例及投票權比例		Principal activities 主要業務
				2018 二零一八年	2017 二零一七年	
Top Onward Development Limited ("Top Onward") 拓匯發展有限公司(「拓匯」)	British Virgins Islands 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	100%	Investment holdings 投資控股
Essence Sharp Holdings Limited ("Essence Sharp") Essence Sharp Holdings Limited (「Essence Sharp」)	British Virgins Islands 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	100%	Investment holdings 投資控股

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39. PRINCIPAL SUBSIDIARIES (CONTINUED)

39. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation or operation 註冊成立或營業地點	Class of share 股份類別	Fully Paid share capital 已繳足股本	Proportion of nominal value equity interest and voting power directly attributable to the Company 本公司直接應佔股權面值 比例及投票權比例		Principal activities 主要業務
				2018 二零一八年	2017 二零一七年	
Massive Shine Limited ("Massive Shine")	British Virgins Islands 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	100%	Investment holdings 投資控股
Vast Spirit Investment Holding Limited ("Vast Spirit")	British Virgins Islands 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	100%	Investment holdings 投資控股
Old Peak Limited ("Old Peak")	British Virgins Islands 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	100%	Investment holdings 投資控股
Eighty Riches Limited ("Eighty Riches")	British Virgins Islands 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	100%	Investment holdings 投資控股
Union Power Holdings Limited ("Union Power") 順力集團有限公司 (「順力集團」)	British Virgins Islands 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	100%	Investment holdings 投資控股
Fine East Trading Limited ("Fine East")	British Virgins Islands 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	100%	Investment holdings 投資控股

None of the subsidiaries issued debt securities during the year or at the year end.

概無附屬公司於年內或年末發行債務證券。

The above table lists the subsidiaries of the Group, which, in the opinion of the directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive lengths.

上表載列本公司董事認為主要影響本集團業績或資產的本集團附屬公司。本公司董事認為，載列其他附屬公司的詳情將導致篇幅冗長。



40. PLEDGED OF ASSETS

Deposits with banks earn interest at floating rates based on bank deposit and saving rates. The bank balances and pledged bank deposits are deposited with creditworthy banks with no recent history of default. At 31 December 2018, no bank deposits (2017: HK\$2,070,000) was pledged to a bank to secure trade credit facilities granted to the Group.

41. EVENTS AFTER THE REPORTING PERIOD

- (i) On 4 January 2019, the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent conditionally agreed to effect the Placing by procuring Placees to subscribe for a maximum of 8,600,000,000 Placing Shares at the Placing Price of HK\$0.018 per Placing Share on a best effort basis. The gross proceeds of the Placing will be in an aggregate of HK\$154 million. The net proceeds from the Placing, after the deduction of the relevant commission and other related expenses, are estimated to be in an aggregate of approximately HK\$150 million. The Company intends to utilise the net proceeds for meeting the payment obligations in the future and general working capital of the Group.

On 21 January 2019, the Company propose to implement the Share Consolidation on the basis that every 10 issued and unissued shares of par value of HK\$0.01 each in the share capital of the Company will be consolidated into one consolidated share of par value of HK\$0.10 each. In view of the Share Consolidation, the Company entered into the supplemental agreement to the Placing Agreement with the Placing Agent to amend certain terms of the Placing Agreement to reflect the adjusted Placing Price and the adjusted number of Placing Shares.

On 5 March 2019, the Share Consolidation were duly passed by the Shareholders by way of poll at the extraordinary general meeting and the Share Consolidation became effective on 6 March 2019.

Details of the placing and share consolidation were set out in the Company's announcements dated on 4 January 2019, 21 January 2019 and 5 March 2019 and the Company's circulars dated 12 February 2019.

40. 資產質押

銀行存款根據銀行存款及儲蓄利率按浮動利率計息。銀行結餘及已抵押銀行存款存放於並無近期違約記錄及具信譽之銀行。於二零一七年十二月三十一日，並無(二零一七年：2,070,000港元)銀行存款已抵押予銀行，以取得授予本集團之貿易信用融資。

41. 呈報期後事項

- (i) 於二零一九年一月四日，本公司及配售代理訂立配售協議，據此，配售代理有條件同意通過按竭誠基準促使承配人以每股配售股份0.018港元的配售價認購最多8,600,000,000股配售股份以進行配售事項。配售事項的所得款項總額合共將為154,800,000港元。配售事項的所得款項淨額(經扣除相關佣金及其他有關開支)估計合共約為150,000,000港元。本公司擬運用所得款項淨額於未來履行償款責任及作為本集團的一般營運資金。

於二零一九年一月二十一日，本公司建議進行股份合併，按本公司股本中每10股每股面值0.01港元已發行及未發行之股份合併為一股每股面值0.10港元之合併股份。鑒於股份合併，本公司與配售代理人訂立配售協議之補充協議，以修訂配售協議的若干條款，以反映經調整的配售價及經調整的配售股份數目。

於二零一九年三月五日，股份合併已於股東特別大會由股東按股數點票表決方式獲正式通過。股份合併於二零一九年三月六日生效。

有關配售及股份合併的詳情載於本公司日期為二零一九年一月四日、二零一九年一月二十一日及二零一九年三月五日的公告，以及本公司日期為二零一九年二月十二日的通函。

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41. EVENTS AFTER THE REPORTING PERIOD (CONTINUED)

- (ii) On 26 February 2019, Shenzhen Qianhai National Enterprise Consulting Limited* (深圳前海國盛企業諮詢有限公司), an indirect wholly-owned subsidiary of the Company established in the PRC with limited liability, entered into a non-legally binding memorandum of understanding in connection with the proposed acquisition of 20% equity interest in Xiangxi Zhonghui Trading Limited* (湘西眾薈商貿有限公司) (the "Target Company"). The terms of the proposed acquisition are subject to further negotiation and the signing of a formal sale and purchase agreement within 180 days after the date of the memorandum of understanding or such longer period as extended by mutual agreement between the parties. Details refer to the Company's announcement dated 26 February 2019.
- (iii) On 22 March 2019, the Company and OBOR Investments Fund Management Limited (the "Purchaser") entered into the sale and purchase agreement, pursuant to which the Company agreed to dispose and the Purchaser agreed to acquire a collection of assets at an aggregate consideration of HK\$5,838,000. The entire issued share capital of the purchaser is owned by Mr. Wong Danny F., a former executive director of the Company who resigned on 18 March 2019. Details refer to the Company's announcement dated 22 March 2019.

41. 呈報期後事項(續)

- (ii) 於二零一九年二月二十六日，深圳前海國盛企業諮詢有限公司(一間於中國成立的有限責任公司，且為本公司之間接全資附屬公司)訂立無法律約束力的諒解備忘錄，內容有關建議收購湘西眾薈商貿有限公司(「目標公司」)之20%股本權益。有關建議收購事項之條款須待訂約方進一步磋商，並於諒解備忘錄日期起計180日內(或經該等訂約方以書面方式互相協定延長的較長期限)內簽訂正式買賣協議後，方始作實。有關詳情請參閱本公司日期為二零一九年二月二十六日的公告。
- (iii) 於二零一九年三月二十二日，本公司與一帶一路基金管理有限公司(「買方」)訂立買賣協議，據此，本公司同意出售且買方同意收購一系列資產，總代價為5,838,000港元。買方之全部已發行股本由於二零一九年三月十八日辭任之本公司前任執行董事汪曉峰先生擁有。有關詳情請參閱本公司日期為二零一九年三月二十二日的公告。



42. NON-CASH TRANSACTIONS

During the year ended 31 December 2018, the Company, Medisun and Ms. Xie Xiangrong, an non-executive director, entered into a deed of the assignment for the settlement of a short-term loans. The outstanding principal amount and interest payable of approximately HK\$6,670,000 and HK\$1,840,000 respectively were settled by Ms. Xie Xiangrong on behalf of the Group.

During the year ended 31 December 2017, additions to property, plant and equipment of approximately HK\$2,081,000 were made under the finance leases which of approximately HK\$51,000 have made by the Group as down payment.

43. COMPARATIVE FIGURE

The Group has initially applied HKFRS 9 of 1 January 2018, under the transition method, comparative information is not restated. Further details of the changes in accounting policies are disclosed in Note 3 to consolidated financial statements.

44. AUTHORISATION FOR ISSUE OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 26 March 2019.

42. 非現金交易

於截至二零一八年十二月三十一日止年度，本公司、Medisun與非執行董事謝湘蓉女士就結算短期貸款訂立轉讓契據。謝湘蓉女士代表本集團結算未償還本金約6,670,000港元及未償還應付利息約1,840,000港元。

截至二零一七年十二月三十一日止年度，本集團根據融資租賃添置物業、廠房及設備約2,081,000港元，其中支付約51,000港元作為定金。

43. 比較數字

本集團於二零一八年一月一日已首次應用香港財務報告準則第9號。根據過渡方法，毋須重列比較資料。有關會計準則之變動的更多詳情披露於綜合財務報表附註3。

44. 刊發綜合財務報表之授權

董事會於二零一九年三月二十六日批准並授權刊發綜合財務報表。

Five Years Financial Summary

五年財務摘要

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

Summary of the results, assets and liabilities of the Group for the last five years is as follows: 本集團過去五年之業績、資產及負債概要如下：

		For the year ended 31 December 截至十二月三十一日止年度				
		2018	2017	2016	2015	2014
		二零一八年	二零一七年	二零一六年	二零一五年	二零一四年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Results	業績					
Revenue	收益	9,690	2,915	1,785	(27,193)	56,480
Loss before taxation	除稅前虧損	(59,654)	(123,593)	(114,413)	(312,636)	(112,941)
Taxation	稅項	—	—	—	—	—
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(59,654)	(123,593)	(114,413)	(312,636)	(112,941)

		As at 31 December 於十二月三十一日				
		2018	2017	2016	2015	2014
		二零一八年	二零一七年	二零一六年	二零一五年	二零一四年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Assets and liabilities	資產及負債					
Total assets	資產總值	59,604	174,931	207,737	199,852	469,018
Total liabilities	負債總額	(160,099)	(222,374)	(163,990)	(126,242)	(173,026)
Total equity	權益總額	(100,495)	(47,443)	43,747	73,610	295,992





65.5

0.2

25%