



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

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



2016

年度報告
ANNUAL REPORT

Contents 目錄

CORPORATE INFORMATION 公司資料	2
CHAIRMAN'S STATEMENT 主席致辭	4
MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論與分析	6
BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷	21
CORPORATE GOVERNANCE REPORT 企業管治報告	25
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告	39
DIRECTORS' REPORT 董事會報告	49
INDEPENDENT AUDITOR'S REPORT 獨立核數師報告	65
CONSOLIDATED INCOME STATEMENT 綜合收益表	70
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 綜合全面收益表	71
CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表	72
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表	74
CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表	76
NOTES TO THE FINANCIAL STATEMENTS 財務報表附註	79
PRINCIPAL PROPERTIES 主要物業	173
FINANCIAL SUMMARY 財務概要	175



Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors

Yuan Shaoli (*Chairman*)
Wang Hongxin (*Managing Director*)
Wang Tianlin
Zhang Bin

Independent Non-Executive Directors

Chang Qing
Lee Man Chun, Tony
He Jia

AUDIT COMMITTEE

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

REMUNERATION COMMITTEE

He Jia (*Chairman*)
Lee Man Chun, Tony
Wang Hongxin

NOMINATION COMMITTEE

Chang Qing (*Chairman*)
Lee Man Chun, Tony
Yuan Shaoli

COMPANY SECRETARY

Tse Ching Wah

AUDITOR

BDO Limited
Certified Public Accountants

董事會

執行董事

袁紹理(*主席*)
王洪信(*董事總經理*)
王天霖
張 斌

獨立非執行董事

常 清
李萬全
何 佳

審核委員會

李萬全(*主席*)
常 清
何 佳

薪酬委員會

何 佳(*主席*)
李萬全
王洪信

提名委員會

常 清(*主席*)
李萬全
袁紹理

公司秘書

謝靜華

核數師

香港立信德豪會計師事務所有限公司
執業會計師

PRINCIPAL BANKERS

Agricultural Bank of China Limited
Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited
China Merchants Bank Co., Ltd.
Bank of Communications Company Limited
Industrial Bank Co., Ltd.
Luso Int'l Banking Ltd.
Morgan Stanley Asia International Ltd.

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

WEBSITE AND E-MAIL ADDRESS

Website: www.irasia.com/listco/hk/chengtong
www.hk217.com
E-mail: public@hk217.com

SHARE REGISTRAR & TRANSFER OFFICE

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

STOCK CODE

217

主要往來銀行

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

註冊辦事處及香港主要營業地點

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

網址及電郵地址

網址：www.irasia.com/listco/hk/chengtong
www.hk217.com
電子郵件：public@hk217.com

股份過戶登記處

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

股份編號

217

Chairman's Statement 主席致辭

I, on behalf of the board (“**Board**”) of directors (“**Directors**”) of China Chengtong Development Group Limited (“**Company**”, together with its subsidiaries, the “**Group**”), hereby present to all shareholders the annual report of the Company for the year ended 31 December 2016 (“**Year**”).

During the Year, the Group responded actively to the sophisticated surrounding environment. It paid its greatest efforts in maintaining growth in its production and operation while continuing to promote the research on reformation and transformation. During the Year, the Group recorded a turnover of approximately HK\$716.56 million (2015: approximately HK\$576.53 million), representing a growth of approximately 24% as compared with that of last year. Profit before tax recorded during the Year amounted to approximately HK\$99.28 million, representing a decrease of approximately 21% as compared with the profit before tax of approximately HK\$126.32 million in 2015.

Currently, the Group is principally engaged in hotel and marine travelling services, property development and property investment, finance leasing and bulk commodity trade. In the aspect of hotel and marine travelling services, the key task in 2016 was to prepare for the spin-off listing of its tourism investment business on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”). In respect of property development and property investment, the Group continued to promote the Cuidao project in upgrading the service catered for elderly and the development of the CCT-Champs-Elysees project in Zhucheng, and also speed up its pace to divest from the Dafeng project. In respect of finance leasing, the Group had commenced its finance leasing and project consultation businesses for business sectors such as government infrastructures and public utilities in various regions of the country in the past two years, which realized a reasonable network in key selected cities and contributed to a majority of profits of the Group for the Year. In respect of trading of coal under bulk commodity trade, there was a continuous increase in coal price in 2016 and the Group recorded a substantial year-on-year increase in the turnover and profits of the trading of coal. Meanwhile, Chengtong Energy Guangdong Company Limited, the main vehicle for the trading of coal business, had become one of the second batch of enterprises in Guangdong Province that obtained the qualification on the sale of electricity (qualification code for the sale of electricity: SD50) in July 2016 and proposed to commence its business of sale of electricity in 2017.

In February 2016, upon examination and approval by the Leading Group for State-owned Enterprises Reform under the State Council, China Chengtong Holdings Group Limited (“**CCHG**”), the controlling shareholder of the Company, officially became a pilot operating enterprise of State-owned capital and played a more important role in the layout and structural adjustment of State-owned economy and central enterprises. This also offered favorable external conditions for the rapid development of the Group in the future. Looking forward, in addition to fostering the existing business, the Group will further set its strategic studies and strategic directions and explore opportunities in business relating to “foreign investment, mergers and acquisitions and cross-boundary asset management” by relying on and integrating the resources advantages of the controlling shareholder of the Company.

本人謹代表中國誠通發展集團有限公司(「**本公司**」，連同其附屬公司，統稱「**本集團**」)董事(「**董事**」)會(「**董事會**」)向全體股東提呈本公司截至二零一六年十二月三十一日止年度(「**本年度**」)的年度報告。

本年度，本集團積極應對錯綜複雜的外部環境，在致力生產經營保增長的同時，持續推進研究改革轉型。本集團本年度共錄得營業額約港幣7億1,656萬元(二零一五年：約為港幣5億7,653萬元)，較上年度增長約24%，年內錄得除稅前溢利約港幣9,928萬元，較二零一五年的除稅前溢利約港幣1億2,632萬元減少約21%。

本集團目前從事的主營業務為酒店和海上旅遊服務、物業發展及物業投資、融資租賃和大宗商品貿易。在酒店和海上旅遊服務方面，二零一六年的重點工作是推進旅遊投資業務在香港聯合交易所有限公司(「**聯交所**」)創業板獨立分拆上市；在物業發展及物業投資方面，本集團繼續推進翠島項目升級適老服務及諸城誠通香榭里項目的開發，並加快其脫離大豐項目的步伐。在融資租賃方面，近兩年來圍繞政府基礎設施及公用事業等業務領域在國內多個地區開展了融資租賃及項目諮詢業務，實現了在重點城市的合理網絡，貢獻了本集團本年度主要的利潤；大宗商品貿易項下之煤炭貿易方面，二零一六年煤炭價格持續回升，本集團煤炭貿易之營業額和利潤均實現同比大幅增加，同時煤炭貿易業務主體誠通能源廣東有限公司已於二零一六年七月份成為廣東省第二批獲得售電資格的企業(售電資質代碼為SD50)，擬於二零一七年正式啟動售電業務。

二零一六年二月，經國務院國有企業改革領導小組研究決定，本公司之控股股東中國誠通控股集團有限公司(「**誠通控股**」)正式成為國有資本運營企業試點，將在國有經濟和中央企業佈局與結構調整中承擔更多的職能，也為本集團未來快速發展提供了良好的外部環境。展望未來，除推動現有業務外，本集團將進一步加強戰略研究和戰略引領，依託和整合本公司之控股股東的資源優勢，探索開拓有關「海外投資併購及跨境資產管理」的業務。

Chairman's Statement 主席致辭

At last, I, on behalf of the Board, would like to express my sincere gratitude to all shareholders, business partners and communities for their continuous support and care to the Group. I would also like to thank all the management and employees of the Group for their hard works during the Year.

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

Yuan Shaoli
Chairman

Hong Kong, 23 February 2017

主席
袁紹理

香港，二零一七年二月二十三日



Management Discussion and Analysis

管理層討論與分析

I. RESULTS AND DIVIDEND

For the year ended 31 December 2016, the Group was mainly engaged in five core businesses and concentrated within the territory of the People's Republic of China ("PRC"), including property development, property investment, finance leasing, bulk commodity trade and hotel and marine travelling services. The price of bulk commodity including coal and non-ferrous metals rebounded after bottomed out. The turnover of the coal trading business of the Group amounted to approximately HK\$511.85 million, representing approximately 71% of the consolidated turnover of the Group and was the major turnover of the Group.

In 2015, by virtue of the downturn in the market of non-ferrous metals, the Group temporarily suspended the trading of bulk commodity in non-ferrous metals. The market of bulk commodity including coal and non-ferrous metals is expected to continue to rebound in 2017. The Group will continue to expand the scale of its coal business in a stable way and resume the trading of other bulk commodities. Due to the successful implementation of national policies such as "elimination of excess production capacity" and "reduction of inventory" since last year, the demand for and the price of coal continued to increase in the second half of the year, resulting in a profit in the trading of coal business under bulk commodity trade segment in the year as compared to a loss in last year. For property development business, due to the increase in unit price for the sale of residential properties, the operating profit increased as compared to that for last year. The profit from finance leasing increased as the Group expanded the business of finance leasing. The turnover of the hotel and marine travelling business decreased as compared to that for last year due to adverse weather and intensified market competition. Profit before tax of the Group for the year amounted to approximately HK\$99.28 million, representing a decrease of approximately 21% as compared to that for last year.

During the year under review, the Group recorded a turnover of approximately HK\$716.56 million (2015: approximately HK\$576.53 million), representing an increase of approximately HK\$140.03 million, or approximately 24%, as compared to that for 2015. The increase in turnover was mainly due to the national policy on "elimination of excess production capacity" which led to the continuous increase in the demand for and the price of coal in the second half of the year, which in turn led to an increase of approximately HK\$137.50 million, or approximately 37%, in the turnover of the coal trading business under the bulk commodity trade segment as compared to that for last year. Moreover, the Group reinforced the expansion of finance leasing business, resulting in an increase of approximately HK\$10.52 million, or approximately 26%, in the turnover of finance leasing as compared to that for last year.

一. 業績及股息

截至二零一六年十二月三十一日止年度內，本集團主要從事五項核心業務包括：物業發展、物業投資、融資租賃、大宗商品貿易及酒店和海上旅遊服務，均集中在中華人民共和國（「中國」）境內。包括煤炭、有色金屬等大宗商品價格見底回升，本集團煤炭貿易業務營業額約港幣5億1,185萬元，佔本集團綜合營業額約71%，為本集團之主要營業收入來源。

二零一五年，因有色金屬市場低迷，本集團暫停有色金屬類大宗商品貿易。預計二零一七年有色金屬、煤炭等大宗商品市場會持續回暖。本集團會繼續穩健擴大煤炭業務規模，並重新啟動其他大宗商品貿易。自去年隨著國家去產能、降庫存等政策奏效，煤炭需求及價格於下半年持續回升，令大宗商品貿易之煤炭貿易業務轉虧為盈；物業發展業務因住宅銷售單價較去年上升，令經營溢利較去年增加；本集團擴大融資租賃業務，令融資租賃溢利增加；酒店和海上旅遊服務受惡劣天氣原因及市場競爭激烈的影響，導致營業額較去年下跌。本集團年內錄得除稅前溢利約港幣9,928萬元，較去年除稅前溢利減少約21%。

於回顧年內，本集團錄得營業額約港幣7億1,656萬元（二零一五年：約港幣5億7,653萬元），較二零一五年之營業額增加約港幣1億4,003萬元，約24%。營業額增加主要由於自去年國家去產能，煤炭需求及價格於下半年持續回升，導致本集團大宗商品貿易之煤炭貿易營業額較去年增加約港幣1億3,750萬元，約37%，另本集團加強融資租賃業務擴張，導致融資租賃營業額較去年增加約港幣1,052萬元，約26%。

During the year, the Group recorded a profit before tax of approximately HK\$99.28 million, which represented a decrease of approximately HK\$27.04 million, or approximately 21%, as compared with the profit before tax of approximately HK\$126.32 million in 2015. This is mainly attributable to several one-off other income and expenses with a net income amount of approximately HK\$28.68 million recorded in the same period of last year, including (i) the reversal of a prepayment in the amount of approximately HK\$16.86 million that had been impaired in previous years; (ii) the reversal of other payables amounting to approximately HK\$5.02 million in relation to the disposal of two subsidiaries by the Group in previous years; (iii) interest income of approximately HK\$7.16 million from the consideration receivable from disposal of China Chengtong Coal Investment Limited (“**Chengtong Coal**”) in previous years; (iv) the loss of approximately HK\$5.68 million (net of the insurance compensation) on disposal of a marine platform destroyed by typhoon; and (v) the unconditional government grant of approximately HK\$5.32 million for subsidising the Group’s property development business. None of the above one-off other income and expenses were recorded in the Group during the year under review, resulting in a decrease in the profit before tax during the year as compared to that for last year. Profit attributable to shareholders for the year under review amounted to approximately HK\$63.80 million (2015: approximately HK\$81.83 million), representing a decrease of approximately HK\$18.03 million, or approximately 22%, as compared to that for last year.

The Board did not recommend the declaration of any final dividend for the year ended 31 December 2016 (2015: Nil).

II. BUSINESS REVIEW

Segment Revenue and Results

During the year under review, the Group is principally engaged in five major business segments, including property investment, property development, finance leasing, bulk commodity trade and hotel and marine travelling services.

(1) Property Investment

The rental income from property investment of the Group came from CCT-Champs-Elysees project in Zhucheng of Shandong Province. As at 31 December 2016, the leasable area of the project was approximately 7,565 square metres (2015: approximately 4,849 square metres), representing an increase of approximately 2,716 square metres as compared to that of last year. The increased leasable area was leased for use as a kindergarten from September 2016 with a rent-free period of one year. Due to the renewal of six existing

年內本集團錄得除稅前溢利約港幣9,928萬元，較二零一五年除稅前溢利約港幣1億2,632萬元，減少約港幣2,704萬元，約21%，主要因為去年同期錄得多項一次性其他收入及支出而帶來的淨收入額約港幣2,868萬元，包括：(i)撥回一筆約港幣1,686萬元已於以前年度作減值之預付貨款；(ii)撥回本集團於前年度出售兩間附屬公司的其他應付款約港幣502萬元；(iii)於前年度出售中國誠通煤業投資有限公司(「**誠通煤業**」)之應收代價之利息收入約港幣716萬元；(iv)因出售被颱風損毀的海上平台，扣除保險賠償後錄得約港幣568萬元的損失；及(v)政府補貼本集團物業發展業務而發出之無條件補助約港幣532萬元。而於回顧年內因本集團沒有錄得前述多項一次性其他收入及支出，導致年內稅前溢利較去年減少。於回顧年內，股東應佔溢利約港幣6,380萬元(二零一五年：約港幣8,183萬元)，較去年減少約港幣1,803萬元，約22%。

董事會不建議截至二零一六年十二月三十一日止年度宣派末期股息(二零一五年：無)。

二. 業務回顧

分類收益及業績

於回顧年內，本集團主要從事五大分類業務，包括物業投資、物業發展、融資租賃、大宗商品貿易及酒店和海上旅遊服務。

(1) 物業投資

本集團物業投資租金收入乃來自山東省諸城市的誠通香榭里項目。於二零一六年十二月三十一日，項目的出租面積約7,565平方米(二零一五年：約4,849平方米)，較去年出租面積增加約2,716平方米，增加的出租面積用作幼稚園學校，自二零一六年九月租出，免租期為一年。由於去年下半年重新續約六個舊租約，而新租約租金

Management Discussion and Analysis 管理層討論與分析

leases in the second half of last year with an increase of rent by approximately 20% on average for new leases, rental income of approximately HK\$2.16 million (2015: approximately HK\$1.97 million) and profit before tax of approximately HK\$1.97 million (2015: approximately HK\$1.72 million) were recorded for the year under review, representing an increase of approximately 10% and 15% respectively, as compared to those for last year. All leased properties were used for commercial purposes.

(2) Property Development

The sales revenue from property development of the Group was generated from CCT-Champs-Elysees project in Weifang of Shandong Province of the PRC, while no sales revenue was recorded for the project of Chengtong International City in Dafeng of Jiangsu Province during the year. Details of the two projects are as follows:

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

The CCT-Champs-Elysees project, wholly owned by the Group, is situated in part of a parcel of land located at the northern side of Eastern Section of No. 1 Mizhou West Road, Zhucheng City, Shandong Province, the PRC (Lot No. 01213003). Such project had a total site area of approximately 146,006 square metres and was developed in three phases. The project was situated in a typical fourth-tier city where there were over-supply and saturated demand in the real estate market. During the year under review, residential apartments of approximately 16,917 square metres, commercial space of approximately 0 square metre and underground ancillary apartments of approximately 570 square metres (2015: residential apartments of approximately 17,061 square metres, commercial space of approximately 384 square metres and underground ancillary apartments of approximately 401 square metres respectively), 15 underground parking spaces and 35 ground-level parking spaces (2015: 4 underground parking spaces and 4 ground parking spaces) of phase I and phase II of the project were sold and delivered. The average unit selling price per square metre for residential apartments of the project were approximately HK\$5,801 (2015: approximately HK\$5,585), representing an increase of approximately 4% as compared to the average unit selling price of residential apartments in 2015. The sales revenue of this project was approximately HK\$103.60 million during the year under review (2015: approximately HK\$101.04 million), representing an increase of approximately HK\$2.56 million, or approximately 3%, as compared to that for last year. Operating profit before tax amounted to approximately HK\$20.66 million (2015: approximately HK\$19.16 million), representing an increase of 8% as compared to that for last year.

平均加幅約20%，使於回顧年內錄得租金收入約港幣216萬元(二零一五年：約港幣197萬元)及除稅前溢利約港幣197萬元(二零一五年：約港幣172萬元)，分別較去年的租金收入及除稅前溢利增加約10%及15%。出租物業全為商業用途。

(2) 物業發展

本集團物業發展銷售收入乃來自中國山東省濰坊之誠通香榭里項目，而年內江蘇省大豐市之誠通國際城項目沒有錄得任何銷售收入，兩個項目的業務詳情如下：

(i) 山東省諸城市－誠通香榭里

本集團全資持有誠通香榭里項目，項目位於中國山東省諸城市密州西路1號東段北側之一幅土地(地段編號為第01213003號)之一部份，總地盤面積約146,006平方米，項目分三期發展。項目所在地是典型的四線城市，房地產市場處於供應量大，需求量飽和的狀態。於回顧年內，項目第一、二期售出並交房之住宅、商業及地下附房面積分別約16,917平方米、0平方米及570平方米(二零一五年：分別約17,061平方米、384平方米及401平方米)，另售出並交付使用之地下及地上車庫分別為15個及35個(二零一五年：地下車庫及地上車庫同為4個)。項目住宅平均銷售單價每平方米約港幣5,801元(二零一五年：約港幣5,585元)，較二零一五年住宅平均銷售單價增加約4%，項目於回顧年內錄得銷售收入約港幣1億360萬元(二零一五年：約港幣1億104萬元)，較去年增加約港幣256萬元，約3%，除稅前經營溢利約港幣2,066萬元(二零一五年：約港幣1,916萬元)，較去年增加約8%。

Management Discussion and Analysis 管理層討論與分析

As at 31 December 2016, the unsold or sold-but-not-delivered area of phase I and phase II of CCT-Champs-Elysees project included residential apartments of approximately 20,542 square metres (as at 31 December 2015: approximately 37,458 square metres) and commercial spaces of approximately 1,652 square metres (as at 31 December 2015: approximately 1,652 square metres) (excluding the leased area of approximately 7,565 square metres (as at 31 December 2015: approximately 4,849 square metres)).

Construction works of phase III of CCT-Champs-Elysees project have started and are expected to be completed and delivered during the period from 2017 to 2020.

(ii) Dafeng of Jiangsu Province – Chengtong International City

The initial development area of “Chengtong International City”, which is located at North Portion of Lot No. 2, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC, 66.67% equity interests of which were held by the Group and with a total site area of approximately 118,974 square metres, was developed in two sections. During the year under review, as no sales revenue was recorded for this project, the loss before tax amounted to approximately HK\$1.48 million, representing a decrease of approximately HK\$2.10 million, or approximately 30%, as compared to that for last year.

As at 31 December 2016, the unsold area of residential apartment in Chengtong International City project was approximately 11,022 square metres (as at 31 December 2015: approximately 11,022 square metres) and the unsold area of commercial space was approximately 9,540 square metres (as at 31 December 2015: approximately 9,540 square metres).

The two aforementioned projects altogether brought a turnover of approximately HK\$103.60 million (2015: approximately HK\$101.04 million) to the property development segment of the Group, representing an increase of approximately 3% as compared to that for last year. Profit before tax from property development business for the year under review amounted to approximately HK\$19.18 million (2015: approximately HK\$22.38 million), representing a decrease of approximately 14% as compared to that for last year, as a one-off and unconditional grant for the infrastructure fee for phase II of the CCT-Champs-Elysees project amounting to approximately HK\$5.32 million was provided by the local government last year while there was no such grant during the year under review.

於二零一六年十二月三十一日，誠通香榭里項目第一、二期未售出或售出未交房之住宅面積約20,542平方米(於二零一五年十二月三十一日：約37,458平方米)及商業面積約1,652平方米(於二零一五年十二月三十一日：約1,652平方米)(不包括已出租約7,565平方米(於二零一五年十二月三十一日：約4,849平方米)之面積)。

誠通香榭里項目三期土建工程已開始動工，預期將於二零一七年至二零二零年期間竣工交房。

(ii) 江蘇省大豐市－誠通國際城

本集團持有位於中國江蘇省大豐市大豐海洋經濟開發區口岸服務區2號地塊北側之「誠通國際城」66.67%股權，總地盤面積約118,974平方米，首開區分兩標段開發。由於於回顧年內該項目沒有實現任何銷售收入，因此錄得稅前虧損約港幣148萬元，較去年虧損約港幣210萬元，減少約30%。

於二零一六年十二月三十一日，誠通國際城項目未售出之住宅面積約11,022平方米(於二零一五年十二月三十一日：約11,022平方米)及商業面積約9,540平方米(於二零一五年十二月三十一日：約9,540平方米)。

綜合上述兩個項目為本集團帶來物業發展分類營業額約港幣1億360萬元(二零一五年：約港幣1億104萬元)，較去年增加約3%。於回顧年內，物業發展業務除稅前溢利約港幣1,918萬元(二零一五年：約港幣2,238萬元)，較去年減少約14%，下跌乃由於去年獲當地政府就誠通香榭里項目二期基礎配套費之一次性無條件補助約港幣532萬元，而於回顧年內並沒有該項補助。

Land Resources Development

The Group will continue to exit the property development business in certain third-tier and fourth-tier cities with lower profitability as opportunities arise. During the year under review, the Group has pursued to dispose of the land in Dafeng of Jiangsu Province. 誠通大豐海港開發有限公司 (unofficial English translation being Chengtong Dafeng Harbour Development Limited) (“**Dafeng Development**”), a 66.67%-owned subsidiary of the Company, held a parcel of industrial land situated in the south of Shugang Highway, Dafeng City, Jiangsu Province, the PRC and three parcels of residential and commercial land situated at lot number 1 to 3 in the Port Serviced Area, Ocean Economic Development Zone, Dafeng City, Jiangsu Province. On 3 July 2014, the Group entered into two resumption agreements with Dafeng Land Reserve Center and Management Committee of the Jiangsu Dafeng Harbour Economic Development Zone (“**Dafeng Harbour Committee**”) and two compensation agreements with the Dafeng Harbour Committee and 江蘇大豐海港控股集團有限公司 (unofficial English translation being Jiangsu Dafeng Harbour Holdings Group Limited) in relation to the resumption of two plots of land in Dafeng of Jiangsu Province at the total compensation amount of RMB219.92 million (equivalent to approximately HK\$246.31 million). Details of the resumption of land are set out in the Company’s announcement dated 3 July 2014. However, the compensation amount has not been finalised and the resumption of land has not been completed as of 31 December 2016 and the date of this report.

(3) Finance Leasing

During the year under review, the interest income and profit before tax of the Group from finance leasing business were approximately HK\$51.50 million (2015: approximately HK\$40.99 million) and approximately HK\$47.81 million (2015: approximately HK\$36.48 million) respectively, representing an increase of approximately 26% and 31% respectively as compared to that for last year. The main reasons were: (i) additional finance leasing transactions with an aggregate amount of approximately HK\$459.20 million were completed during the year under review, resulting in an increase in the balance of loans receivable as at 31 December 2016 to approximately HK\$663.20 million, representing a significant increase of approximately HK\$238.74 million, or approximately 56%, as compared to the loan receivables of approximately HK\$424.46 million as at 31 December 2015, and (ii) financing consultancy service was provided during the year under review, resulting in service income of approximately HK\$7.73 million (2015: approximately HK\$12.28 million).

土地資源開發

本集團仍擇機退出盈利能力較弱的部份三、四線城市之物業發展業務，本集團計劃出售江蘇省大豐市土地。本公司持有66.67%權益之附屬公司誠通大豐海港開發有限公司(「**大豐開發**」)，持有一塊位於中國江蘇省大豐市疏港公路南側的工業用地，及三塊位於江蘇省大豐市海洋經濟開發區口岸服務區一標至三標段地塊的商住用地。於二零一四年七月三日，本集團與大豐市土地儲備中心及江蘇大豐港經濟開發區管理委員會(「**大豐港委員會**」)訂立兩份收回協議，並與大豐港委員會及江蘇大豐海港控股集團有限公司訂立兩份補償協議，內容有關以人民幣2億1,992萬元(相等於約港幣2億4,631萬元)的補償總額收回兩塊位於江蘇省大豐市的土地，收回土地詳情載於本公司日期為二零一四年七月三日的公告。然而，截至二零一六年十二月三十一日及本報告日期止，尚未最終確定補償金額，亦未完成土地收回。

(3) 融資租賃

於回顧年內，本集團分別錄得融資租賃業務利息收入及除稅前溢利約港幣5,150萬元(二零一五年：約港幣4,099萬元)及約港幣4,781萬元(二零一五年：約港幣3,648萬元)，較去年分別增加約26%及31%，主要因為(i)於回顧年內新增融資租賃交易總金額約港幣4億5,920萬元，導致於二零一六年十二月三十一日應收貸款金額增加至結餘約港幣6億6,320萬元，較於二零一五年十二月三十一日應收貸款金額約港幣4億2,446萬元，大幅增加約港幣2億3,874萬元，約56%；及(ii)於回顧年內提供融資諮詢服務，服務收入約港幣773萬元(二零一五年：約港幣1,228萬元)。

(4) Bulk Commodity Trade

By virtue of the successful implementation of national policies such as “elimination of excess production capacity” and “reduction of inventory”, the demand for and the price of coal continued to increase in the second half of the year. Therefore, the coal trading business under the bulk commodity trade segment achieved a turnaround of its results as compared to last year. The sales volume of coal trading during the year under review was approximately 1.06 million tonnes (2015: approximately 0.82 million tonnes) and the turnover was approximately HK\$511.85 million (2015: approximately HK\$374.35 million), representing an increase of approximately 29% and 37% respectively as compared to those of last year. Due to the continuous increase in the demand for and the price of coal in the second half of the year, the gross profit margin for the year increased to 4% (2015: approximately 1.3%). As such, profit before tax was approximately HK\$16.01 million as compared to a loss before tax of approximately HK\$3.56 million for last year, realising a turnaround.

Bulk commodity trade business segment recorded a turnover of approximately HK\$511.85 million during the year under review (2015: approximately HK\$374.35 million), representing an increase of approximately 37% as compared to that of last year. Profit before tax amounted to approximately HK\$16.01 million (2015: approximately HK\$62.99 million), representing a decrease of approximately HK\$46.98 million as compared to that of last year. The decrease in profit was mainly due to the absence of interest income of approximately HK\$62.88 million arising from the financing arrangements for bulk commodity trade in the year under review as compared with last year.

(5) Hotel and Marine Travelling Services

The Group principally engages in the business of marine travelling and hotel operation in Yalong Bay Tourism Development zone, Jiyang Town, Sanya City, Hainan Province, the PRC, and travel agency business in Hainan Province, the PRC.

During the year under review, the turnover of the marine travelling business amounted to approximately HK\$39.44 million (2015: approximately HK\$48.42 million), representing a decrease of approximately HK\$8.98 million, or approximately 19%, as compared to that for last year. The decrease in turnover was mainly attributable to the decrease in business days caused by adverse weather and the decrease in service income of certain marine travelling facilities due to the increased effort of the government on tourism environment management. The gross profit margin of marine travelling

(4) 大宗商品貿易

自去年國家去產能、降庫存等政策奏效，煤炭需求及價格於下半年持續回升，大宗商品貿易之煤炭貿易業務較去年轉虧為盈。於回顧年內，煤炭貿易銷售量約106萬噸（二零一五年：約為82萬噸）及營業額約港幣5億1,185萬元（二零一五年：約港幣3億7,435萬元），較去年銷售量及營業額分別增加約29%及約37%。由於煤炭需求及價格於下半年持續回升，年內毛利率亦增加至約4%（二零一五年：約1.3%），導致除稅前溢利約港幣1,601萬元，相比去年除稅前虧損約港幣356萬元，實現了由虧轉盈。

於回顧年內，大宗商品貿易分類業務錄得之營業額約港幣5億1,185萬元（二零一五年：約港幣3億7,435萬元），較去年增加約37%。除稅前溢利約港幣1,601萬元（二零一五年：約港幣6,299萬元），較去年減少約港幣4,698萬元，溢利下跌主要因去年錄得因大宗商品業務融資安排而產生的利息收入約港幣6,288萬元，而於回顧年內沒有錄得上述相關利息收入。

(5) 酒店和海上旅遊服務

本集團於中國海南省三亞市吉陽鎮亞龍灣旅遊開發區主要從事海上旅遊和酒店經營及在中國海南省開展旅行社業務。

於回顧年內，海上旅遊業務營業額約港幣3,944萬元（二零一五年：約港幣4,842萬元），較去年減少約港幣898萬元，約19%，營業額減少主要因受惡劣天氣影響導致營業天數減少，及因政府加大旅遊環境治理力度，減少了部份海上旅遊設施的服務收入。於回顧年內，海上旅遊業務毛利率約64%（二零一五年：約67%），較去年減少約3%。高端娛樂的環島蛟龍觀

Management Discussion and Analysis

管理層討論與分析

business for the year under review was approximately 64% (2015: approximately 67%), representing a decrease of approximately 3% as compared to that of last year. As the high-end entertainment Huandao Jiaolong sightseeing submarine was a pioneer product in the PRC, there were no existing regulations to govern the same. Therefore, the application for the relevant operating license was still in progress and no revenue was generated by the submarine for the year under review.

During the year under review, the turnover of hotel business was approximately HK\$7.60 million (2015: approximately HK\$9.76 million), representing a decrease of approximately HK\$2.16 million, or approximately 22%, as compared to that for last year. The decrease in turnover was mainly due to the relatively outmoded hotel facilities and fierce industry competition. The Group is proactive in maximising revenue and minimising expenditures. The gross profit margin of the hotel business for the year under review was approximately 86% (2015: approximately 87%), representing a decrease of approximately 1% as compared with that for last year.

Currently, the travel agency business provides online sale services of tourism products in Hainan mainly through both of the operations of 椰殼旅行網 (yeketrip.com) and Yeke Micro-Mart (椰殼微商城). The year of 2016 was the first year of the online operation of the Yeke E-commerce Platform (椰殼電商平台). During the year, the online sales platforms attracted more than 20,000 followers in WeChat public account through a series of marketing promotion activities and has achieved a satisfactory brand promotion.

The three aforementioned businesses altogether contributed a segment turnover of approximately HK\$47.45 million (2015: approximately HK\$58.19 million) to the Group, representing a decrease of approximately 19% as compared with that for last year. Segment profit before tax amounted to approximately HK\$7.45 million (2015: approximately HK\$6.66 million), representing an increase of approximately 12% as compared with that for last year. The increase in the segment profit before tax was mainly due to the fact that the profit before tax of last year was reduced by a net loss of approximately HK\$5.68 million arising from the disposal of a marine platform destroyed by typhoon last year.

光潛水艇因屬國內首創產品，相關監管部門無現成的法規配套，故相關營運許可證仍在辦理當中，因而於回顧年內沒有帶來收益。

於回顧年內，酒店業務營業額約港幣760萬元(二零一五年：約港幣976萬元)，較去年減少約港幣216萬元，約22%，營業額減少主要因酒店設施相對陳舊及激烈的同業競爭。本集團積極做好增收節支，回顧年內的酒店業務毛利率約86%(二零一五年：約87%)，較去年下跌約1%。

目前旅行社業務主要通過運營椰殼旅行網和椰殼微商城從事海南旅遊產品的線上銷售服務。二零一六年是椰殼電商平台上線運營的第一年。於年內通過一系列行銷活動吸引了2萬以上的微信公眾號關注者，取得了滿意的品牌推廣效果。

綜合上述三項業務共為本集團帶來分類營業額約港幣4,745萬元(二零一五年：約港幣5,819萬元)，較去年下跌約19%。分類除稅前溢利約港幣745萬元(二零一五年：約港幣666萬元)，較去年上升約12%。分類除稅前溢利上升主要因去年海上平台被颱風吹毀錄得淨損失約港幣568萬元，減少了去年的除稅前溢利。

Other Income

During the year under review, other income mainly included interest income from deposits, short-term investments and available-for-sale financial assets of approximately HK\$56.60 million (2015: approximately HK\$84.81 million), net exchange gains of approximately HK\$33.36 million (2015: approximately HK\$27.94 million) and interest income from entrusted loan receivables of approximately HK\$2.46 million (2015: approximately HK\$10.47 million). The Group utilized certain internal capital to invest in various available-for-sale financial assets with relevant aggregate investment amount of approximately HK\$513.13 million and an annual return rate from approximately 3.9% to 9.2%. The investment did not affect the normal operation of the Group, and allowed the Group to obtain an ideal return. During the year under review, the total amount of other income was approximately HK\$98.49 million (2015: approximately HK\$172.95 million), representing a decrease of approximately HK\$74.46 million, or approximately 43% when compared that for last year. The decrease in other income was mainly attributable to (1) the decrease in the average annualised return rate of the available-for-sale financial assets and the deposits in banks and other financial institutions during the year under review, which in turn resulted in a decrease in the relevant interest income of approximately HK\$28.21 million as compared to that for the same period of last year; and (2) the recording of various one-off other income with an aggregate amount of approximately HK\$41.12 million last year, including (i) the reversal of prepayment impairment of approximately HK\$16.86 million which was impaired in the previous years; (ii) the reversal of other payables of approximately HK\$5.02 million in relation to the disposal of two subsidiaries by the Group in previous years; (iii) the interest income of approximately HK\$7.16 million from the consideration receivables for the disposal of a subsidiary, namely Chengtong Coal, in previous years; (iv) the insurance compensation of approximately HK\$6.76 million in connection with the disposal of a marine platform which was destroyed by typhoon last year; and (v) the unconditional government grant of approximately HK\$5.32 million for subsidising the Group's property development business, and while no such one-off other income was recorded during the year under review, other income for the year under review has decreased when compared with that for 2015.

其他收入

於回顧年內，其他收入主要包括存款、短期投資及可供出售金融資產利息收入約港幣5,660萬元(二零一五年：約港幣8,481萬元)、匯兌淨收益約港幣3,336萬元(二零一五年：約港幣2,794萬元)及應收委託貸款之利息收入約港幣246萬元(二零一五年：約港幣1,047萬元)。本集團動用若干內部資金投資多項可供出售金融資產，有關投資累計約港幣5億1,313萬元，年收益率約3.9%至9.2%，投資事項既不會影響本集團正常營運，又能獲取理想回報。於回顧年內，其他收入總金額約港幣9,849萬元(二零一五年：約港幣1億7,295萬元)，較二零一五年減少約港幣7,446萬元，約43%。其他收入減少主要因(1)於回顧年內可供出售金融資產和銀行及其他金融機構存款的平均年化收益率較去年下跌，引致有關利息收入較去年同期減少約港幣2,821萬元；及(2)去年錄得多項一次性其他收入合共約港幣4,112萬元，包括(i)撥回一筆約港幣1,686萬元已於以前年度作減值之預付款減值；(ii)撥回本集團於前年度出售兩間附屬公司的其他應付款約港幣502萬元；(iii)於前年度出售一間附屬公司誠通煤業之應收代價之利息收入約港幣716萬元；(iv)因去年出售被颱風損毀的海上平台資產之保險賠償約港幣676萬元；及(v)政府補貼本集團物業發展之無條件補助約港幣532萬元，而由於於回顧年內沒有錄得前述多項一次性其他收入，導致回顧年內之其他收入較二零一五年減少。

Selling and Administrative Expenses

During the year under review, selling expenses amounted to approximately HK\$12.32 million (2015: approximately HK\$15.22 million), representing a decrease of approximately HK\$2.90 million, or approximately 19%, as compared to that of last year, which was primarily due to the disposal of the marine platform by the Group last year, led to an elimination of relevant depreciation and equipment maintenance expenses by approximately HK\$2.94 million during the year.

During the year under review, administrative expenses amounted to approximately HK\$86.33 million (2015: approximately HK\$107.48 million), representing a decrease of approximately HK\$21.15 million, or approximately 20%, as compared to that of last year, which was primarily due to (i) the absence of the loss amounting to approximately HK\$12.42 million arising from the disposal of a marine platform which was destroyed by a typhoon as recorded in last year in the year under review; (ii) a substantial decrease of approximately HK\$3.83 million in bank charges for the financing in relation to bulk commodity trade as compared to that for last year; and (iii) the decrease of approximately HK\$0.90 million in business tax levied for entrusted loans as compared with that for last year.

Finance Costs

During the year under review, finance costs incurred by the Group amounted to approximately HK\$32.84 million (2015: approximately HK\$40.58 million), representing a drastic decrease of approximately HK7.74 million, or approximately 19%, as compared to that of 2015. Finance costs mainly included interest expenses and amortisation costs in respect of the RMB-denominated bonds issued by the Company amounting to approximately HK\$32.82 million (2015: approximately HK\$39.39 million), and interest on bank loans amounting to approximately HK\$0.02 million (2015: approximately HK\$0.48 million), representing a decrease of approximately 17% and 96% respectively as compared to those of 2015. No interest on discounted bill with recourse was recorded by the Group for the year under review (2015: approximately HK\$0.71 million). The significant decrease in finance cost was mainly due to the capitalisation of finance cost amounting to approximately HK\$9.20 million (2015: approximately HK\$4.16 million), representing an increase as compared with last year, and the suspension of the financing business for bulk commodity trade during the year under review which resulted in a decrease in the related cost.

銷售及行政費用

於回顧年內，銷售費用約港幣1,232萬元(二零一五年：約港幣1,522萬元)，較去年減少約港幣290萬元，約19%。銷售費用減少主要由於本集團已於去年出售海上平台，減少了年內相關之折舊及設備維護費用約港幣294萬元。

於回顧年內，行政費用約港幣8,633萬元(二零一五年：約港幣1億748萬元)，較去年減少約港幣2,115萬元，約20%。行政費用減少主要由於(i)於去年出售被颱風損毀的海上平台，造成虧損約港幣1,242萬元，而於回顧年內沒有錄得此項費用；(ii)大宗商品貿易相關的融資銀行手續費較去年大幅減少約港幣383萬元；及(iii)委託貸款需支付的營業稅較去年減少約港幣90萬元。

融資成本

於回顧年內，本集團產生融資成本約港幣3,284萬元(二零一五年：約港幣4,058萬元)，較二零一五年大幅減少約港幣774萬元，約19%。融資成本主要包括本公司發行人民幣債券之利息支出及攤銷費用約港幣3,282萬元(二零一五年：約港幣3,939萬元)及銀行借貸利息約港幣2萬元(二零一五年：約港幣48萬元)，較二零一五年分別減少約17%及96%。於回顧年內，本集團沒有錄得具追索權之貼現票據之利息(二零一五年：約港幣71萬元)。融資成本大幅減少主要由於年內資本化融資成本約港幣920萬元(二零一五年：約港幣416萬元)，較去年增加，以及本集團暫停進行大宗商品貿易之融資貸款，導致相關成本減少。

III. OUTLOOK

Looking back 2016, the global economy was experiencing a tough time amid uncertainties and a further slowdown was seen in economic growth. The withdrawal of the United Kingdom from the European Union, the successful appointment of Donald J. Trump as the United States president and other unexpected events together with various factors, among others, the downward pressure of the PRC economy and the forecast on the increase of interest rate by The Federal Reserve Board, had resulted in the depreciation of Renminbi against U.S. dollars. Under the national strategy of “One Belt, One Road”, an increasing number of enterprises conducted mergers and acquisitions in overseas markets. In 2016, the scale of overseas mergers and acquisitions conducted by Chinese enterprises hit a historic high with over USD200 billion, ranking the first in the world.

Looking forward, a stagnant recovery in the global economy is expected to continue in 2017 and the uprising of trade protectionism is expected to lead to a greater fluctuation in the global economy and capital markets. Regarding foreign investments, with the implementation of the national strategy of “One Belt, One Road”, the establishment of Asian Infrastructure Investment Bank and the continuous depreciation pressure of Renminbi, it is expected that more domestic enterprises of the PRC will be rolling out preliminary policies on “internationalization” and “going-out” and allocate their assets in overseas markets in 2017 in order to secure competitive resources such as technology, market and raw materials, and create values therefrom.

Facing new challenges and opportunities, the Group will pay close attention to the internal and external economic situations and continue to push forward the reorganization of internal structure and the optimization of businesses. Meanwhile, it will further enhance its strategic directions by exploring new business areas and promoting the joint development of “existing businesses” and “newly explored businesses”. In particular, it will pay efforts in the integrated development of existing businesses such as finance leasing, hotel and marine travelling services and trading of coal and the resumption of the trading of other bulk commodities under the condition of controllable risk. Also, it will explore opportunities in foreign investment, mergers and acquisitions and cross-border asset management and related businesses by making use of the resource advantages of its controlling shareholder (as a state-owned capital operation company).

三. 前景展望

回顧二零一六年，全球經濟在不確定性中艱難前行，經濟增速進一步放緩，英國脫歐、特朗普當選美國總統等意外事件頻發，受中國經濟的下行壓力和美國聯邦儲備局加息預期等因素影響，人民幣對美元持續貶值。在「一帶一路」國家戰略驅動下，企業進行海外併購持續增加。二零一六年中國企業實施境外併購的規模創歷史新高，超過兩千億美元，已躍居世界第一位。

展望未來，預計二零一七年全球經濟復蘇依然疲軟，貿易保護主義抬頭，全球經濟和資本市場波動加大。在海外投資方面，隨著「一帶一路」國家戰略的實施、亞洲基礎設施投資銀行的設立及人民幣持續貶值壓力，預計二零一七年將會有越來越多的中國境內企業試水「國際化」和「走出去」，進行海外資產配置，實現對技術、市場、原材料等競爭性資源的獲取和價值創造。

面對新的挑戰與機遇，本集團將密切關注國內外經濟形勢變化，繼續推進內部結構調整和業務優化，同時加強戰略引領，開拓新業務領域，推進「現有業務」和「新開拓業務」共同發展：一方面努力推進融資租賃、酒店和海上旅遊、煤炭貿易等現有業務融合發展，並在風險可控的條件下重新啟動其他大宗商品貿易；發揮本集團之控股股東作為國有資本運營公司之資源優勢，開拓海外投資併購及跨境資產管理相關業務。

Management Discussion and Analysis 管理層討論與分析

In respect of the integrated development and the transformation and upgrade of existing businesses, regarding hotel and marine travelling services, the Group will proceed with ongoing proposed spin-off of travelling business. Regarding property development and property investment, the Group will continue to promote the Cuidao project in upgrading the service catered for elderly and the development of the remaining parcel of land of the CCT-Champs-Elysees project in Zhucheng of Shandong Province, and also speed up its pace to divest from the Dafeng project and utilize the cash retrieved in the strategic transformation of the Group. Regarding finance leasing, with the foundation of existing businesses, the Group will further strengthen and enhance its business capability, recruit quality talents, and develop the function of overseas financing and optimize the financial structure of the lessees by utilizing controllable bank loans to create its core competitiveness. Regarding bulk commodity trading, the Group temporarily suspended its trading of non-ferrous metals in 2015 and only retained the trading of coal. With the continuous increase in the prices of bulk commodity including coal and non-ferrous metals since last year, the Group intends to continue carrying on the trading of coal business in a prudent manner under stringent risk management and to resume the trading of other bulk commodities. Meanwhile, the Group will also foster the business of sale of electricity which was newly developed last year.

In respect of newly-explored businesses: CCHG, the controlling shareholder of the Group, being one of the only two State-owned capital operation companies, will take a more significant role in the layout and structural adjustment of the State economy and central enterprises in the future. The Group, as the only overseas listed platform of CCHG, will fully develop, utilize and integrate the resource advantages of the controlling shareholder in exploring opportunities in foreign investment, mergers and acquisitions and cross-border asset management and related businesses so as to upgrade its operation to international standard, create new drivers for profit growth and maximize the values for shareholders. Moreover, following the new direction of its business, the Group will increase its effort in recruiting talents, reinforce internal control management and establish relevant mechanisms, improve the capability in risk management and set up a complete internal control system

In recent years, the Group has been adopting strong and powerful measures to adjust its operational strategy and optimize its management and control model. The Group has currently maintained quality assets with satisfactory liquidity which has laid a solid foundation for strategic transformation. The Board is full of confidence for the future development of the Group.

在現有業務的融合發展和轉型升級方面：關於酒店和海上旅遊業務，繼續推進本集團旅遊業務獨立分拆上市工作；關於物業發展及物業投資，本集團將繼續推進翠島項目的適老化改造及山東省諸城誠通香榭里項目剩餘地塊的開發，加快退出大豐項目，回收現金資源服務於本集團戰略轉型；關於融資租賃，在現有業務基礎上，進一步加強和提高業務能力，引進優秀人才，利用可控的銀行貸款，發揮海外融資功能及優化承租人財務結構的功能，形成核心競爭能力；關於大宗商品貿易，本集團於二零一五年暫停了有色金屬貿易，只保留了煤炭貿易，去年以來，隨著煤炭及有色金屬等大宗商品價格持續回升，本集團擬在嚴格控制風險的前提下，繼續審慎擴大煤炭貿易及重新啟動其他大宗商品貿易，同時，將繼續培育去年開拓的售電業務。

在新業務開拓方面：本集團之控股股東誠通控股作為僅有的兩家國有資本運營公司之一，未來將在國有經濟和中央企業佈局與結構調整中發揮更大的作用，本集團作為其唯一海外上市公司平台，將充分發揮本集團控股股東的資源優勢，依託和整合本集團控股股東的資源優勢，探索開拓海外投資併購及跨境資產管理等相關業務領域，提升國際化經營水準，開闢新的利潤增長點，為股東創造更高價值。同時本集團將圍繞新的業務方向，加大人才引進力度，加強內控管理和機制建設，提升風險管理能力，建立完善的內部管理制度體系。

本集團近年來採取強而有力的措施及時調整經營策略，優化管控模式，截止目前，資產品質及流動性良好，為戰略轉型打下堅實基礎。董事會對本集團之未來發展充滿信心。

IV. ASSET STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCE

As at 31 December 2016, equity attributable to shareholders of the Company amounted to approximately HK\$2,687.07 million (as at 31 December 2015: approximately HK\$2,760.87 million), representing a decrease of approximately HK\$73.80 million as compared to that as at 31 December 2015, which was primarily due to the depreciation of RMB during the year, which led to a decrease in exchange reserve of the Group of approximately HK\$143.00 million, and therefore offsetting the profit attributable to shareholders of the Company during the year.

Total assets of the Group as at 31 December 2016 were approximately HK\$3,846.90 million (as at 31 December 2015: approximately HK\$3,837.06 million), representing an increase of approximately HK\$9.84 million as compared to that as at 31 December 2015. Such increase was primarily due to the recording of the profit attributable to shareholders of the Company amounting to approximately HK\$63.80 million and the increase in bank balance and cash through bank loans of approximately HK\$77.28 million during the year under review which offset the depreciation of RMB during the year and reduced the impact on the Group's total assets. As at 31 December 2016, total current assets of the Group amounted to approximately HK\$3,049.62 million (as at 31 December 2015: approximately HK\$3,092.12 million) and accounted for approximately 79% of the total assets and represented a decrease of approximately HK\$42.50 million as compared with the total current assets as at 31 December 2015. The total non-current assets were approximately HK\$797.28 million (as at 31 December 2015: approximately HK\$744.94 million) and accounted for approximately 21% of the total assets and represented an increase of approximately HK\$52.34 million as compared with the total non-current assets as at 31 December 2015. The increase was mainly due to the additional finance leasing transactions of the Group during the year under review with a total financing amount of approximately HK\$459.20 million, which resulted in the increase in non-current loan receivables. As at 31 December 2016, total liabilities of the Group amounted to approximately HK\$1,022.09 million (as at 31 December 2015: approximately HK\$932.81 million), representing an increase of approximately HK\$89.28 million as compared with the total liabilities as at 31 December 2015, which was primarily due to the unsecured bank loans of approximately HK\$77.28 million obtained by 誠通融資租賃有限公司 (unofficial English translation being Chengtong Financial Leasing Company Limited), a subsidiary of the Company, with a view to reduce value-added tax and replenish operating capital.

四. 資產結構、資本流動性及財政資源

於二零一六年十二月三十一日，本公司股東應佔之權益約港幣26億8,707萬元（於二零一五年十二月三十一日：約港幣27億6,087萬元），較於二零一五年十二月三十一日本公司股東應佔之權益減少約港幣7,380萬元，主要由於年內人民幣貶值，導致本集團匯兌儲備減少約港幣1億4,300萬元，並因此抵銷了年內本公司股東應佔溢利。

本集團於二零一六年十二月三十一日的總資產值約港幣38億4,690萬元（於二零一五年十二月三十一日：約港幣38億3,706萬元），較於二零一五年十二月三十一日總資產值增加約港幣984萬元，該增加主要由於於回顧年內錄得本公司股東應佔溢利約港幣6,380萬元及透過銀行貸款約港幣7,728萬元以增加銀行結存及現金，抵銷了年內人民幣貶值，減少對本集團總資產值的影響。於二零一六年十二月三十一日，本集團流動資產總值約港幣30億4,962萬元（於二零一五年十二月三十一日：約港幣30億9,212萬元），佔總資產值約79%，較於二零一五年十二月三十一日流動資產總值減少約港幣4,250萬元。非流動資產總值約港幣7億9,728萬元（於二零一五年十二月三十一日：約港幣7億4,494萬元），佔總資產值約21%，較於二零一五年十二月三十一日非流動資產總值增加約港幣5,234萬元，增加主要因本集團於回顧年內新增融資租賃交易，總融資金額約港幣4億5,920萬元，增加非流動應收貸款。於二零一六年十二月三十一日，本集團的負債總額約港幣10億2,209萬元（於二零一五年十二月三十一日：約港幣9億3,281萬元），較於二零一五年十二月三十一日負債總額增加約港幣8,928萬元，增加主要因本公司附屬公司誠通融資租賃有限公司為了降低增值稅及補充營運資金，與銀行借款約港幣7,728萬元。於二零一六年十二月三十一日，本集團的非流動負債總值約港

Management Discussion and Analysis 管理層討論與分析

The total non-current liabilities of the Group as at 31 December 2016 amounted to approximately HK\$73.09 million (as at 31 December 2015: approximately HK\$769.37 million) and accounted for approximately 7% of the total liabilities and represented a decrease of approximately HK\$696.28 million as compared with the total non-current liabilities as at 31 December 2015. The total current liabilities of the Group as at 31 December 2016 amounted to approximately HK\$949.00 million (as at 31 December 2015: approximately HK\$163.45 million) and accounted for approximately 93% of the total liabilities and represented an increase of approximately HK\$785.55 million as compared with the total current liabilities as at 31 December 2015, which was primarily because the bonds issued by the Company amounting to RMB600 million (equivalent to approximately HK\$667.22 million) was classified as current liabilities as at 31 December 2016.

Cash and deposits held by the Group (including structured bank deposits, deposits in other financial institutions, bank balances and cash) amounted to approximately HK\$1,358.09 million (as at 31 December 2015: approximately HK\$1,571.66 million) and accounted for approximately 35% and 48% of total assets and net assets respectively, and represented a decrease of approximately HK\$213.57 million as compared with the cash and deposits as at 31 December 2015, which was primarily due to the increase in the purchase of available-for-sale financial assets of approximately HK\$102.99 million during the year under review.

V. DEBT TO EQUITY RATIO

As at 31 December 2016, the corporate bonds issued by the Group was approximately HK\$667.22 million (as at 31 December 2015: approximately HK\$694.76 million) and bank borrowings amounted to approximately HK\$77.28 million (as at 31 December 2015: Nil), totalling approximately HK\$744.50 million (as at 31 December 2015: approximately HK\$694.76 million), representing an increase of approximately HK\$49.74 million as compared with that as at 31 December 2015. The corporate bonds were denominated in RMB at the fixed annualised interest rate of 4%. The interest-bearing bank borrowings were denominated in RMB at the fixed annualised interest rate ranging from 3.91% to 4.79%, whereas other loans were denominated in HKD and non-interest bearing. As at 31 December 2016, the debt to equity ratio (expressed as the sum of corporate bonds and bank borrowings divided by total equity) was approximately 26%. Although this represented an increase of approximately 2% as compared to the debt to equity ratio of approximately 24% as at 31 December 2015, the Group still maintained a low level of indebtedness with solid fiscal position.

幣7,309萬元(於二零一五年十二月三十一日：約港幣7億6,937萬元)，佔負債總額約7%，較於二零一五年十二月三十一日非流動負債總值減少約港幣6億9,628萬元。於二零一六年十二月三十一日，本集團的流動負債總值約港幣9億4,900萬元(於二零一五年十二月三十一日：約港幣1億6,345萬元)，佔負債總額約93%，較於二零一五年十二月三十一日的流動負債總值增加約港幣7億8,555萬元，增加主要因為於二零一六年十二月三十一日本公司發行的人民幣6億元債券(相當於約港幣6億6,722萬元)獲分類為流動負債。

本集團持有現金及存款(包括結構性銀行存款、其他金融機構存款、銀行結存及現金)約港幣13億5,809萬元(於二零一五年十二月三十一日：約港幣15億7,166萬元)，分別佔總資產值及資產淨值約35%及48%，較於二零一五年十二月三十一日的現金及存款減少約港幣2億1,357萬元，主要因於回顧年內增加購買可供出售的金融資產約港幣1億299萬元。

五. 負債與權益比率

於二零一六年十二月三十一日，本集團發行的公司債券為約港幣6億6,722萬元(於二零一五年十二月三十一日：約港幣6億9,476萬元)和銀行貸款約港幣7,728萬元(於二零一五年十二月三十一日：無)，合計約港幣7億4,450萬元(於二零一五年十二月三十一日：約港幣6億9,476萬元)，較於二零一五年十二月三十一日增加約港幣4,974萬元。公司債券以人民幣計值，固定年化利率為4%，銀行貸款以人民幣計值，固定年利率介乎3.91%至4.79%，而其他貸款則以港元計值及不計息。於二零一六年十二月三十一日之負債權益比率(其計算方式為公司債券和銀行貸款總和除以總權益)約26%，雖然與於二零一五年十二月三十一日之負債權益比率約24%比較，增加約2%，但本集團負債仍然維持低水準，財政狀況穩健。

VI. SIGNIFICANT INVESTMENTS

At 31 December 2016, the Group held available-for-sale investments of approximately HK\$513.13 million, representing approximately 18% of the consolidated net assets of the Company as of 31 December 2016, which included US\$ term note and investment trusts. The return rates from these investments ranged between 3.9%–9.2% per annum. Please refer to note 28 to the financial statements in this annual report for more details. The Company will continue to identify investment opportunities and seek to manage its investments with low risk returns.

VII. EXPOSURE IN EXCHANGE RATE FLUCTUATIONS

The Group principally conducted its businesses in RMB, while most of the Group's assets and liabilities were denominated in HKD and RMB. Any fluctuation in the exchange rate of HKD against RMB may have an impact on the Group's results. As at 31 December 2016, net assets of the Group's business within the territory of the PRC was approximately RMB2,129.07 million. According to HKASs, such amount should be converted at the exchange rate applicable at the end of the reporting period. Due to the depreciation of RMB during the year under review, the net assets of the Group decreased, and the exchange reserves decreased by approximately HK\$143.00 million. Although foreign currency exposure does not pose significant risks on the Group and currently, the Group does not have any hedging measures against such exchange risks, the Group will closely monitor the risks arising from such currency fluctuation.

VIII. TREASURY POLICIES

The business activities and operations of the Group are mainly carried out in the Mainland China and Hong Kong, with transactions denominated in RMB, HKD and US dollars, which expose the Group to foreign currency risk. The Group currently does not have any foreign currency hedging policy but maintains a conservative approach on foreign exchange exposure management and ensures that its exposure to fluctuations in foreign exchange rates is minimised.

As at 31 December 2016, the corporate bonds and bank borrowings of the Group were denominated in RMB at a fixed interest rate, and the Group did not have any borrowings based on floating interest rate.

六. 重大投資

於二零一六年十二月三十一日，本集團持有可供出售投資約港幣5億1,313萬元（佔本公司截至二零一六年十二月三十一日之綜合淨資產值約18%），包括美元定期票據及投資信託。此等投資的回報率介乎每年3.9%至9.2%。更多詳情請參閱本年報財務報表附註28。本公司將繼續物色投資機會，並尋求以低風險回報方式管理其投資。

七. 外匯波動風險

本集團主要以人民幣進行業務，而本集團的大部份資產及負債以港元及人民幣計值，港元兌人民幣的匯率波動可能對本集團的業績產生影響。於二零一六年十二月三十一日，本集團位於中國境內業務之資產淨值約人民幣21億2,907萬元，遵照香港會計準則，按於報告期間結算日之適用匯率換算，由於回顧年內人民幣貶值，導致本集團資產淨值減少，及減少外匯儲備約港幣1億4,300萬元。儘管外匯並無使本集團面對重大風險且我們現時並無就該等外匯風險採取任何對沖措施，本集團將會密切監控有關貨幣波動產生的風險。

八. 理財政策

本集團之業務活動及營運所在地主要在中國內地及香港，交易以人民幣、港幣及美元計值，令本集團承受外匯風險。本集團目前並無任何外幣對沖政策，但本集團對管理外匯風險保持審慎態度，亦確保其面對之匯率波動風險降至最低。

於二零一六年十二月三十一日，本集團之公司債券及銀行貸款是以人民幣計值，並以固定息率為基礎。本集團並沒有以浮息為基礎的借款。

Management Discussion and Analysis 管理層討論與分析

IX. PLEDGE OF ASSETS

- (a) As at 31 December 2016, bank deposits of approximately HK\$1.64 million (as at 31 December 2015: approximately HK\$1.74 million) of the Group were pledged for bank facilities granted to mortgagees.
- (b) On 29 March 2016, the Group entered into a guarantee agreement with Chengtong Coal, a subsidiary of the ultimate holding company of the Company, pursuant to which the Group has provided a guarantee by pledging its buildings with net book value of approximately HK\$50,928,000 as at 31 December 2016 and issuing a guarantee letter to the Supreme People's Court of Guangxi Zhuang Autonomous Region to the extent of approximately RMB53,540,000 (approximately HK\$59,965,000) for a period of three years. The guarantee provided to Chengtong Coal was for the purpose of supporting a property preservation order on certain subject assets in a litigation between Chengtong Coal and its debtors.

X. COMMITMENTS AND GUARANTEES

Please refer to notes 42, 47 and 48 to the financial statements in this report.

九. 資產抵押

- (a) 於二零一六年十二月三十一日，本集團以約港幣164萬元（於二零一五年十二月三十一日：約港幣174萬元）的已抵押銀行存款作為授予按揭人之銀行融資的抵押。
- (b) 於二零一六年三月二十九日，本集團與誠通煤業（本公司最終控股公司的附屬公司）訂立擔保協議，據此，本集團已透過質押其於二零一六年十二月三十一日賬面值約港幣50,928,000元的建築及向廣西壯族自治區高級人民法院出具金額約人民幣53,540,000元（約港幣59,965,000元）為限的保函以提供擔保，期限為三年。向誠通煤業提供的擔保用作支持就誠通煤業與其債務人的訴訟中若干主要資產的財產保全令。

十. 承擔及擔保

請參閱本報告內財務報表附註42、47及48。

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

DIRECTORS

Mr. Yuan Shaoli

Mr. Yuan, aged 62, is an executive Director and the Chairman of the Board. Mr. Yuan joined the Group in March 2011. Mr. Yuan had served as the deputy division chief, the division chief and a deputy director of the Central State Organizations of China for several years. He had also served as the deputy president of CCHG and the president of China Huandao Group Co. (“**Huandao Group**”), a subsidiary of CCHG, and was an independent non-executive director of Kangda International Environmental Company Limited, the shares of which are listed on the Main Board of the Stock Exchange. Mr. Yuan is presently a director of China Chengtong Hong Kong Company Limited (“**CCHK**”) and a director of World Gain Holdings Limited (“**World Gain**”). CCHK and World Gain both have an interest in the shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“**SFO**”). Mr. Yuan has extensive experience in business management, assets management, public relations and human resources management.

Mr. Wang Hongxin

Mr. Wang, aged 53, is an executive Director and the Managing Director of the Company. Mr. Wang joined the Group in March 2005. Mr. Wang holds a Master degree in Business Administration from the Guanghua Management School of Peking University, and a Bachelor degree of Arts of Jilin Normal University. Mr. Wang has rich experience in corporate management. He had served as a director and a deputy general manager for Maoming Yongye (Group) Co. Ltd., the shares of which are listed on the Shenzhen Stock Exchange and previously worked for China National Materials Development & Investment Corporation as assistant to general manager. Mr. Wang is also a director of several subsidiaries of the Company. Mr. Wang is also a director of CCHK, which has an interest in the shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Mr. Wang Tianlin

Mr. Wang, aged 44, is an executive Director and a director of several subsidiaries of the Company. Mr. Wang joined the Group in February 2007. Mr. Wang obtained his Bachelor and Master degrees from Beijing Institute of Technology and in 2003, he obtained his Master degree in Business Administration in Finance from The Chinese University of Hong Kong. Mr. Wang was previously the secretary to the board of directors of Sihuan Pharmaceutical Company Limited, the shares of which are listed on the Shenzhen Stock Exchange and also was the assistant to president for CCHK. He is currently a president and executive director of Huandao Group. Mr. Wang has extensive experience in corporate governance, capital management and business administration.

董事

袁紹理先生

袁先生，62歲，執行董事兼董事會主席。袁先生於二零一一年三月加入本集團。袁先生於中國中央國家機關任職多年，歷任副處長，處長及副局長，亦曾擔任誠通控股副總裁及其附屬公司中國寰島(集團)公司(「寰島集團」)總裁，以及曾擔任康達國際環保有限公司(其股份於聯交所主板上市)的獨立非執行董事。袁先生現為中國誠通香港有限公司(「誠通香港」)及World Gain Holdings Limited(「World Gain」)之董事，而誠通香港及World Gain均擁有根據證券及期貨條例(香港法例第571章)(「證券及期貨條例」)第XV部第2及第3分部之條文須向本公司披露之本公司股份權益。袁先生具有豐富的企業管理、資產經營、公共關係及人力資源管理經驗。

王洪信先生

王先生，53歲，執行董事兼本公司董事總經理。王先生於二零零五年三月加入本集團。王先生持有北京大學光華管理學院工商管理碩士學位及吉林師範大學文學學士學位。王先生有豐富的企業經營管理經驗，曾擔任於深圳證券交易所上市之茂名永業(集團)股份有限公司的董事及副總經理，亦曾於中國物資開發投資總公司擔任總經理助理。王先生同時為本公司若干附屬公司之董事。王先生亦為誠通香港的董事，而誠通香港擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露之本公司股份權益。

王天霖先生

王先生，44歲，執行董事及本公司若干附屬公司之董事。王先生於二零零七年二月加入本集團。王先生畢業於北京理工大學持有工學學士及工學碩士學位，並於二零零三年取得香港中文大學工商管理碩士學位。王先生曾於深圳證券交易所上市之四環藥業股份有限公司擔任董事會秘書，亦曾於誠通香港擔任總裁助理。彼現為寰島集團總裁及執行董事。王先生具備豐富的公司治理、資本運作及企業管理經驗。

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

Mr. Zhang Bin

Mr. Zhang, aged 48, is an executive Director and the deputy general manager of the Company. Mr. Zhang joined the Group in July 2010 and was appointed as an executive Director with effect from 30 January 2014. Mr. Zhang holds an EMBA degree from China Europe International Business School and a Doctorate degree from Peking University. He also undertook postdoctoral research in Rutgers University and North Carolina State University in the United States. Mr. Zhang has rich theoretical and practical experience in corporate management and risk control. He has been the deputy general manager of CCHK since 2007. Mr. Zhang is also a director of CCHK, which has an interest in the shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Professor Chang Qing

Professor Chang, aged 59, is an independent non-executive Director. Professor Chang joined the Group in January 2013. He is currently the chairman of Jinpeng International Futures Co., Ltd., a professor of China Agricultural University and the chairman of the expert committee of China Futures Association. Professor Chang is also currently a council member of Shanghai Futures Exchange and a member of the Expert Committee of China Securities Journal. Professor Chang is now acting as an independent non-executive director of Kangda International Environmental Company Limited (a company listed on the Main Board of the Stock Exchange). He previously served as independent directors of Tibet Summit Resources Co., Ltd. (formerly known as Tibet Summit Industry Co., Ltd.) and TBEA Co., Ltd. (both companies are listed on the Shanghai Stock Exchange) as well as Yuan Long Ping High-Tech Agriculture Co., Ltd., Rongfeng Holding Group Co., Ltd. and Shenwu Environmental Technology Co., Ltd. (all three companies are listed on the Shenzhen Stock Exchange). Professor Chang studied Economics at Jilin University and obtained his Master degree in Economics from Jilin University in 1985 and PhD degree from Chinese Academy of Social Sciences. He has over 30 years of experience in economic and financial field.

Mr. Lee Man Chun, Tony

Mr. Lee, aged 63, is an independent non-executive Director. Mr. Lee joined the Group in November 2013. He has been an executive director of Shenwan Hongyuan (H.K.) Limited (formerly known as Shenyin Wanguo (H.K.) Limited), the shares of which are listed on the Main Board of the Stock Exchange, since June 2000, and served as its chief executive officer during the period from July 2000 to March 2012. Mr. Lee obtained a Master degree in Business Administration from Chu Hai College of Higher Education in 1981. Previously, he worked for and held senior positions with Standard Chartered Bank and Sanwa International Finance Ltd. He is a member of the Hong Kong Institute of Certified Public Accountants. He has over 30 years of experience in accounting, capital markets, corporate management, finance and banking.

張斌先生

張先生，48歲，本公司執行董事及副總經理。張先生於二零一零年七月加入本集團，並於二零一四年一月三十日獲委任為執行董事。張先生持有中歐國際商學院高級工商管理碩士學位及北京大學博士學位。彼亦曾於美國羅格斯大學及美國北卡羅萊納州立大學從事博士後研究工作。張先生具有豐富的企業管理及風險控制理論及實踐經驗。自二零零七年起彼為誠通香港副總經理。張先生亦為誠通香港的董事，而誠通香港擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露之本公司股份權益。

常清教授

常教授，59歲，獨立非執行董事。常教授於二零一三年一月加入本集團。彼現為金鵬期貨經紀有限公司的董事長、中國農業大學教授及中國期貨業協會專家委員會主任。常教授現亦為上海期貨交易所理事及中國證券報專家委員會委員。常教授現擔任康達國際環保有限公司(於聯交所主板上市)的獨立非執行董事。彼曾擔任西藏珠峰資源股份有限公司(前稱為西藏珠峰工業股份有限公司)、特變電工股份有限公司(兩間公司均於上海證券交易所上市)、袁隆平農業高科技股份有限公司、榮豐控股集團股份有限公司及神霧環保技術股份有限公司(三間公司均於深圳證券交易所上市)的獨立董事。常教授在吉林大學修讀經濟，於一九八五年獲吉林大學頒發經濟學碩士學位，並自中國社會科學院取得博士學位。彼在經濟及財經領域超過30年經驗。

李萬全先生

李先生，63歲，獨立非執行董事。李先生於二零一三年十一月加入本集團。彼自二零零零年六月起擔任申萬宏源(香港)有限公司(前稱申銀萬國(香港)有限公司)執行董事，並於二零零零年七月至二零一二年三月期間擔任其行政總裁。申萬宏源(香港)有限公司的股份在聯交所主板上市。李先生於一九八一年獲珠海學院頒發工商管理碩士學位。彼曾於渣打銀行及三和國際財務有限公司擔任要職。李先生為香港會計師公會會員。彼於會計、資本市場、企業管理、財務及銀行業累積逾30年經驗。

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

Professor He Jia

Professor He, aged 62, is an independent non-executive Director. Professor He joined the Group in September 2015. Currently, he is the leading professor of the Faculty of Financial Mathematics and Engineering at the South University of Science and Technology of China, a jointly-appointed professor at the Tsinghua University, Cheung Kong Visiting Chair Professor of the Ministry of Education and an executive director and academic member of the China Society for Finance and Banking. Professor He is currently an independent non-executive director of OP Financial Investments Limited and CITIC Securities Company Limited, the shares of both of which are listed on the Main Board of the Stock Exchange, and an independent director of Shenzhen Xinguodu Technology Co., Ltd. (a company listed on ChiNext of Shenzhen Stock Exchange), Tibet Huayu Mining Co., Ltd., Tsinghua Tongfang Co., Ltd., the shares of which are both listed on the Shanghai Stock Exchange, and China Investment Securities Co., Ltd. He had also previously served as an independent director of Shenzhen Soling Industrial Co., Ltd. (a company listed on Small and Medium Enterprises Board of Shenzhen Stock Exchange). He was also previously a professor of the Department of Finance and a director of the MBA program in Finance at the Chinese University of Hong Kong. Professor He was a commissioner of the Planning and Development Committee of China Securities Regulatory Commission from June 2001 to August 2002, and a director of integrated research institute of the Shenzhen Stock Exchange from June 2001 to October 2002. Currently, Professor He acts as a financial consultant for the Chengdu and Quanzhou municipal governments. He is also an editor of China Financial Economics Review, and is serving as a member of the editorial boards of a number of journals, including China Accounting and Finance Review and Research in Banking and Finance. He holds a Doctor of Philosophy degree in Finance from the Wharton School of University of Pennsylvania, the United States.

SENIOR MANAGEMENT

Mr. Chan Siu Kay

Mr. Chan, aged 57, is the financial controller of the Company and a director of several subsidiaries of the Company. He joined the Company in May 2014. Mr. Chan holds a Master degree in Business Administration from the University of Strathclyde in the United Kingdom and a Master degree in Corporate Finance from The Hong Kong Polytechnic University. He is a fellow member of the Association of Chartered Certified Accountants and a Certified Public Accountant of The Hong Kong Institute of Certified Public Accountants. He is also an associate member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators. He is also a Fellow Certified Professional Economist of The Hong Kong Society of Economists Limited. Mr. Chan has gained over 26 years of experience in audit, accounting, taxation, corporate finance and IPO from working in an international audit firm and a number of listed companies.

何佳教授

何教授，62歲，獨立非執行董事。何教授於二零一五年九月加入本集團。彼現為南方科技大學金融數學與金融工程系領軍教授，清華大學雙聘教授，教育部長江學者講座教授及中國金融學會常務理事兼學術委員。何教授現為東英金融投資有限公司及中信証券股份有限公司(兩間公司均於聯交所主板上市)的獨立非執行董事，亦是深圳市新國都技術股份有限公司(深圳證券交易所中國創業板上市公司)、西藏華鈺礦業股份有限公司和同方股份有限公司(兩間公司均於上海證券交易所上市)、中國中投證券有限責任公司的獨立董事。彼亦曾為深圳市索菱實業股份有限公司(深圳證券交易所中小企業板上市公司)的獨立董事。彼亦曾為香港中文大學金融學系教授及金融財務MBA課程主任。何教授曾於二零零一年六月至二零零二年八月任職中國證券監督管理委員會規劃發展委員會委員，於二零零一年六月至二零零二年十月任職深圳證券交易所綜合研究所所長。現任職成都及泉州市政府金融顧問。彼亦為《中國金融經濟評論》(China Financial Economics Review)之編輯，並任多家期刊編輯委員會委員，其中包括《中國會計及金融評論》(China Accounting and Finance Review)及《銀行及金融研究》(Research in Banking and Finance)。彼持有美國賓夕法尼亞大學沃頓商學院金融哲學博士學位。

高級管理層

陳紹基先生

陳先生，57歲，為本公司之財務總監及本公司若干附屬公司之董事。陳先生於二零一四年五月加入本公司。陳先生持有英國斯特拉斯克萊德大學工商管理碩士學位及香港理工大學企業融資碩士學位。彼為英國特許公認會計師公會資深會員及香港會計師公會之註冊會計師。彼亦為香港特許秘書公會會員及英國特許秘書及行政人員公會會員，同時亦為香港經濟師學會有限公司之註冊專業經濟師。陳先生曾在一家國際會計師事務所及多家上市公司工作，於審計、會計、稅務、企業融資及安排公司上市集資累積超過26年經驗。

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

COMPANY SECRETARY

Ms. Tse Ching Wah

Ms. Tse, aged 35, is the company secretary of the Company. Ms. Tse joined the Group in October 2012. She holds a Master degree in Corporate Governance from The Hong Kong Polytechnic University. She is a fellow member of both The Hong Kong Institute of Chartered Secretaries and Institute of Chartered Secretaries and Administrators. She is also a member of both The Hong Kong Institute of Certified Public Accountants and The Institute of Chartered Accountants in England and Wales. She has extensive experience in accounting, auditing, corporate governance and merger and acquisition activities from working in an international accounting firm and a Hong Kong listed company.

公司秘書

謝靜華女士

謝女士，35歲，為本公司公司秘書。謝女士於二零一二年十月加入本集團。謝女士持有香港理工大學公司管治碩士學位。彼為香港特許秘書公會及英國特許秘書及行政人員公會資深會員，彼亦為香港會計師公會及英格蘭及威爾士特許會計師公會會員。謝女士曾於國際會計師事務所及香港上市公司工作，在會計、審計、公司管治及收購合併方面具有豐富經驗。



Corporate Governance Report 企業管治報告

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

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

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

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

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

THE BOARD

Responsibilities

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

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

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

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

Composition

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

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

董事會欣然呈報本集團本年度之企業管治報告。

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

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

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

本公司於本年度主要企業管治原則及慣例概述如下：

董事會

職責

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

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

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

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

組織

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

於本報告日期，組成本公司董事會之董事如下：

Corporate Governance Report

企業管治報告

Executive Directors

YUAN Shaoli (Chairman of the Board)
WANG Hongxin (Managing Director)
WANG Tianlin
ZHANG Bin

Independent non-executive Directors

CHANG Qing
LEE Man Chun, Tony
HE Jia

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

During the Year, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors representing not less than one-third of the Board, with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise.

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

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

Appointment and Succession Planning of Directors

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

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

The Board recommended the re-appointment of the Directors standing for re-election at the forthcoming annual general meeting of the Company.

執行董事

袁紹理 (董事會主席)
王洪信 (董事總經理)
王天霖
張 斌

獨立非執行董事

常 清
李萬全
何 佳

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

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

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

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

董事之委任及續任計劃

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

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

董事會建議被重新委任的董事將於應屆股東週年大會上接受重選。

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

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 candidates proposed by the Nomination Committee, the Company's needs and other relevant statutory requirements and regulations. The Board will consider engaging an external recruitment agency to carry out the recruitment and selection process when necessary.

All independent non-executive Directors were appointed for a fixed term of one year.

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

Board Diversity Policy

The Company continuously seeks to enhance the effectiveness of the Board and to maintain the highest standards of corporate governance and recognises and embraces the benefits of diversity in the Board. In August 2013, the Board adopted a Board Diversity Policy to comply with a code provision of the CG Code.

The Company believes that a diversity of perspectives can be achieved through consideration of a number of factors, including but not limited to skills, regional and industrial experience, cultural and educational background, race, gender and other qualities. In forming its perspective on diversity, the Company will also take into account factors based on its own business model and specific needs from time to time.

The composition, experience and balance of skills in the Board are regularly reviewed to ensure that the Board retains a core of members with longstanding knowledge of the Group alongside new Director(s) appointed from time to time who bring(s) fresh perspectives and diverse experiences to the Board. The process for the nomination of Directors is led by the Nomination Committee, which has been made on a merit basis. The Board will review the Board Diversity Policy on a regular basis to ensure its continued effectiveness.

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

倘董事會出現空缺，董事會會參考由提名委員會建議候任人的技能、經驗、專業知識、個人誠信及可投入的時間、本公司的需要及其他相關法定規定及規例進行遴選。於必要時，考慮委聘外界招聘機構，負責招募及遴選工作。

所有獨立非執行董事獲委任的固定任期均為一年。

刊發予股東的本公司應屆股東週年大會通函將載有接受重選董事的詳盡資料。

董事會多元化政策

本公司一直務求提升董事會效率及維持最高水平之企業管治，認同並確信董事會成員多元化之好處。於二零一三年八月，董事會採納董事會多元化政策，以遵守企業管治守則之守則條文。

本公司相信要獲得多樣化的觀點，可以從多方面的因素考慮，包括(但不限於)技能、地區與行業經驗、文化與教育背景、種族、性別及其他特質。在實行多元化方面，本公司亦將根據本身的業務模式及不時之特定需要考慮各種因素。

董事會定期檢討其組合、經驗及技能平衡，確保董事會保留一組對本集團有長期認識之核心成員，同時不時委任之新董事可為董事會帶來新觀點及多元化經驗。提名董事程序由提名委員會帶領，並以用人唯賢為基準。董事會將定期檢討董事會多元化政策，以確保其持續有效。

Corporate Governance Report

企業管治報告

Board Meetings

Number of Meetings and Directors' Attendance

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

During the Year, six Board meetings were held, including four regular Board meetings.

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

Name of Directors

董事姓名

Name of Directors	Number of Attendance/ Number of Board Meetings Held
董事姓名	出席／召開董事會會議次數
YUAN Shaoli 袁紹理	6/6
WANG Hongxin 王洪信	6/6
WANG Tianlin 王天霖	6/6
ZHANG Bin 張斌	6/6
CHANG Qing 常清	6/6
LEE Man Chun, Tony 李萬全	6/6
HE Jia 何佳	6/6

Practices and Conduct of Meetings

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

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

董事會會議

會議及董事出席次數

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

於本年度，本公司共舉行六次董事會會議，其中包括四次董事會例行會議。

各董事於本年度內於董事會會議之個別出席記錄載列如下：

Number of Attendance/ Number of Board Meetings Held
出席／召開董事會會議次數

會議常規及方式

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

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

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

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

Chairman and Managing Director

During the Year, the positions of Chairman of the Board and Managing Director are held by Mr. Yuan Shaoli and Mr. Wang Hongxin respectively. Their respective responsibilities are clearly defined and set out in writing to ensure a balance of power and authority.

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

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

BOARD COMMITTEES

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

All Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

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

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

主席及董事總經理

本年度內，本公司由袁紹理先生及王洪信先生分別擔任董事會主席及董事總經理的職位。彼等個別之職責已清楚界定及以書面呈列，以確保權力及授權兩者分佈均衡。

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

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

董事委員會

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

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

Executive Committee

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

Audit Committee

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

The main duties of the Audit Committee include the following:

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

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

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

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

During the Year, the Company's annual results for the year ended 31 December 2015 and the interim results for the six months ended 30 June 2016 had been reviewed by the Audit Committee.

執行委員會

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

審核委員會

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

審核委員會的主要職務包括以下各項：

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

於本年度審核委員會共舉行兩次會議，以審閱財務業績及報告、資金管理制度、內部監控制度以及續聘外聘核數師。

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

審核委員會於遴選、委聘、辭任或罷免外聘核數師的事宜上，並無與董事意見分歧。

於本年度內，審核委員會已審閱本公司截至二零一五年十二月三十一日止年度的全年業績及截至二零一六年六月三十日止六個月的中期業績。

Remuneration Committee

During the Year, the Remuneration Committee comprised two independent non-executive Directors and the Managing Director, namely, Professor He Jia (chairman of the Remuneration Committee), Mr. Lee Man Chun, Tony and Mr. Wang Hongxin.

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

The Remuneration Committee meets for reviewing the remuneration policy and structure and making recommendations to the Board on the annual remuneration packages of the members of the Board and the senior management and other related matters. The human resources department is responsible for collection and administration of the human resources data and making recommendations to the Remuneration Committee for consideration. The Remuneration Committee shall consult the Chairman of the Board and/or the Managing Director about the recommendations on remuneration policy and structure and remuneration packages.

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

Nomination Committee

During the Year, the Nomination Committee comprised two independent non-executive Directors and the Chairman of the Board, namely, Professor Chang Qing (chairman of the Nomination Committee), Mr. Lee Man Chun, Tony and Mr. Yuan Shaoli. The Nomination Committee is responsible for nominating candidates for directorship appointment and succession, reviewing the composition and structure of the Board from time to time and making recommendations to the Board in order to ensure the balance of expertise, skills and experience among the members of the Board. Nomination of candidates for directorship will be made with reference to the possession of appropriate skills, industrial experience, professional knowledge, personal integrity and time for participating in the Company's affairs. During the Year, the Nomination Committee held one meeting to discuss the re-election of the Directors.

薪酬委員會

本年度，薪酬委員會的成員包括兩位獨立非執行董事及董事總經理，分別為何佳教授(薪酬委員會主席)、李萬全先生及王洪信先生。

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

薪酬委員會會為檢討薪酬政策與架構及向董事會就董事會成員及高級管理層的年度薪酬組合以及其他相關事宜作出建議召開會議。人力資源部負責收集及管理人力資源資料，並提出推薦建議供薪酬委員會考慮。薪酬委員會須就有關薪酬政策與架構及薪酬組合的推薦建議，諮詢董事會主席及／或董事總經理的意見。

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

提名委員會

本年度，提名委員會成員包括兩位獨立非執行董事及董事會主席，分別為常清教授(提名委員會主席)、李萬全先生及袁紹理先生。提名委員會負責為董事的委任與繼任提名候選人，同時還不時檢討董事會之組成及架構，向董事會提出建議，確保董事會成員之專長、技能與經驗得以均衡。提名董事候選人之有關標準包括候選人是否擁有適當技能、行業經驗、專業知識、個人誠信及可付出足夠時間參與本公司的事務。本年度內，提名委員會已召開一次會議以討論重選董事。

Corporate Governance Report 企業管治報告

Board Committee Meetings

Number of Meetings and Directors' Attendance

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

董事委員會會議

會議次數及董事出席次數

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

Name of Directors 董事姓名	Number of Attendance/Number of Board Committee Meetings Held 出席次數／舉行董事委員會會議次數		
	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
YUAN Shaoli 袁紹理	Not applicable 不適用	Not applicable 不適用	1/1
WANG Hongxin 王洪信	Not applicable 不適用	1/1	Not applicable 不適用
CHANG Qing 常清	2/2	Not applicable 不適用	1/1
LEE Man Chun, Tony 李萬全	2/2	1/1	1/1
HE Jia 何佳	2/2	1/1	Not applicable 不適用

MODEL CODE FOR SECURITIES TRANSACTIONS

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

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

進行證券交易的標準守則

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

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

CORPORATE GOVERNANCE FUNCTIONS

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

企業管治職能

董事會並未設立企業管治委員會，而是由全體董事會負責履行企業管治職能，例如制定及檢討本公司的企業管治政策及常規、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方面的政策及常規等。

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

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

SUPPORT AND PROFESSIONAL DEVELOPMENT OF DIRECTORS

董事支援及專業發展

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

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

Each of the existing Directors confirmed that he had complied with the code provision A.6.5 of the CG Code on directors' training. During the Year, all the existing Directors have participated in continuous professional development by attending seminars/in-house briefing/reading materials on the following topics to develop and refresh their knowledge and skills and provided a record of training to the Company:

現任各董事已確認，彼等已遵守有關董事培訓之企業管治守則條文第A.6.5條。本年度內，全體現任董事已通過參加有關下列主題之座談會／內部簡報或閱讀材料等方式參與持續專業發展，以發展及更新彼等之知識及技能，並已向本公司提供彼等所接受培訓之記錄：

Name of Directors 董事姓名

Topics on training covered 所涵蓋之培訓主題 (Note) (附註)

YUAN Shaoli 袁紹理	a, b, c, d
WANG Hongxin 王洪信	a, b, c, d
WANG Tianlin 王天霖	b
ZHANG Bin 張斌	a, b, c, d
CHANG Qing 常清	b
LEE Man Chun, Tony 李萬全	a, b, c
HE Jia 何佳	b

Notes:

- (a) corporate governance
- (b) compliance and regulatory matters for Hong Kong listed companies
- (c) finance and investment
- (d) risk management

註：

- (a) 企業管治
- (b) 香港上市公司的合規及監管事宜
- (c) 財務及投資
- (d) 風險管理

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

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

The statement of the external auditor of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 65 to 69 in this report.

The remuneration of the external auditor of the Company in respect of audit services and non-audit services for the Year amounted to approximately HK\$980,000 and HK\$310,000 respectively. An analysis of the remuneration of the external auditor of the Company is set out below:

對編製財務報告承擔的責任及核數師 薪酬

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

有關本公司外聘核數師對於其就財務報告申報職責所做的聲明載於本報告第65至69頁「獨立核數師報告」。

本公司已就外聘核數師於本年度提供審核服務及非審核服務，向其支付酬金分別約為港幣980,000元及港幣310,000元。本公司外聘核數師的酬金分析載列如下：

		Amount of Fee 費用 (HK\$'000) (港幣千元)
Audit services	審核服務	980
Review on interim financial information	審閱中期財務資料	180
Other non-audit services ^(Note)	其他非核數服務 ^(附註)	130
Total	總計	<u>1,290</u>

Note: Services in relation to the proposed spin-off of the hotel and marine travelling services business of the Group.

附註：有關擬分拆本集團酒店及海上旅遊服務業務上市的服務。

RISK MANAGEMENT AND INTERNAL CONTROL

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

風險管理及內部監控

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

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

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

- the Board is responsible for the supervision of all business activities of the Group and the implementation of strategic plans and policy. The Executive Committee is responsible for the effective daily operation of the Group and for ensuring that the Group operates in accordance with the target, strategy and budget of the Group;
- the Audit Committee periodically reviews the work of the risk management department, external auditor, regulatory bodies and the Executive Committee in respect of the risk management and internal control system, and assesses the feasibility and effectiveness of the risk management and internal control system; and
- the risk management department also formulates the annual internal audit plan and procedures, conducts periodic independent reviews on the operations of individual divisions and subsidiaries to identify any irregularities and risks, develops action plans and makes recommendations to address the identified risks, and reports to the Audit Committee on any key findings and progress of the internal audit process. The Audit Committee, in turn, reports to the Board on any material issues and makes recommendations to the Board.

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

For the year ended 31 December 2016, the Board had conducted a comprehensive review of the risk management and internal control system of the Company. The Board considered that the internal control and risk management system of the Company is adequate and effective and the Company has complied with the code provisions on internal control and risk management of the CG Code.

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

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

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

- 董事會負責監管本集團的所有業務活動及策略性計劃及政策的執行。執行委員會負責本集團日常業務的有效運作及確保按本集團的目標、策略及預算運作；
- 審核委員會定期檢討風險管理部門、外聘核數師、規管機構及執行委員會就有關風險管理及內部監控系統的工作，評估風險管理及內部監控系統的可行性及效能；及
- 風險管理部門制定年度內部審核計劃及程序，對個別部門及附屬公司進行定期獨立檢討以確定任何不規則事宜及風險，開展行動計劃及就處理已確定的風險作出建議，並將內部審核過程中的重大發現及進展向審核委員會報告。審核委員會則向董事會匯報任何重大事宜，並向董事會提出建議。

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

截至二零一六年十二月三十一日止年度，董事會已就本公司的風險管理及內部監控系統進行全面檢討。董事會認為本公司的內部監控及風險管理制度乃充足及有效，而本公司亦已遵守企業管治守則有關內部監控及風險管理的守則條文。

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

Corporate Governance Report 企業管治報告

COMPANY SECRETARY

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

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

INVESTOR RELATIONS

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

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

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

During the Year, the Company had held one general meeting (being the annual general meeting ("AGM") held on 16 June 2016). The attendance record of the Directors in such general meeting is as follows:

Name of Directors 董事姓名

Attendance 出席

YUAN Shaoli 袁紹理	1/1
WANG Hongxin 王洪信	1/1
WANG Tianlin 王天霖	1/1
ZHANG Bin 張斌	1/1
CHANG Qing 常清	1/1
LEE Man Chun, Tony 李萬全	1/1
HE Jia 何佳	1/1

公司秘書

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

謝女士已確認，於本年度，彼已經參加不少於15小時之相關專業培訓。

投資者關係

根據上市規則，所有股東大會的決議案均以票選形式進行。

投票之結果會在相關股東大會舉行當天登載於聯交所及本公司網站。

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

於本年度內，本公司共舉行了一次股東大會(於二零一六年六月十六日舉行的股東週年大會(「股東週年大會」))。董事於股東大會之出席情況如下：

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

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

SHAREHOLDERS' RIGHTS

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

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

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

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

(2) Shareholders' enquiries

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

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

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

股東權利

(1) 股東召開股東特別大會(「股東特別大會」)的程序

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

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

由股東召開的股東特別大會，須盡可能以接近本公司的董事召開股東大會的方式召開。

(2) 股東查詢

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

(3) Procedures for putting forward resolutions at general meetings

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

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

(3) 在股東大會上提出議案的程序

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

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

CONSTITUTIONAL DOCUMENTS

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

憲章文件

於本年度內，本公司並無修訂其憲章文件。

Environmental, Social and Governance Report

環境、社會及管治報告

The Board is pleased to present the environmental, social and governance (“ESG”) report (“ESG Report”) for the Year of the Group.

The Group always takes up social responsibility while creating economic benefits and incorporates elements of social responsibility and environment conservation into its operations. The Group believes that enhancing its social responsibility is essential for the sustainable development of the Group. Looking forward, the Group will persist in the long-term development strategies of the operation, environment and society and increase the transparency in a bid to create values for its shareholders.

SCOPE AND BASIS OF REPORTING

This ESG Report addresses matters concerned by key stakeholders of the Group. In order to better understand the needs of its key stakeholders including the employees and investors, the Company actively communicates with its key stakeholders, and comprehensively evaluates and identifies relevant matters relating to the ESG which have significant impacts on key stakeholders through group discussions and telephone interviews.

The Group has complied with the “comply or explain” provisions set out in the “Environmental, Social and Governance Reporting Guide” in Appendix 27 to the Listing Rules for the Year. Based on the principles of materiality, quantitiveness, balance and consistency and in accordance with the disclosure requirements of the “Environmental, Social and Governance Reporting Guide”, this ESG Report summarizes the philosophy of the Group in various aspects of the ESG and the related overall performance of the principal businesses of the Group in relation to finance leasing, hotel and marine travelling and property development in the PRC for the period from 1 January to 31 December 2016. Subject to further improvement and refinement in the Group’s ESG strategy with more matured system for information collection, the scope of this ESG Report will extend to cover all core businesses of the Group.

Throughout the Year, there was no incidence of non-compliance with the relevant environmental laws and regulations that have a significant impact on the Group.

This ESG Report covers the identical period as that of the annual report of the Group for the Year. This ESG Report is based on information derived or concluded from the official documents or statistical reports of the Group. In relation to the philosophy on the Group’s corporate governance, please refer to the section headed “Corporate Governance Report” on page 25 of the annual report of the Group for the Year.

董事會欣然呈報本集團本年度之環境、社會及管治(「環境、社會及管治」)報告(「環境、社會及管治報告」)。

本集團一直秉承在創造經濟效益的同時兼顧社會責任，在企業決策上將社會責任及環保元素融入營運當中，本集團深明提高社會責任對本集團的持續發展十分重要。未來，本集團將堅持經營、環境與社會的長遠發展戰略，增加透明度，為股東創造價值。

報告匯報範圍及準則

本環境、社會及管治報告考慮本集團主要權益人所關注的問題，為更了解他們的需求，本公司積極與其重要權益人，包括員工、投資者等溝通，通過小組討論及電話訪談綜合評估及識別對主要權益人產生重大影響的有關環境、社會及管治事宜。

於本年度，本集團已遵守上市規則附錄二十七「環境、社會及管治報告指引」所載的「不遵守就解釋」條文。本環境、社會及管治報告依照重要性、量化、平衡及一致性的原則，同時根據「環境、社會及管治報告指引」的披露要求，概述本集團於二零一六年一月一日至十二月三十一日期間在環境、社會及管治範疇的理念，以及本集團於中國經營的融資租賃、酒店和海上旅遊及物業發展業務的相關整體表現。待本集團在環境、社會及管治範疇的工作進一步提升和精細化，以及數據收集更趨成熟之後，報告的範圍將延伸至涵蓋本集團的所有核心業務。

於本年度，並無有關環境法律及法規的不合規事宜對本集團構成重大影響。

本環境、社會及管治報告涵蓋的期間與本報告所涵蓋的時間相同。本環境、社會及管治報告乃根據由本集團正式文件或統計報告所得或推斷的資料而編製。有關本集團在企業管治的理念及表現，請參閱本報告第25頁「企業管治報告」。

Environmental, Social and Governance Report

環境、社會及管治報告

ENVIRONMENT

Emissions

The Group understands the importance of environmental protection. It actively implements multiple measures for environmental protection in its operations and formulates various management policies to reduce emissions. The Group formulates the Administrative Regulations on Business Vehicles (《公務車輛管理規定》). When acquiring new vehicles, the Group takes into consideration factors including the level of emission reduction and energy saving. All vehicles are required to be maintained regularly. Engines are required to be examined and maintained frequently and accumulated carbon found in engines is to be cleaned up in a timely manner, so as to reduce emission and mechanical friction. The Group purchases vessels for its marine operations in accordance with the environmental protection requirements of the relevant operating and regulatory authorities of the local government and only vessels which have passed the examination for prevention of pollution are to be purchased.

In addition, the Group has installed video conferencing system to encourage its subsidiaries to utilize video conferencing in lieu of business travelling which not only improves work efficiency of the Group, but also reduces carbon footprint and emission of greenhouse gases.

Subsidiaries of the Group which are engaged in property development business, namely Zhucheng Phoenix Landmark Company Limited (“**Zhucheng Phoenix**”) and Dafeng Development, value environmental protection in their respective development projects and strictly abide by relevant domestic laws and regulations in relation to air, land and water pollutions. The Group selects and utilizes new and green construction materials which are made of solid waste (including construction waste, coal gangue, coal ash, furnace slag, tailings and silt of lake and river etc.) as raw materials in construction. Dust prevention measures such as covering, hoarding, totally-enclosing, spraying, washing and greening are adopted when construction work is being carried out to reduce air pollution. For sewage treatment, sewage disposal facilities are designed, constructed and put into use and operation simultaneously with the main part of the property development projects of Zhucheng Phoenix and Dafeng Development, and connected to urban pipeline to duly dispose of sewage. CCT-Champs-Elysees project, which is constructed by Zhucheng Phoenix, adopts various environmental protection measures including installation of lighting wells in underground garage, glass curtain walls in public areas and sensors in lighting system to implement green construction environment.

環境

排放物

本集團深明保護環境的重要性。在營運過程中，本集團積極推行多項環境保護措施，並制定了各項管理政策，實行減排。本集團特制訂《公務車輛管理規定》。購買車輛時，本集團充分考慮減低排放量及節能等因素，所有車輛需定期定點保養，引擎需經常進行深度檢查和保養，並及時清理引擎積碳，以減低排放和機械阻力。在購買海上營運船舶時，本集團根據當地政府相關運營監管部門的環保要求選購及只購買經防污染檢驗合格的船隻。

此外，本集團加設視頻會議系統，鼓勵其附屬公司利用視頻會議代替外遊公幹，既可提高本集團的工作效率，也可減少碳足跡、降低溫室氣體排放量。

本集團從事物業發展業務的附屬公司(即諸城鳳凰置地有限公司(「**諸城鳳凰**」))及大豐開發)也十分重視其各自開發項目的環境保護工作，嚴格遵守與空氣、土地及水污染的相關國內法律法規。在施工過程中，本集團選用以建築垃圾、煤矸石、粉煤灰、爐渣、尾礦、湖河淤泥等固體廢物為原料的新型建材及綠色建材，施工期間更採取遮蓋、圍擋、密閉、噴灑、沖洗、綠化等防塵措施，以減低對空氣的污染。針對污水處理，諸城鳳凰及大豐開發的工地排污設施與主體工程同時設計、施工及投產使用，接入市政管道，妥善處理污水。諸城鳳凰建造的誠通香榭里項目，更引入多項環保措施，如在地下車庫設置採光井、公共部位安裝玻璃幕牆以及照明系統裝設感應控制器，實行綠色建築環境。

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

Besides, numerous green architectural designs have been introduced in the Group's Yalongwan Undersea World Hotel ("Undersea World Hotel") situated in Hainan Province, the PRC. Natural ventilation system is adopted in the hotel lobby with bushy lawn vegetation in the hotel. In addition, the Group imposes strict requirements on operating vessels and strictly implements preventive measures regarding oil pollution and centralized garbage recycling. Operating vessels are prohibited to discharge waste water and dump pollutants into the sea. Sewage generated from vessels is prohibited to be discharged into the sea and is required to be properly disposed of through urban sewage network. Meanwhile, the Group strives to raise the awareness of its crews and the tourists on ocean protection through launching publicity programmes and staff training. Crews and tourists are required to collect garbage on vessels in accordance with the related regulations and such collected garbage is centralized and processed daily by designated persons and vessels.

In connection to seaweed and waste objects washed up onto beaches, an environmental hygiene group has been set up to supervise and manage the environmental hygiene in the beach areas and ocean garbage is regularly cleaned up to achieve "Four Nos" (no sediment, no litter, no foul water and no four pests) and "Four Cleans" (clean roads, clean green belt, clean wall foot and clean public places).

As of the date of this ESG Report, the Group did not generate any significant hazardous waste during its operations. Therefore, no relevant internal regulations have been formulated.

Use of Resources

The Group encourages the reduction of energy consumption. Energy saving light bulbs and LED lighting systems are used in all offices of the Group. The Group encourages making use of natural daylight and refrain from turning on unnecessary lights during daytime. Meanwhile, rules on energy saving are implemented to ensure that all equipment and lights of conference rooms are turned off when they are not in use. Equipment and office machinery including but not limited to computers, printers and photocopiers are to be switched to sleep mode immediately after use. Employees are required to turn off lights and computers before leaving the office. Energy saving devices are installed in the pantry so that the water dispenser will be automatically turned off after office hours to reduce consumption of electricity and water. In addition, temperature in the office is set with air-conditioners at an average of not lower than 26°C to reduce energy consumption. Reminders and labels are adhered to all power switch and electrical equipment to remind employees to save energy. In addition, designated persons are arranged to conduct regular checks to ensure that the abovementioned energy saving measures in relation to lights and office equipment and machinery are complied with.

With regard to waste emission, the Group cultivates employees' awareness on environmental protection through encouraging them to reduce waste at source and advocates green office, such as the promotion of double-sided printing, the use of recycled paper and electronic copies for unofficial documents etc. The management of the Company also supports green office. Starting from the Year, the Group has handled daily business through electronic platform to achieve paperless office and has successfully reduced paper consumption significantly. In particular in view of the vast volume of contractual documents involved in the finance leasing business of the Group, such measures have greatly helped to reduce the consumption of paper.

本集團位於中國海南省的亞龍灣海底世界酒店(「海底世界酒店」)也引入不少綠色建築設計，酒店大堂建築採用自然通風設計，酒店內草坪植被茂密。此外，本集團對海上營運船舶有嚴格規定，嚴格執行油污和垃圾集中回收等有關預防措施，海上營運船舶的污水、污物等嚴禁向海域排放和傾倒，船隻產生的污水須經過市政污水網處理，嚴禁海上排放。同時，本集團通過宣傳計劃及員工培訓，教育船員及遊客海洋保護知識，並要求船員及遊客按有關規定收集船上垃圾，每天由專人專船集中統一處理。

對被海浪沖上沙灘的海草及廢棄物，本集團成立了環境衛生領導小組專責整個沙灘區域環境衛生的監督管理及定期清理海洋垃圾，以達到四無(無堆積物、無果皮紙屑、無積水惡臭、無四害)，做到四淨(路面淨、綠化帶四周淨、牆根淨、公共場地淨)。

截至本環境、社會及管治報告日期，本集團在營運過程中並沒有產生任何大量有害廢棄物，因此沒有制定相關的規定。

資源使用

本集團鼓勵減低能源消耗，在其各辦公室換上較節能的慳電燈泡及LED照明系統，白天盡量採用天然日光，不開啓非必要的燈光，同時也制定節約能源的守則，確保會議室的所有設備及燈光在使用後馬上關閉，電腦、打印機及複印機等辦公室器材在使用後即時切換至休眠模式，員工下班前必須關閉電燈及電腦，茶水間更設有具備節能功能的裝置，下班後，飲水台裝置將自動關閉，節約電能及水資源，同時，辦公室的空調溫度設置在平均不低於26°C內，並在所有開關和電器設備處張貼提示標籤，提醒員工節約能源。另外，更安排專人進行定期檢查，確保上述有關節能措施得以遵守。

針對廢棄物的產生，本集團通過鼓勵員工從源頭減廢及提倡綠色辦公室，如採用雙面打印、非正式文件用回收紙打印及改用電子版本，鼓勵員工在打印文件前先考慮必要性等，以培養他們的環保意識。本公司管理層也全力支持綠色辦公室。自本年度起本集團使用電子化平台處理日常公務，實現無紙化辦公，大大減少紙張浪費，尤其是本集團的融資租賃業務涉及大量的合同文件，有關措施有助大大減少紙張的消耗。

Environmental, Social and Governance Report

環境、社會及管治報告

Meanwhile, the Group also adopts policy to reduce the use of disposable consumables, such as disposable cutlery and plastic bottled water. Measures to promote separation of waste for reuse and recycle are in place pursuant to which certain consumables of photocopiers and printers such as cartridges and toners, waste paper that cannot be reused and discarded computers are to be separated from other daily solid waste for recycling.

In addition, two or more employees are arranged to take the Group's vehicle when attending out-of-office business activities in order to reduce energy consumption by vehicles.

Environment and Natural Resources

In strict compliance with the Law on Evaluating Environmental Impact of the PRC (《中華人民共和國環境影響評價法》), administrative regulations and other relevant rules of local governments, the Group analyses, estimates and evaluates the potential and/or negative environmental impacts before the commencement of any property development and construction, and submits such findings to the Ministry of Environmental Protection under a Report on Environmental Impact of Construction Projects (《建設項目環境影響報告表》). In addition, in order to reduce nuisance caused by construction noise, temporary noise barriers are installed in construction sites and construction equipment, such as steam pile driver and drop hammer pile driver, that would produce noise exceeding statutory acceptable level is avoided. Construction work is also prohibited at night and during restricted hours to reduce noise. Furthermore, the Group promotes green construction through planting flowers and trees in the community gardens of its property development projects so as to improve air quality and enrich the landscape of the community.

In relation to the marine travelling business, the Group regularly promotes knowledge of marine protection to tourists. The importance of coral reef conservation is being explained to tourists who participate in diving activities and tourists are also reminded not to touch or step on corals so as to prevent destruction of natural environment and extinction of endangered species. To further promote green community, the Group also grows plants in scenic areas and actively participates in marine protection and promotional activities held by the State Oceanic Administration of the PRC from time to time.

同時，本集團也採取減少使用即棄用品(如即棄餐具及膠樽裝水)的政策，並推行可再用及可回收廢棄物分類的措施，複印機、打印機使用完的若干耗材(如墨盒及碳粉匣)、不能再重用的廢紙及廢棄的電腦等均與其他日常固體廢棄物進行分類，並安排回收。

此外，外出公務活動時，本集團亦安排兩名或以上員工合乘公務車輛，以減低車輛的能源消耗。

環境及天然資源

本集團嚴格遵守《中華人民共和國環境影響評價法》、行政法規及地方政府的其他相關規定，在開始任何物業開發及建設前，本集團對環境可能造成的潛在及／或負面影響進行分析、預測及評估，並就有關結果向環境保護局提交《建設項目環境影響報告表》。此外，為減低施工噪音造成的滋擾，施工地盤均設置臨時噪音屏障，避免使用噪音超出法定可接受水平的蒸汽樁機、錘擊樁機等建築設備，夜間及受限制時段禁止建築施工，以減少噪音影響。除此之外，本集團通過在其物業開發項目的社區花園栽種花草樹木，推動綠化建設，從而改善社區空氣質素，豐富社區景觀。

在海上旅遊業務方面，本集團定期向遊客宣傳海洋保護知識。在遊客進行潛水活動前，活動的解說員向遊客解釋珊瑚礁保護的重要性，也會提醒遊客不要觸摸和踩踏珊瑚，避免對自然環境造成破壞，以及導致瀕危物種滅絕。為進一步推動綠色社區，本集團也於景區培植植物，並積極參與由國家海洋局不時舉辦的海洋保護宣傳活動。

SOCIAL

Employment

Human resources are fundamental to the sustainable development of a company. In 2016, the Group employed a total of 331 employees, of which 14 were based in Hong Kong and 317 were based in the PRC, and 177 were male and 154 were female. During the Year, a total of 45 employees joined the Group.

The Group has a clear employment policy, remuneration and benefit system, reward and punishment management system and code of conduct. It strictly complies with applicable national and local laws and regulations regarding employment matters. Duties and qualifications of each position of the Group are carefully defined so as to provide a guideline on staff recruitment. In relation to staff recruitment, the Group adopts a set of high-transparency recruitment procedures. Preliminary screenings are first conducted by the Human Resources Department of the Group. Candidates will then be invited to participate in written tests, interviews and personality tests. Thereafter, candidates are required to attend professional tests being conducted by relevant departments and the suitable candidate will eventually be chosen after being interviewed by the Company's management team.

To attract and retain talents, the Group offers competitive remuneration package and links the value of the position with the remuneration so as to achieve "same rank same remuneration". The Group strives to achieve "Pay for Position, Pay for Ability and Pay for Performance".

Moreover, the Group provides its employees with different promotion opportunities. Other than evaluating abilities of and granting promotion to employees with reference to their daily work performance and annual performance appraisals, the Group optimizes employees' career development in accordance with the characteristics of different positions and implemented a two-way career development model by allowing the employees to develop their career either along the management rank or along the professional technical path according to their own wishes and preferences.

The Group offers comprehensive employee benefits including social insurance, housing provident fund and Mandatory Provident Fund. The Group places emphasis on work-life balance, in which employees work for an average of 40 hours per week and are entitled to paid leaves including marriage leave, maternity leave and compassionate leave, etc. The Group also organizes activities for employees from time to time such as birthday parties, spring and autumn tours, sports activities and learning corners to enrich the lives of and strengthen the sense of belonging among employees.

The Group respects equality and acts impartially regardless of sex, age, race, disability, marital and family status. All employees share equal opportunities in respect of recruitment, career development and promotion. During the Year, the Group did not receive any report on discrimination.

社會

僱傭

人力資源是企業可持續發展的根本保障，二零一六年，本集團共僱用331名員工，其中，14名受僱於香港，317名受僱於中國，177名男性員工，154名女性員工。本年度，共有45名員工加入本集團。

本集團設有清晰的招聘政策、薪酬福利制度、獎懲管理制度和行為守則，並嚴格遵守國家和地方有關僱傭事宜的適用法律法規，細化本集團各崗位的職責和任職資格，為員工聘任提供依據。在人員招聘方面，本集團設有高透明度的招聘程序，應徵者經人力資源部初步篩選後，將參加筆試、面試及性格測試，再經相關部門進行專業測試，最後由本公司管理層進行面試，並選出適當人選。

為吸引和挽留人才，本集團提供具競爭力的薪酬待遇，將崗位價值與薪酬結合，實現同崗同酬，通過薪酬體系建設實現為崗位付薪、為能力付薪及為績效付薪。

另外，本集團為員工提供不同的晉升機會，除參考員工日常工作表現及透過每年的績效評核考核員工的能力並予以晉升外，本集團更針對不同崗位特點優化員工事業發展路徑，通過雙通道發展模式，讓員工按照管理序列或專業技術序列路徑發展事業。

本集團提供完善的員工福利，包括社會保險、住房公積金及強積金等福利。本集團重視工作與生活的平衡，員工平均每週工作40小時，並享有婚假、產假和恩恤假等有薪假期。本集團也不時為員工組織活動，例如：生日會、春秋旅遊、運動會及讀書角，豐富員工生活，加強歸屬感。

本集團尊重平等，不論性別、年齡、種族、殘障、婚姻及家庭狀況，均一視同仁，所有員工於招聘、事業發展和晉升等各範疇均享有平等機會。本年度，本集團沒有接獲任何關於歧視的報告。

Environmental, Social and Governance Report

環境、社會及管治報告

Health and Safety

In line with its people-oriented mission, the Group has placed considerable emphasis on production safety. It promotes production safety to employees through notices and WeChat group of the Company to ensure safe operations. During the Year, the Group did not receive any report on incidents in respect of production safety and/or serious work injury.

To safeguard the employees' personal safety and to provide a safe working environment, the Group established a production safety and management committee which is responsible for monitoring all production safety matters in the Group. In addition, the Group has formulated production safety management measures and contingency plans in respect of production safety incidents and its subsidiaries are required to place importance on six areas, including education and training, troubleshooting, cost management, emergency rescue, information delivery, incident investigation and handling. Furthermore, achievement of production safety is one of the assessing criteria in the annual operating performance appraisal of all general managers of its subsidiaries and is being linked with the "Pay for Performance" element in the Group's remuneration policy in order to ensure the implementation of various rules and regulations.

The Group requests its staff to put on their safety helmets when attending construction sites. A site safety management leading team is established in Zhucheng Phoenix and Dafeng Development to formulate fire safety working plans in all construction sites. Staff trainings on fire safety and fire drills are also held on a regular basis.

With regards to marine travelling, the Group arranges at least two emergency drills, including marine rescue and rescue in scenic areas, every year for employees working in hotel and/or operating marine travelling facilities. In addition, the Group has adopted stringent fire safety measures such as annual inspection of fire safety equipment, and employees who are engaged in special types of work, including electricians of engineering department, repairmen of shipping department, kitchen workers and dish cleaners of food and beverage department, are required to use certain protective tools as provided when carrying out their routine job duties. Production safety conferences are conducted regularly for immediate rectification and timely troubleshooting in respect of the issues discovered during safety inspections.

The Group always regards the healthcare of employees as one of the major tasks in maintaining a harmonious enterprise. To strengthen the protection for employees and avoid work injuries and disease, the Group organizes annual body checks for employees to demonstrate its care towards the employees.

健康與安全

本集團本著「以人為本」的宗旨，高度重視安全生產工作。通過通告、公司微信群組向員工宣傳安全生產，確保安全操作。本年度，本集團沒有錄得任何關於安全生產及／或重大工傷事故的報告。

為保障員工人身安全，提供安全工作環境，本集團成立了安全生產管理委員會，負責監察集團內的各項安全生產事宜。此外，本集團已制定安全生產管理辦法和安全生產事故緊急預案，從教育培訓、隱患排查、費用管理、應急救援、信息報送、事故調查和處理等六方面對各附屬公司提出要求，並將安全生產工作納入各附屬公司總經理的年度經營業績考核中，作為考核因素之一，與本集團薪酬政策中的績效薪金因素掛鉤，以確保各規章制度得以落實。

本集團要求在工地施工的人員必須佩帶安全帽，且諸城鳳凰及大豐開發特設工地安全管理領導小組，為所有工地施工制定消防安全工作計劃，及定期為員工舉辦消防安全培訓和消防演練。

在海上旅遊方面，本集團每年最少安排兩次酒店及／或營運海上旅遊設施的員工參與海上救生、遊區救生等各項緊急演習。此外，本集團設有嚴謹消防安全措施，如每年進行消防設備檢查、工程部電工、船務部維修工、餐飲部廚工和洗碗工等從事特殊工種的員工在履行日常職責時須使用提供的若干防護工具、定期組織安全生產會議，針對安全檢查中發現的問題立即整改，及時排查隱患。

本集團始終把關愛員工的健康視為建設和諧企業的一項重點工作，為加強對員工的保障，避免造成與工作相關的傷病，本集團每年組織員工健康體檢，以實際行動關心員工。

Environmental, Social and Governance Report

環境、社會及管治報告

Development and Training

The Group has laid a major focus on the retention and cultivation of talents and has proactively promoted staff training. Through the combination of internal and external trainings and the promotion of the Group's philosophy of continuous learning, the Group has created an active learning atmosphere and unlocked employees' potentials which in turn fosters the development and innovation of the Group.

In this regard, the Group formulates training and management plan at the beginning of each year with an aim to provide staff with comprehensive trainings, including orientation trainings for new personnel, safety knowledge trainings, trainings on business topics, exchange activities, language courses, law and financial professional trainings. Employees also participate in trainings held by local trade unions and/or regulatory authorities from time to time.

During the Year, the Group's employees at all levels have participated in over 20 training courses with a total of approximately 500 training hours. Each of the employees has undergone trainings of approximately 1.5 hours on average.

Labour Standards

All PRC subsidiaries of the Group strictly comply with the employment law of the PRC and are prohibited to employ forced labour or child labour. During the Year, the Group did not receive any reported case in this regard.

Supply Chain Management

The Group strives to maintain and develop long-term and close relationship with upstream and downstream customers and business partners. The Group establishes supplier evaluation systems through standardized tender and bidding procedures to ensure there is a fair and transparent selection of contractors and suppliers. The Group does not only consider the competitiveness of quotation, but also evaluates the quality of the relevant products and services under the supplier evaluation systems. Regular evaluations in respect of the standard and performance of the products and services provided by contractors and suppliers are conducted to ensure compliance with the relevant standard. Provisions for environmental protection are incorporated into certain contracts, requesting contractors and/or suppliers to strictly observe the requirements of environmental protection when performing their contractual obligations.

發展及培訓

本集團非常注重人才的儲備與提升發展，積極推動員工的培訓工作。通過內部與外部培訓相結合，倡導不斷學習的理念，創造積極的學習氣氛，激發員工的潛能，推進本集團的發展創新。

及此，本集團每年年初均制定培訓管理計劃，旨在為員工提供廣泛的培訓，包括：新員工入職培訓、安全知識培訓、業務專題培訓、交流活動、語言課程、法律及金融專業培訓等。員工也不時參加由當地工會及／或監管機構舉行的培訓活動。

本年度，本集團各級員工參與超過20個培訓課程，培訓總時數達約500小時，每名員工接受平均約1.5小時培訓。

勞工準則

本集團各中國附屬公司均嚴格遵守中國勞工法例，嚴禁在任何情況下聘請強迫勞工或童工。本年度，本集團沒有就此接獲任何呈報個案。

供應鏈管理

本集團致力與上下游客戶及業務夥伴維持及建立長久、緊密的關係。本集團設有有關供應商評估制度，通過標準化的招投標流程，確保甄選承包商及供應商的過程公正透明。根據供應商評估制度，本集團除考慮報價的競爭性，還會定期對承包商及供應商的產品及服務標準的表現進行評估，評審相關產品及服務的質素，以確保承包商及／或供應商符合標準。此外，本集團更在部份合同附設環保條款，要求承建商及／或供應商在履行合同責任的同時也嚴格遵守環保的要求。

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

Product Responsibility

Health and Safety of Products and Services

The Group is committed to providing customers with quality products and services. It actively enriches the types of projects involved in the businesses of property development, bulk commodity and marine travelling and improves the quality of its products and services to secure new customers and strengthen relationship with existing customers.

Product safety is the upmost concern of the Group. The Group strictly abides by the national laws and regulations in relation to production safety of construction projects and regulates construction procedures and processes. Relevant qualifications or operation certificate(s) are required for those who are in specialised positions and those who operate specialised equipment. Various procedures of check and acceptance are arranged before delivery of products. Timely rectification measures are also carried out when quality problems are found.

In respect of the hotel and marine travelling business of the Group, it has always been the Group's priority in ensuring the safety of the tourists. The Undersea World Hotel has a safety department and security staff who are responsible for carrying out patrol in the hotel and safety inspection for kitchen and firefighting equipment, as well as cooperating with the police and firefighting departments, assisting in fire control training and screening of guest list, etc. to ensure the safety of the hotel and tourists. With regards to entertainment facilities on vessels, the captain of each vessel undergoes thorough inspection for all entertainment facilities prior to the commencement of daily operations. Fire safety measures are adopted on all operating vessels and emergency drills are conducted among employees regularly to ensure safe marine travelling. In respect of food management of the hotel, the Group strictly manages and controls food purchase channels, implements certificate and invoice system, establishes purchase ledger and performs morning food inspections. The food safety and supervisory department of the Group further arranges regular inspections for all food processing plants and kitchens to guarantee food safety and hygiene.

Customers' satisfaction is the drive to promote service quality of the Group. The Company establishes a wide spectrum of communication channels including telephone hotlines, company website and social media platform to strengthen its communication with customers. During the Year, the Group did not receive any complaint about its products and services.

產品責任

產品和服務的健康與安全

本集團致力向客戶提供優質的產品及服務，積極豐富物業發展，大宗商品及海上遊樂等項目的種類，提升產品及服務的質素，吸引新客戶及強化與現有客戶的關係。

產品安全是本集團首要的考慮，本集團嚴格遵守國家有關建設工程安全生產的法律法規，規範施工流程和工藝，對特殊崗位和特種設備操作人員也要求具備相關資格和設備操作證，產品交付前也安排多項驗收及巡檢，對於發現的質量問題，及時修正。

就本集團的酒店及海上旅遊業務而言，本集團首要的任務是保障遊客的安全。海底世界酒店設有安全部及安全員的編制，負責酒店的巡查及廚房及消防設備的安全檢查，並與警察及消防部門合作，協助消防訓練、過濾住客名單等，確保酒店及遊客安全。針對船上遊樂設施，各船船長每天開始營運前均對所有遊樂設施進行全面檢查，營運船舶均設有消防安全措施，員工定期參與各項緊急演習，確保海上旅遊安全。針對酒店食品管理，本集團嚴格管控採購食品進貨渠道，落實索證索票制度，建立進貨收貨台賬，員工晨檢。本集團的食品安全監管部門更定期安排巡查各食品製造工場和廚房，保證食品安全衛生。

客戶的滿意度是本集團提升服務質量的動力，本公司設立電話熱線、公司網站和社交媒體平台等不同溝通途徑，加強與顧客之間的溝通。本年度，本集團未有接獲任何有關產品及服務的投訴。

Data Privacy and Protection for Intellectual Property Rights

The Group values data privacy and protection for intellectual property rights and incorporates confidentiality provisions in certain existing contracts to avoid information leakage and safeguard customers' privacy. In addition, the Group has enhanced the security of the personal information of the customers of the Undersea World Hotel in strict compliance with applicable administrative requirements of the local hotel industry. Employees' rights of access to customers' personal information must be approved and granted by their respective supervisors/managers so as to avoid unauthorised and improper use of such information. With regards to the protection of intellectual property rights, the Group strictly obeys relevant regulations in its business operations such as the purchase and use of licenced computer software.

Anti-Corruption

The Group strictly implements the administrative measures for its decision-making system of "Three Significances and One Large", in which significant matters, appointment and dismissal of the senior management, significant project arrangements and operations involving large amount of capital funds are subject to decision making by the Board and/or the Executive Committee upon discussion. During the Year, the Group has organized staff trainings on regulatory documents in relation to workplace integrity and self-discipline, staff assessments on anti-corruption awareness as well as participating in relevant anti-corruption trainings held by its controlling shareholder. At the same time, it has improved the awareness of integrity and responsibility through conversations with newly-appointed management and requesting the management to sign a declaration of integrity and self-discipline and incorporating integrity status as one of the assessment criteria of the performance evaluation of all companies.

As regards the property development project, Zhucheng Phoenix and Dafeng Development request all related staff and suppliers participating in tenders to report any possible conflicts of interest. In connection with the finance leasing business, the Group establishes witness system and face-to-face signature system for major contracts. Apart from specifying the information such as bank accounts of the lessees and related contractual amounts in the contracts, the information is verified through telephone conversation and email confirmation to avoid fraud.

資料私隱及保護知識產權

本集團尊重資料私隱及保護知識產權，於部份現有合同中加入有關保密的條款，避免資料泄露，保障客戶私隱。此外，本集團嚴格按照當地酒店業的適用管理要求，加強海底世界酒店客戶個人資料的安全管理，員工若需查閱客戶的個人資料，必須經其各自的主管／經理批准，以避免未經授權及不恰當使用客戶的機密資料。在保護知識產權方面，本集團於業務運營上嚴謹遵守有關條例，如購買及使用正版的電腦軟件。

反貪污

本集團嚴格執行「三重一大」決策制度實施辦法，對重大事項決策、高級管理層的任免、重大項目安排和大額資金運作，均由董事會及／或執行委員會商討後再進行決策。本年度，本集團就工作間廉潔自律的法規文件組織員工培訓活動，進行反腐員工評估，並參加控股股東組織的相關反貪污培訓活動，同時，通過對新任職管理層進行任前談話、要求管理層簽署廉潔自律聲明、將廉潔從業情況納入對各公司績效考核的評估標準之一，以提高員工廉潔自律的意識。

針對物業開發項目，諸城鳳凰及大豐開發更要求參與招標的所有相關員工和供應商申報任何可能的利益衝突。在融資租賃業務上，本集團建立了重大合同見證人制度和面簽制度，除於合同上約定承租人的銀行賬戶及相關合同金額等信息外，本集團亦會通過電話對話及電郵確認等方式核實有關信息，避免詐騙的情況。

Environmental, Social and Governance Report

環境、社會及管治報告

Community Investment

Society is an integral part of corporate development. In the course of the Group's development, it has put itself in proactive endeavours in performing social responsibilities, devoting itself to social welfare and promoting positive energy.

During the Year, the Group has organized activities to help the poor including the donation of books to Yanjing Small Swan of School for Children of Workers (燕京小天鵝打工子弟公益學校), Xiaojideng Deaf Children's Rehabilitation Center (小桔燈聾兒康復中心) and Hope Primary School in Poor Mountainous Areas (貧困山區希望小學) in the PRC. Target poverty alleviation, including helping impoverished families due to education level, improving the infrastructure of Xiazhuang village, developing industrial poverty alleviation, was carried out near Xiazhuang village, Sanxiang town, Yiyang County, Henan Province of the PRC and funds and supplies were raised for areas affected by disasters and poverty.

In addition, the Group has established a kindergarten in the developed community of Zhucheng City and donated approximately HK\$936,000 during the Year to the Education Bureau of Zhucheng City for the development of better education. Street hygiene hospital of Longdu of Zhucheng City was invited to carry out health check-ups for residents in the community.

During the Year, Hainan Yalongwan Undersea World Travel Company Limited (海南亞龍灣海底世界旅遊有限公司) and Yalongwan Coral Reef National Nature Reserve (三亞亞龍灣珊瑚礁保護區) had jointly organised a Marine Day campaign (世界海洋日) to clean beaches and garbage under the sea. To contribute to the environment, Zhucheng Phoenix has also provided funding for the construction of a street plaza, with the aim to improve and beautify urban environment.

CONTACT

Your opinion is important to improve the Group's corporate social responsibility and this Report. Please do not hesitate to send us your opinion or suggestion by email at public@hk217.com.

社區投資

企業的發展離不開社會。本集團在發展過程中，積極踐行社會責任，投身於社會公益活動，並宣揚正能量。

本年度，本集團組織了扶貧活動，包括為中國燕京小天鵝打工子弟公益學校、小桔燈聾兒康復中心及貧困山區希望小學捐贈書籍；與中國河南省宜陽縣三鄉鎮下莊村對接實施精準扶貧活動包括幫助因學致貧家庭、改善下莊村基礎設施、開展產業扶貧等；及為受災地區和貧困地區籌集款項和物資。

此外，本集團已在諸城市已開發社區內設立幼兒園，並於本年度向諸城市教育局捐款約港幣936,000元改善教育，及邀請諸城市龍都街道衛生院為社區居民進行健康體檢。

本年度，海南亞龍灣海底世界旅遊有限公司更與三亞亞龍灣珊瑚礁保護區開展世界海洋日活動，共同清潔沙灘及清理海底垃圾。諸城鳳凰也出資建造街邊廣場，旨在改善及美化城市環境，為保護環境出一分力。

聯繫方式

閣下的意見對本集團改善企業社會責任表現及本報告極為重要，歡迎閣下將意見或建議以電郵形式發送至 public@hk217.com。

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

PRINCIPAL BUSINESS

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

RESULTS AND DIVIDENDS

The results of the Group for the Year are set out in the consolidated income statement on page 70 of this annual report.

The Directors do not recommend the declaration of a final dividend for the Year (for the year ended 31 December 2015: Nil).

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

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

SHARE CAPITAL

Details of share capital of the Company are set out in note 39 to the financial statements.

During the Year, the trustee of the share award scheme of the Company ("Share Award Scheme") purchased an aggregate of 7,670,000 existing shares of the Company on the Stock Exchange for the purpose of the Share Award Scheme at an aggregate consideration of approximately HK\$4,480,000.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Year.

DISTRIBUTABLE RESERVES

Details of the movements in the reserves of the Group for the Year are set out in the consolidated statement of changes in equity on pages 74 to 75 of this annual report.

Details of the movements in the reserves of the Company for the Year are set out in note 41 to the financial statements.

As at 31 December 2016, the Company had approximately HK\$65,398,000 distributable reserve as calculated under Sections 291, 297 and 299 of the Companies Ordinance (31 December 2015: HK\$0).

本公司董事茲提呈本公司本年度之年報及經審核綜合財務報表。

主要業務

本公司之主要業務為投資控股。其主要附屬公司之主要業務載於財務報表附註18。

業績及股息

本集團本年度之業績載於本年報第70頁之綜合收益表中。

董事不建議就本年度宣派末期股息(截至二零一五年十二月三十一日止年度：無)。

物業、廠房及設備以及投資物業

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

股本

本公司股本之詳情載於財務報表附註39。

於本年度，本公司股份獎勵計劃(「股份獎勵計劃」)的受託人以約港幣4,480,000元的總代價在聯交所購買合共7,670,000股本公司現有股份，以用作股份獎勵計劃。

除上文所披露者外，本公司或其任何附屬公司於本年度內概無購買、出售或贖回本公司任何上市證券。

可供分派儲備

本集團於本年度內的儲備變動詳情載於本年報第74至75頁之綜合權益變動表。

本公司於本年度內的儲備變動詳情載於財務報表附註41。

於二零一六年十二月三十一日，按《公司條例》第291、297及299條計算，本公司可供分派儲備約港幣65,398,000元(於二零一五年十二月三十一日：港幣零元)。

DONATIONS

The Group made approximately HK\$936,000 donation for charitable purposes during the Year (2015: Nil).

BUSINESS REVIEW

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

Major Risks and Uncertainties

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

I. Property Development and Property Investment

In recent years, policies in respect of the property industry in the PRC such as macro-economic control, reduction of inventory, the increase in the proportion of first installment payable for initial purchase of properties, limitation of purchase, adjustment to loan interest rates, etc, have greater impact on property development industry. CCT-Champs-Elysees and Chengtong International City, the property development projects held by the Group, are situated in the third and fourth-tier cities in the PRC. Features such as high level of inventory, relatively low and unstable household income, relatively low foreign population, high supply of properties and fierce competition have affected the turnover of the projects. However, with the decrease in land which is available for exploitation in nearby areas of the projects and the positive local brand image of the CCT-Champs-Elysees project built by the Group, the sales volume was stable. In addition, the Group will continue to exit and has pursued to dispose of the land in Dafeng of Jiangsu Province. Therefore, the overall risks were controllable.

II. Finance Leasing

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

III. Bulk Commodity Trading

National policies of the PRC such as environmental protection, limitation on coal production, etc. have greater impact on bulk commodity trading prices and market changes. In addition, the influence of seasonality and climate resulted in the instability of the prices of bulk commodity trade. Once there is a drop in the prices, the turnover of the Group would easily be affected. In the future, the Group will exercise an extensive control the business model of bulk commodity trade to reduce the risks.

捐款

於本年度內，本集團作出慈善目的的捐款約港幣936,000元（二零一五年：無）。

業務回顧

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

主要風險及不確定因素

本集團的業績及業務營運受多個因素影響，主要風險概述如下：

一. 物業發展及物業投資

近年中國對房地產行業的宏觀調控、去庫存、提高首次購置房屋所需支付的首期比例、限購、貸款利率調整等政策，對物業發展行業影響較大。而本集團持有的物業發展項目誠通香榭里及誠通國際城均位於中國三、四線城市，存在庫存高、居民收入較低且不穩定、外來人口較少、樓盤多、競爭激烈等特點，影響項目的銷售額，但隨著項目附近地區可供開發的土地減少且本集團的誠通香榭里項目在當地已建立良好品牌形象，銷售穩定。同時，本集團仍擇機退出並計劃出售江蘇省大豐市土地。整體風險可控。

二. 融資租賃

本集團的融資租賃項目主要集中在地方政府基礎設施及公用事業的售後回租，業務及客戶類型較單一，集中風險將對本集團的盈利能力產生影響。本集團已制定融資租賃項目的篩選標準及內部監控措施。未來，將積極探索多種業務模式、拓展業務管道，分散風險。

三. 大宗商品貿易

中國國家政策如環境保護，限制煤炭產量等對大宗商品貿易價格及市場變化影響較大，加上季節性、氣候性的影響，造成大宗商品貿易價格不穩定，一旦價格出現下滑，容易對本集團的營業額產生影響。未來，本集團將加強對大宗商品貿易的業務模式的監控，以減低風險。

IV. Hotel and Marine Travelling Services

As the society was under the economic new normal, most industry was at a low ebb. Tourism industry, however, experienced a growth against the trend and more enterprises and capital entered into the tourism industry, while the competition in respect of the traditional products reached a climax.

In addition, the marine travelling business is subject to the weather, and adverse weather may affect the number of business days of tourism projects and the profitability. Going forward, the Group will pay attention to opportunities from other quality tourism resources and timely update products and facilities according to the market changes, in order to maintain the market competitiveness of its hotel and marine travelling business.

V. Economy

The business of the Group is concentrated in the PRC, and therefore, the Group would suffer from the risks arising from foreign currency, mainly due to its holding of assets and liabilities denominated in RMB. The fluctuation of exchange rate would have an impact on the results of the Group. In addition, the fluctuation of global economy and capital markets as well as the slowdown of global economy may also result in a decrease in demand of clients for business of its the Group.

Compliance with Laws and Regulations

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

I. Property Development and Property Investment

Zhucheng Phoenix and Dafeng Development, the subsidiaries of the Company, are principally engaged in property development and property investment business. During the Year and up to the date of this report, the Group has been in compliance with the laws and regulations in Mainland China that have a significant impact on its property development and property investment business, including: the Law on the Administration of Urban Real Estate (Order No. 18 of the President) (《城市房地產管理法》(主席令第18號)), the Administrative Regulations on Development and Operation of Urban Real Estate (Order No. 588 of the State Council) (《城市房地產開發經營管理條例》(國務院令第588號)), the Law on Land Administration (Order No. 28 of the President) (《土地管理法》(主席令第28號)), the Law on Urban and Rural Planning (Order No. 23 of the President) (《城鄉規劃法》(主席令第23號)), and judicial interpretations, other regulations, local regulations and regulatory documents issued or promulgated according to or in relation to these laws and regulations. These laws and regulations aim to strengthen the management of urban real estate, maintain the order of real estate market, protect the legitimate rights and interests of the parties interested in the real estate, and regulate the construction of infrastructure and housing on the state-owned land within the urban planning area as well as the transfer of real estate development projects or the sale or leasing of commercial housing conducted by real estate development enterprises.

四. 酒店和海上旅遊服務

由於社會正值經濟新常態，多數行業都面臨嚴冬，但旅遊業逆勢上揚，導致更多的企業和資金進入旅遊行業，傳統產品競爭進入白熱化階段。

另外，海上旅遊業務的經營受天氣影響，惡劣天氣狀況將可能影響旅遊項目的營運天數及盈利狀況。未來，本集團將關注取得其他優質旅遊資源的機會，根據市場變化及時進行產品及設施更新，以保持其酒店及海上旅遊業務的市場競爭力。

五. 經濟

本集團的業務集中在中國，因此，本集團主要因其持有之人民幣資產及負債而承受外幣風險，匯率波動將可能對本集團的業績產生影響。另外，全球經濟和資本市場波動及環球經濟放緩亦可導致客戶對本集團業務的需求減少。

遵守法律及規例

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

一. 物業發展及物業投資

本公司附屬公司諸城鳳凰及大豐開發主要從事物業發展及物業投資業務。於本年度內及截至本報告日期，本集團已遵守對其物業發展及物業投資業務具有重大影響的中國內地法律及法規，包括：《城市房地產管理法》(主席令第18號)、《城市房地產開發經營管理條例》(國務院令第588號)、《土地管理法》(主席令第28號)、《城鄉規劃法》(主席令第23號)以及根據或有關該等法律法規所發出或頒佈的司法解釋、其他規章、地方性法規、規範性文件，該等法律及法規旨在加強對城市房地產的管理，維護房地產市場秩序，保障房地產權利人的合法權益，以及規範房地產開發企業在城市規劃區內國有土地上進行基礎設施建設、房屋建設，並轉讓房地產開發項目或者銷售、出租商品房的行為。

II. Finance Leasing

During the Year and up to the date of this report, the Group has been in compliance with the laws and regulations in Mainland China that have a significant impact on its finance leasing business, including: the Contract Law (Order No. 73 of the President) (《合同法》(主席令第73號)), the Interpretations of the Supreme People's Court on Issues relating to the Application of Laws in the Trial of Disputes over Finance Lease (Court Interpretation [2014] No. 3) (《最高人民法院關於審理融資租賃合同糾紛案件適用法律問題的解釋》(法釋[2014]3號)), and judicial interpretations, other regulations, local regulations and regulatory documents issued or promulgated according to or in relation to these laws and regulations. These laws and regulations aim to protect the legitimate rights and interests of the contractual parties, maintain social and economic order, guide the business activities of the finance leasing industry, promote the economic development of the finance leasing services, and guide the judicial authorities on hearing the contractual disputes in respect of finance leasing.

III. Bulk Commodity Trade

During the Year, the bulk commodity trade business of the Group mainly comprises trading of coal. During the Year and up to the date of this report, the Group has been in compliance with the laws and regulations in Mainland China that have a significant impact on its bulk commodity trade business, including: the Contract Law (Order No. 73 of the President) (《合同法》(主席令第73號)), the Coal Law (Order No. 57 of the President) (《煤炭法》(主席令第57號)), and judicial interpretations, other regulations, local regulations and regulatory documents issued or promulgated according to or in relation to these laws and regulations. These laws and regulations are applicable to coal production and business activities conducted in the territory of the PRC and other sea area under the jurisdiction of the PRC, as well as to regulate the national and industrial standards of the quality of coal and the supervision and management in the coal industry and the standards of punishment for violation of relevant laws.

二. 融資租賃

於本年度內及截至本報告日期，本集團已遵守對其融資租賃業務具有重大影響的中國內地法律及法規，包括：《合同法》(主席令第73號)、《最高人民法院關於審理融資租賃合同糾紛案件適用法律問題的解釋》(法釋[2014]3號)以及根據或有關該等法律法規所發出或頒佈的司法解釋、其他規章、地方性法規、規範性文件，該等法律及法規旨在保護合同當事人的合法權益，維護社會經濟秩序，指導融資租賃行業的經濟活動，促進融資租賃服務實體經濟發展，以及指引司法機關審理融資租賃合同糾紛。

三. 大宗商品貿易

於本年度內，本集團的大宗商品貿易業務主要來自煤炭貿易。於本年度內及截至本報告日期，本集團已遵守對其大宗商品貿易業務具有重大影響的中國內地法律及法規，包括：《合同法》(主席令第73號)、《煤炭法》(主席令第57號)以及根據或有關該等法律法規所發出或頒佈的司法解釋、其他規章、地方性法規、規範性文件，該等法律及法規適用於中國領域和中國管轄的其他海域從事煤炭生產及經營活動，以及規範煤炭品質之國家、行業標準、煤炭行業的監督管理及違反相關法律的處罰標準。

IV. Hotel and Marine Travelling Services

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

The Group has established various management systems and measures such as internal control and staff training to ensure the compliance with laws and regulations in relation to the Group's business and operation. As of 31 December 2016 and the date of this report, no material breach of laws and regulations that has a material impact on the Group's business and operation was noted by the Group.

Major Customers and Suppliers

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

During the Year, the aggregate amount of turnover attributable to the five largest customers represented approximately 52% of the Group's total turnover. Sales to the largest customer accounted for approximately 15% of the Group's total turnover. The five largest customers come from the bulk commodity trade business. The Group normally grants credit terms to its customers according to industry practice together with consideration of their creditability and repayment history. The credit period granted to customers of bulk commodity trade business ranged from 30 days to 45 days (2015: 0 day to 45 days). As of 31 December 2016, trade receivables of approximately HK\$63.68 million was recorded. The Group has not provided for impairment loss on trade receivables as the Directors are of the view that trade receivables can be fully recovered. In addition, the Directors consider that there is no significant risk associated with reliance on major customers. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management.

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

四. 酒店和海上旅遊服務

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

本集團已建立各項管理制度，同時通過內部監控、員工培訓等多項措施，確保遵守與本集團業務及營運相關的法律及法規。截至二零一六年十二月三十一日及本報告日期，本集團並不知悉任何法律及法規的重大違反事項會對本集團的業務及營運造成重大影響。

主要客戶及供應商

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

於本年度，五大客戶合共所佔之營業額佔本集團營業總額約52%，其中最大客戶之銷售額佔本集團營業總額約15%。該五大客戶主要來大宗商品貿易業務，本集團一般根據行業慣例及考慮客戶之信譽及還款記錄給予客戶除賬期，本集團給予大宗商品貿易業務客戶30天至45天之除賬期(二零一五年：0天至45天)。截至二零一六年十二月三十一日，本集團的貿易應收款項為約港幣63,680,000元。董事認為貿易應收款可全數收回，因此並無對貿易應收款提供減值虧損。此外，董事認為本集團沒有依賴主要客戶的相關重大風險。本集團將對未償還應收款項保持嚴格控制，高級管理層亦定期對逾期款項進行審閱。

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

Directors' Report 董事會報告

During the Year, the aggregate amount of purchases (which means the amount of purchases included in the costs of sale but does not include purchases of items which are of a capital nature) attributable to the five largest suppliers represented approximately 66% of the Group's total purchases. Purchases from the largest supplier accounted for approximately 29% of the Group's total purchases. The five largest suppliers mainly came from the bulk commodity trade business. As of 31 December 2016, trade payables of approximately HK\$22.25 million was recorded, of which approximately HK\$18.67 million was due within one year. The Group has established a supplier evaluation system with standardized tender and bidding procedures for the selection of suppliers. The Directors consider that there is no significant risk associated with reliance on major suppliers.

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

Human Resources and Emolument Policy

As at 31 December 2016, the Group employed a total of 331 employees (as at 31 December 2015: 316), of which 14 were based in Hong Kong (as at 31 December 2015: 13) and 317 were based in Mainland China (as at 31 December 2015: 303). Employee's remunerations are determined in accordance with their experiences, competence, qualifications and nature of duties, and current market trend so as to maintain its competitiveness. Apart from the basic salary, discretionary bonus and other incentives are offered to employees by the Group to reward their performance and contributions. The emoluments of the Directors are decided by the Remuneration Committee, having regard to the Company's corporate goals, the individual performance of the Directors and comparable market statistics. The Company has adopted a share option scheme ("**Share Option Scheme**") under which the Company may grant options to Directors and eligible employees to subscribe for shares of the Company. The Group has also adopted the Share Award Scheme under which shares of the Company will be awarded, with the approval of the Board, to selected employees to recognise their contribution and to give them incentives thereto in order to retain them for the continual operation and development of the Group and attract suitable personnel for the growth and further development of the Group. Details of the Share Option Scheme and the Share Award Scheme of the Company are set out in the section headed "Equity-linked Agreements" in this report.

Further discussion and analysis of the other aspects of the business review as required by Schedule 5 to the Companies Ordinance, including but not limited to the key relationships of the Group with its employees, customers and suppliers, and the Group's environmental policies and performance, is set out in the ESG Report of the Company on pages 39 to 48 and the section headed "Management Discussion and Analysis" set out on pages 6 to 20 of this annual report. Such discussion forms part of this directors' report.

於本年度，五大供應商合共所佔之採購額(指計入銷售成本之採購額，但不包括資本性質之採購項目)佔本集團採購總額約66%。最大供應商之採購額佔本集團採購總額約29%。該五大供應商主要來自大宗商品貿易業務。截至二零一六年十二月三十一日，本集團的貿易應付款項為約港幣22,250,000元，其中約港幣18,670,000元為於一年內到期。本集團設有供應商評估制度，以標準化的招標及投標流程甄選供應商。董事認為本集團沒有依賴主要供應商的相關重大風險。

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

人力資源及薪酬政策

於二零一六年十二月三十一日，本集團共僱用331名僱員(於二零一五年十二月三十一日：316名)，其中14名(於二零一五年十二月三十一日：13名)受僱於香港，317名(於二零一五年十二月三十一日：303名)受僱於中國大陸。員工薪酬乃根據彼等經驗、技能、資格及職責性質釐定，並依從目前市場趨勢以保持競爭力。除基本薪酬外，本集團向僱員發放酌情花紅等獎勵以表揚彼等之表現及貢獻。董事之薪酬由薪酬委員會經參考本公司企業目標、個別董事之表現及可比較市場統計數字釐定。本公司採納了一份購股權計劃(「**購股權計劃**」)，據此可向董事及合資格僱員授出購股權以認購本公司股份。本集團亦已採納一項股份獎勵計劃，據此，經董事會批准，可向經甄選僱員授出本公司股份，作為認同彼等的貢獻並予以獎勵之措施，以留聘彼等為本集團之持續經營及發展以及吸引合適人才為本集團之成長及進一步發展效力。有關本公司購股權計劃及股份獎勵計劃的詳細資料載於本報告標題為「股票掛鈎協議」一節。

按照《公司條例》附表5要求對業務回顧之其他方面的進一步討論及分析，包括但不限於本集團與僱員、顧客及供應商的重要關係，及本集團的環境政策及表現，載於本年報第39至48頁本公司的「環境、社會及管治報告」及第6至20頁「管理層討論與分析」一節中。該討論為本「董事會報告」的一部份。

DIRECTORS

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

Executive directors

Mr. YUAN Shaoli (*Chairman*)
Mr. WANG Hongxin (*Managing Director*)
Mr. WANG Tianlin
Mr. ZHANG Bin

Independent non-executive directors

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

The biographies of the Directors are set out on pages 21 to 24 of this annual report.

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

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

DIRECTORS OF SUBSIDIARIES

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

PERMITTED INDEMNITY PROVISION

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

董事

於本年度期間及截至本董事會報告日期之董事如下：

執行董事

袁紹理先生(主席)
王洪信先生(董事總經理)
王天霖先生
張斌先生

獨立非執行董事

常清教授
李萬全先生
何佳教授

董事履歷載於本年報第21至24頁。

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

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

附屬公司的董事

於本年度及截至本報告日期，上述提及的執行董事各自在全部或部份本公司的附屬公司中擔任董事職務。在香港及英屬維爾京群島註冊成立的本公司附屬公司的其他董事包括李舒放、張永青、陳紹基及丁煥華。在中國註冊成立的本公司附屬公司的其他董事包括李雲、閻寧、劉培鴻、倪向榮、張永青、焦中林、鄭海籌、褚國棟、利良斌及黃文豐。

獲准許的彌償條文

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

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

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

COMPETING INTEREST

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

MANAGEMENT CONTRACTS

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

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

As at 31 December 2016, Directors and chief executive of the Company who had any interests and short positions in the shares, underlying shares and debentures of the Company and any of its associated corporations as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code are as follows:

Long Position

Name of Director 董事姓名	Interest in the Company or its associated corporation 於本公司或其相關法團的權益	Nature of interest 權益性質	Class of shares 股份類別	Number of shares 股份數目	Approximate percentage of issued share capital 已發行股本的概約百分比
Yuan Shaoli 袁紹理	The Company 本公司	Beneficial owner 實益擁有人	Ordinary 普通	300,000 (Note) (附註)	0.0052%
Wang Hongxin 王洪信	The Company 本公司	Beneficial owner 實益擁有人	Ordinary 普通	600,000 (Note) (附註)	0.0103%
Wang Tianlin 王天霖	The Company 本公司	Beneficial owner 實益擁有人	Ordinary 普通	400,000 (Note) (附註)	0.0069%
Zhang Bin 張斌	The Company 本公司	Beneficial owner 實益擁有人	Ordinary 普通	300,000 (Note) (附註)	0.0052%

Note: These are the shares awarded to the Directors under the Share Award Scheme on 22 June 2012.

董事之交易、安排及合約權益

於本年度末或本年度期間內任何時間，董事或與董事相關的實體並無存續任何與本公司、或其任何控股公司、附屬公司或旗下附屬公司所訂立或作出的擁有重大權益（不論直接或間接）之交易、安排或重大合約。

競爭權益

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

管理合約

本年度內概無訂立或存在與本公司全部或任何重大部份業務有關的管理及行政合約。

董事及行政總裁持有股份、相關股份及債券之權益及淡倉

於二零一六年十二月三十一日，本公司各董事及主要行政人員於本公司及其相聯法團之股份、相關股份及債券擁有根據證券及期貨條例第352條須予存置之登記冊記錄；或根據標準守則須知會本公司及聯交所之權益及淡倉如下：

好倉

附註：該等股份為於二零一二年六月二十二日根據股份獎勵計劃獎勵給董事的股份。

Apart from the foregoing, as at 31 December 2016, none of the Directors nor the chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As at 31 December 2016, the following persons, other than a Director or chief executive of the Company, had interests or short positions in the issued shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Long Position

Name of shareholder 股東名稱	Nature of interest 權益性質	Class of shares 股份類別	Number of shares 股份數目	Approximate percentage of issued share capital of the Company 約佔本公司已發行股本百分比
World Gain	Beneficial owner (Note) 實益擁有人(附註)	Ordinary 普通	2,980,876,119	51.32%
CCHK 誠通香港	Controlled corporation (Note) 受控制法團(附註)	Ordinary 普通	2,980,876,119	51.32%
CCHG 誠通控股	Controlled corporation (Note) 受控制法團(附註)	Ordinary 普通	2,980,876,119	51.32%

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

Save as disclosed above, as at 31 December 2016, no other person, other than a Director or chief executive of the Company, had any interest or short position in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

除上文所披露者外，於二零一六年十二月三十一日，概無本公司董事及主要行政人員於本公司或其任何相聯法團之股份、相關股份及債券中登記任何根據證券及期貨條例第352條須登記之權益或淡倉，或根據標準守則須另行知會本公司及聯交所之權益或淡倉。

主要股東持有股份及相關股份之權益及淡倉

於二零一六年十二月三十一日，根據本公司按照證券及期貨條例第336條須存置之主要股東登記冊顯示，以下人士(本公司董事或行政總裁除外)已通知本公司其於本公司已發行股份及相關股份之權益或淡倉：

好倉

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

除上文所披露外，於二零一六年十二月三十一日，概無任何其他人士(本公司董事或行政總裁除外)於本公司的股份及相關股份中擁有記錄於本公司根據證券及期貨條例第336條須存置之登記冊的權益或淡倉。

EQUITY-LINKED AGREEMENTS

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

Share option scheme

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

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

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

股票掛鈎協議

本公司於本年度內訂立或於本年度末有效的股票掛鈎協議詳情載列如下：

購股權計劃

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

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

在所有根據購股權計劃及本集團任何其他購股權計劃將授出的購股權獲行使後可供配發及發行，且於購股權計劃獲採納當日不得超過本公司已發行股份總額10%的本公司股份總數為484,073,477股，佔本公司於本報告日期已發行股本約8.33%。根據購股權計劃及本集團任何其他購股權計劃所有已授出而尚未行使的未兌現購股權獲行使後可供配發及發行的股份最大數額不得超過本公司（或附屬公司）不時發行的已發行股本總額的30%。

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

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

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

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

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

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

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

Share award scheme

The Company has adopted the Share Award Scheme on 25 April 2012 ("**Adoption Date**"). The purposes of the Share Award Scheme are to recognise the contribution by certain selected employees and to give selected employees incentives thereto in order to retain them for the continual operation and development of the Group and attract suitable personnel for the growth and further development of the Group.

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

購股權計劃項下授出的購股權可於授出之日起21日內於接受所授出的購股權後匯款支付港幣1元作為授出購股權的代價而被接納。此期間內，董事會可按其絕對酌情權決定行使購股權，惟該期間不得超過授出日期10年。

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

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

有關購股權計劃的更多詳情，請參閱本公司日期為二零一三年五月二十八日的通函。

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

附註：根據二零一四年三月三日生效的《公司條例》，本公司股份已不再有賬面值。

股份獎勵計劃

本公司於二零一二年四月二十五日(「**採納日期**」)採納股份獎勵計劃。股份獎勵計劃的目的乃確認本集團若干經甄選僱員的貢獻並予以獎勵，以留聘彼等為本集團的持續經營及發展，以及吸引合適人才為本集團的成長及進一步發展效力。

Directors' Report 董事會報告

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

The Board shall not make any further award which will result in the total number of ordinary shares awarded by the Board under the Share Award Scheme representing in excess of 1% of the issued shares of the Company as at 31 March 2012 (being 41,634,522 shares) unless the Board otherwise decides. Unless terminated earlier or extended by the Board in accordance with the Share Award Scheme rules, the Share Award Scheme operates for five years commencing on the Adoption Date.

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

Please refer to the announcement of the Company dated 25 April 2012 for more details of the Share Award Scheme.

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

RMB DENOMINATED BONDS

In May 2014, the Company issued corporate bonds with a principal amount of RMB600,000,000 and with a fixed interest rate at 4% per annum for a term of 3 years.

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

除董事會另行決定者外，董事會不得作出將會導致董事會根據股份獎勵計劃所獎勵普通股總數超過本公司於二零一二年三月三十一日已發行股本之1%(即41,634,522股股份)的任何進一步獎勵。除非董事會根據股份獎勵計劃規則提前終止或延續，否則股份獎勵計劃自採納日期起計運作五年。

於本年度，本公司概無根據股份獎勵計劃授出股份獎勵。

有關股份獎勵計劃的進一步詳情，請參閱本公司日期為二零一二年四月二十五日的公告。

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

人民幣債券

於二零一四年五月，本公司發行了本金額人民幣6億元的公司債券，固定年利率為4%，期限為3年。

CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS

Continuing Connected Transactions

On 6 August 2015, the Company and 誠通財務有限責任公司(unofficial English translation being China Chengtong Finance Corporation Ltd.) (“**Chengtong Finance**”) entered into a financial services agreement (“**Financial Services Agreement**”), pursuant to which Chengtong Finance agreed to provide the Group with a range of financial services (including deposit services, loan services and other financial services) for a term commencing from 9 November 2015 to 31 December 2017, subject to the terms and conditions contained in the Financial Services Agreement. As Chengtong Finance is a subsidiary of CCHG, which is the ultimate controlling shareholder of the Company, Chengtong Finance is therefore a connected person of the Company within the meaning of the Listing Rules and the transactions contemplated under the Financial Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The interest rates payable by Chengtong Finance to the Group for any deposits made with Chengtong Finance shall (i) be 20%–50% higher than the deposit interest rate prescribed by the The People’s Bank of China for deposits with the same term and of the same type; (ii) not be lower than the interest rates payable by the major commercial banks in the PRC for deposits with the same term and of the same type; and (iii) not be lower than the interest rates offered by Chengtong Finance to any third party for deposits with the same term and of the same type.

The daily balance of the Group’s deposits (including any interest accrued therefrom) with Chengtong Finance for the two years ended 31 December 2015 and 31 December 2016 and the year ending 31 December 2017 shall not exceed an amount equivalent to RMB500 million. Such maximum daily balance of deposits had not been exceeded during the Year. As at 31 December 2016, the deposits placed with Chengtong Finance amounted to approximately RMB382,309,000.

Further details of the Financial Services Agreement are set out in the Company’s announcement dated 6 August 2015 and circular dated 22 October 2015.

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

持續關連交易及關連交易

持續關連交易

於二零一五年八月六日，本公司與誠通財務有限責任公司(「誠通財務」)訂立金融服務協議(「金融服務協議」)，據此，誠通財務同意按協議之條款及條件向本集團提供多種金融服務(包括存款服務、貸款服務及其他金融服務)，期限自二零一五年十一月九日起至二零一七年十二月三十一日止。由於誠通財務為本公司最終控股股東誠通控股的附屬公司，因此，誠通財務為上市規則項下本公司之關連人士，且金融服務協議項下擬進行之交易構成上市規則第14A章項下本公司之持續關連交易。

誠通財務就任何存放於誠通財務存款應向本集團支付的利率須(i)比中國人民銀行於同一期間就同一類型存款規定之利率高20%–50%；(ii)不低於中國主要商業銀行於同一期間就同一類型存款支付的利率；及(iii)不低於誠通財務於同一期間就同一類型存款向任何第三方提供的利率。

截至二零一五年十二月三十一日及二零一六年十二月三十一日止兩個年度及截至二零一七年十二月三十一日止年度，本集團在誠通財務的每日存款結餘(包括任何應計利息)不應超過等值人民幣500,000,000元。於本年度內未超過該每日存款結餘。於二零一六年十二月三十一日，存置於誠通財務的存款約為人民幣382,309,000元。

金融服務協議的進一步詳情載於本公司日期為二零一五年八月六日的公告及日期為二零一五年十月二十二日的通函。

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

Directors' Report 董事會報告

The Group's risk management department has conducted reviews on the above continuing connected transactions during the Year. All independent non-executive Directors have also reviewed the findings of the risk management department and confirmed that the above continuing connected transactions have been entered into:

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

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

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

- (a) nothing has come to their attention that causes them to believe that the above continuing connected transactions have not been approved by the Board;
- (b) for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes them to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;
- (c) nothing has come to their attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreement governing such transactions;
- (d) with respect to the aggregate amount of the above disclosed continuing connected transactions, nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have exceeded the annual cap as set by the Company.

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

於本年度內，本集團風險管理部門已審閱上述持續關連交易，所有獨立非執行董事亦已審閱風險管理部門的發現，並確認上述持續關連交易為：

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

董事亦確認本公司已遵守上市規則第14A章的披露規定。

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

- (a) 並無引起彼等注意的任何事項令彼等相信上述該等持續關連交易未獲董事會批准；
- (b) 就本集團提供貨品或服務所涉及的交易，彼等並無注意到任何事項令彼等相信該等交易在所有重大方面未有按照本集團的定價政策進行；
- (c) 並無引起彼等注意的任何事項令彼等相信該等交易在所有重大方面未有按照規管該等交易的相關協議進行；
- (d) 就上述該等已披露的持續關連交易的總金額而言，並無引起彼等注意的任何事項令彼等相信該等已披露的持續關連交易之金額已超出本公司設定的年度上限。

本公司已向聯交所提供核數師函件的副本。

Connected Transactions

(1) On 6 February 2015, 海南寰島酒店旅遊投資有限公司 (unofficial English translation being Hainan Huandao Hotel and Travel Investment Co., Limited) ("**Huandao Hotel Investment**"), a wholly-owned subsidiary of the Company, as lender, and Huandao Group, as borrower, entered into a loan agreement pursuant to which Huandao Hotel Investment granted a loan in the principal amount of RMB30,000,000 to Huandao Group for a term from 9 February 2015 to 8 February 2016. On 5 February 2016, Huandao Hotel Investment and Huandao Group entered into a loan extension agreement to extend the term of the loan for one year to 8 February 2017. The interest rate for the loan is 10% per annum. Huandao Group is a company established in the PRC and a wholly-owned subsidiary of CCHG, which is the ultimate controlling shareholder of the Company. Huandao Group is an associate of CCHG and therefore is a connected person of the Company. Further details of the loan agreement and the extension are set out in the Company's announcements dated 6 February 2015 and 5 February 2016 respectively.

(2) On 29 March 2016, the Company entered into a guarantee agreement ("**Guarantee Agreement**") with Chengtong Coal, pursuant to which the Company agreed to procure its wholly-owned subsidiary, 誠通發展貿易有限公司 (unofficial English translation being Chengtong Development Trading Company Limited) ("**Chengtong Development Trading**"), to issue a guarantee letter in favour of 廣西壯族自治區高級人民法院 (the Supreme People's Court of Guangxi Zhuang Autonomous Region) ("**Guangxi Court**") and use certain office premises in Beijing which are owned by Chengtong Development Trading with an aggregate gross area of 1,275.06 square metres as a guarantee ("**Guarantee**") to the extent of RMB53,539,767.12 ("**Guaranteed Amount**") for a period of three years in support of a property preservation order issued by the Guangxi Court against certain respondents in a legal proceeding brought by Chengtong Coal in the Guangxi Court. An annual arrangement fee of 1% over the Guaranteed Amount is payable by Chengtong Coal to the Company during the term of the Guarantee.

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

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

關連交易

(1) 於二零一五年二月六日，海南寰島酒店旅遊投資有限公司(「寰島酒店投資」)(本公司全資附屬公司，作為貸方)與寰島集團(作為借方)訂立貸款協議。根據協議，寰島酒店投資向寰島集團授出本金額為人民幣30,000,000元的貸款，貸款期限自二零一五年二月九日起至二零一六年二月八日止。於二零一六年二月五日，寰島酒店投資與寰島集團訂立貸款延期協議，將貸款期限延長一年至二零一七年二月八日。貸款的年利率為10%。寰島集團為一間於中國成立的公司，乃本公司最終控股股東誠通控股的全資附屬公司。寰島集團為誠通控股的聯繫人，故為本公司的關連人士。貸款協議及延期的進一步詳情分別載列於本公司日期為二零一五年二月六日及二零一六年二月五日的公告。

(2) 於二零一六年三月二十九日，本公司與誠通煤業訂立擔保協議(「擔保協議」)，據此，本公司同意促使本公司全資附屬公司誠通發展貿易有限公司(「誠通發展貿易」)向廣西壯族自治區高級人民法院(「廣西法院」)發出擔保函及以誠通發展貿易持有的位於北京之若干辦公物業(佔地面積合共1,275.06平方米)作出以人民幣53,539,767.12元(「擔保金額」)為限的擔保(「擔保」)，為期三年，以支持由廣西法院就誠通煤業於廣西法院提出的一宗司法程序中的若干答辯人而發出的財產保全令。擔保期內誠通煤業應按擔保金額的1%向本公司支付年度安排費用。

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

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

Directors' Report 董事會報告

The Directors confirm that the related party transactions during the Year as disclosed in notes 44(a), 44(d) and 44(e) to the financial statements fall under the definition of “connected transaction” or “continuing connected transaction” (as the case may be) in Chapter 14A of the Listing Rules. The Directors confirm that the Company has, where applicable, complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

The Directors confirm that the related party transactions during the Year as disclosed in notes 44(b) and 44(c) to the financial statements do not fall under the definition of “connected transaction” or “continuing connected transaction” (as the case may be) in Chapter 14A of the Listing Rules.

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

SUFFICIENCY OF PUBLIC FLOAT

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

FINANCIAL SUMMARY

A summary of the Group's results and its assets and liabilities for the Year and the past four financial years is set out on pages 175 to 176 of this annual report.

AUDITOR

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

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

By order of the Board

Yuan Shaoli
Chairman

Hong Kong, 23 February 2017

董事確認，於財務報表附註44(a)、44(d)及44(e)披露的本年度的關連方交易屬於上市規則第14A章內「關連交易」或「持續關連交易」(視情況而定)定義的範圍。董事確認本公司已遵守上市規則第14A章的披露規定(如適用)。

董事確認根據財務報表附註44(b)及44(c)披露的本年度的關連方交易不屬於上市規則第14A章內「關連交易」或「持續關連交易」(視情況而定)定義的範圍。

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

足夠公眾持股量

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

財務概要

本集團本年度及過去四個財政年度之業績以及其資產及負債之概要已載於本年報第175至176頁。

核數師

本年度之本公司綜合財務報表經香港立信德豪會計師事務所有限公司審核。

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

承董事會命

主席
袁紹理

香港，二零一七年二月二十三日

Independent Auditor's Report 獨立核數師報告



Tel : +852 2218 8288
Fax : +852 2815 2239
www.bdo.com.hk

電話 : +852 2218 8288
傳真 : +852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

香港干諾道中111號
永安中心25樓

TO THE MEMBERS OF CHINA CHENGTONG DEVELOPMENT GROUP LIMITED

(incorporated in Hong Kong with limited liability)

致中國誠通發展集團有限公司列位股東 (於香港註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of China Chengtong Development Group Limited (the “**Company**”) and its subsidiaries (together the “**Group**”) set out on pages 70 to 172, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) issued by the HKICPA. Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report. We are independent of the Group in accordance with the HKICPA’s “Code of Ethics for Professional Accountants” (the “**Code**”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

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

意見

我們已審計中國誠通發展集團有限公司(「**貴公司**」)及其附屬公司(統稱「**貴集團**」)載列於第70至172頁之綜合財務報表，該等綜合財務報表包括於二零一六年十二月三十一日之綜合財務狀況表與截至該日止年度之綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表之附註，包括主要會計政策概要。

我們認為，綜合財務報表已根據香港會計師公會(「**香港會計師公會**」)頒佈之香港財務報告準則(「**香港財務報告準則**」)真實而公平地反映 貴集團於二零一六年十二月三十一日之綜合財務狀況以及其截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港公司條例妥為編製。

意見之基礎

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

關鍵審計事項

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

Independent Auditor's Report 獨立核數師報告

Key Audit Matter

Valuation of investment properties

Refer to note 17 to the consolidated financial statements and the accounting policies on note 4.5.

Management estimated the fair value of the Group's investment properties to be HK\$58,934,000 as at 31 December 2016 with a fair value loss for the year ended 31 December 2016 of HK\$80,000 recorded in the consolidated income statement. Independent external valuations were obtained in order to support management's estimates.

Valuations of the Group's investment properties are based on investment method and dependent on certain key assumptions that require significant management judgement, including expected term yield, reversionary yield potential of the property units and the discount rates used. Valuation techniques have been substantially the same as 31 December 2015 and the decrease in fair value mainly relates to the change of discount rates.

How the Matter Was Addressed in our Audit

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

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

We assessed the key assumptions against the available evidence. The fair market rents were assessed by recent renewals and discount rates.

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

關鍵審計事項

投資物業估值

請參閱綜合財務報表附註17及會計政策附註4.5。

管理層估計 貴集團於二零一六年十二月三十一日投資物業之公平值為港幣58,934,000元，截至二零一六年十二月三十一日止年度之公平值虧損港幣80,000元已記入綜合收益表，並獲得獨立外部估值以支持管理層之估計。

貴集團之投資物業估值乃按投資方法作出，並取決於若干需要重大管理判斷之關鍵假設，包括租約期限預期回報率、物業單位潛在復歸回報率及所採用貼現率。估值方法大致與二零一五年十二月三十一日的相同，而公平值減少主要與貼現率變動有關。

我們在審計中之處理方法

我們就管理層之投資物業估值進行之程序包括：

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

我們就現有證據對關鍵假設作出評核，而公平市場租金則由最近更新之租約及貼現率所評核。

其他包含在本年報之資料

董事須對其他資料承擔責任。其他資料包括載於 貴公司年報之資料，惟不包括綜合財務報表及我們之核數師報告。

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

Independent Auditor's Report 獨立核數師報告

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

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

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

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

就我們審計綜合財務報表而言，我們之責任為閱讀其他資料，從而考慮其他資料是否與綜合財務報表或我們在審計過程中獲悉之資料存在重大不符，或似乎存在重大錯誤陳述。倘若我們基於已進行之工作認為其他資料出現重大錯誤陳述，我們須報告有關事實。就此，我們沒有任何報告。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例，編製真實而公平地反映情況之綜合財務報表，及董事釐定對編製綜合財務報表屬必要之有關內部監控，以使該等綜合財務報表不會存在由於欺詐或錯誤而導致之重大錯誤陳述。

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

審核委員會協助貴公司董事履行其監督貴集團財務報告流程之職責。

核數師就審計綜合財務報表須承擔之責任

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

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

Independent Auditor's Report 獨立核數師報告

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

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

在根據香港審計準則進行審計之過程中，我們運用專業判斷，保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險，設計及執行審計程序以應對該等風險，以及獲取充足和適當之審計憑證，作為我們的意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控之情況，因此未能發現因欺詐而導致之重大錯誤陳述風險高於未能發現因錯誤而導致之重大錯誤陳述風險。
- 了解與審計相關之內部監控，以設計適當之審計程序，惟並非旨在對 貴集團內部監控之有效性發表意見。
- 評估董事所採用會計政策之恰當性及作出會計估計和相關披露之合理性。
- 對董事採用持續經營會計基礎之恰當性作出結論，並根據所獲取之審計憑證，確定是否存在與事項或情況有關之重大不確定性，從而可能導致對 貴集團之持續經營能力產生重大疑慮。倘我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中之相關披露。倘有關披露不足，則修訂我們的意見。我們的結論乃基於截至核數師報告日期止所取得之審計憑證。然而，未來事項或情況可能導致 貴集團無法持續經營。
- 評估綜合財務報表之整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就 貴集團內實體或業務活動之財務資料獲取充足及適當之審計憑證，以便對綜合財務報表發表意見。我們負責集團審計之方向、監督和執行。我們為審計意見承擔全部責任。

我們與審核委員會就(其中包括)審計之計劃範圍、時間安排及重大審計發現溝通，該等發現包括我們在審計過程中識別之內部監控之任何重大缺失。

Independent Auditor's Report 獨立核數師報告

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

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

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

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

BDO Limited

Certified Public Accountants

Lui Chi Kin

Practising Certificate Number: P06162

Hong Kong, 23 February 2017

香港立信德豪會計師事務所有限公司

執業會計師

呂智健

執業證書編號：P06162

香港，二零一七年二月二十三日

Consolidated Income Statement

綜合收益表

		Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Turnover	營業額	6	716,559	576,533
Cost of sales	銷售成本		(584,246)	(464,414)
Gross profit	毛利		132,313	112,119
Other income	其他收入	7	98,491	172,953
Selling expenses	銷售費用		(12,320)	(15,222)
Administrative expenses	行政費用		(86,328)	(107,479)
Fair value loss on investment properties	投資物業之公平值虧損	17	(80)	(62)
Fair value gain/(loss) on held-for-trading securities	持作買賣證券之公平值 收益/(虧損)		45	(469)
Excess of fair value of the net identifiable assets over the cost of acquisition of a subsidiary	可識別淨資產公平值於收購一間 附屬公司成本之超額	43	-	5,056
Finance costs	融資成本	8	(32,843)	(40,579)
Profit before income tax	除所得稅前溢利		99,278	126,317
Income tax expense	所得稅開支	9	(31,908)	(49,391)
Profit for the year	年內溢利	10	67,370	76,926
Profit for the year attributable to:	應佔年內溢利：			
Owners of the Company	本公司擁有人		63,804	81,830
Non-controlling interests	非控股權益		3,566	(4,904)
			67,370	76,926
Earnings per share	每股盈利	13		
- Basic	- 基本		HK1.10 cents 港仙	HK1.53 cents 港仙
- Diluted	- 攤薄		HK1.10 cents 港仙	HK1.53 cents 港仙

Consolidated Statement of Comprehensive Income 綜合全面收益表

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Profit for the year	年內溢利	67,370	76,926
Other comprehensive income	其他全面收入		
Items that may be reclassified subsequently to profit or loss:	其後可重新分類至損益之項目：		
Exchange differences arising on translation to presentation currency	折算呈列貨幣產生的匯兌差額	(152,205)	(144,798)
Change in fair value of available-for-sale financial assets	可供出售金融資產之公平值變動	9,894	(3,492)
Total comprehensive income for the year	年內全面收入總額	(74,941)	(71,364)
Total comprehensive income attributable to:	應佔全面收入總額：		
Owners of the Company	本公司擁有人	(69,300)	(57,895)
Non-controlling interests	非控股權益	(5,641)	(13,469)
		(74,941)	(71,364)

Consolidated Statement of Financial Position

綜合財務狀況表

	Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	15	158,713	179,059
Prepaid land lease payments	16	188,949	206,579
Investment properties	17	58,934	58,468
Deposits paid	19	37,027	39,341
Loans receivable	24	353,654	261,493
		797,277	744,940
Current assets			
Properties held for sale	20	159,716	242,917
Properties under development	20	241,042	169,581
Properties held for development	21	276,450	293,728
Inventories	22	6,145	22,922
Trade and other receivables	23	97,879	73,492
Loans receivable	24	309,545	162,969
Amount due from a non-controlling shareholder of a subsidiary	25	21,318	21,641
Loan to a related party	26	36,823	38,888
Prepaid land lease payments	16	5,287	5,414
Entrusted loan receivables	27	7,840	59,140
Available-for-sale financial assets	28	513,130	410,136
Held-for-trading securities	29	1,279	1,234
Short-term investments	30	13,440	16,660
Structured bank deposits	31	–	167,790
Pledged bank deposits	33	1,640	1,737
Deposits in other financial institution	32	428,186	355,650
Bank balances and cash	33	929,903	1,048,218
		3,049,623	3,092,117
Current liabilities			
Trade and other payables	34	127,834	107,333
Deposits received from sale of properties		72,920	53,294
Taxation payable		3,148	2,218
Bank borrowings	35	77,280	–
Unsecured other loan	36	600	600
Corporate bonds	38	667,219	–
		949,001	163,445
Net current assets		2,100,622	2,928,672
Total assets less current liabilities		2,897,899	3,673,612

Consolidated Statement of Financial Position 綜合財務狀況表

		Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	37	73,088	74,608
Corporate bonds	公司債券	38	-	694,757
			73,088	769,365
Net assets	資產淨值		2,824,811	2,904,247
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔之權益			
Share capital	股本	39	2,185,876	2,185,876
Reserves	儲備		501,197	574,992
			2,687,073	2,760,868
Non-controlling interests	非控股權益		137,738	143,379
Total equity	總權益		2,824,811	2,904,247

The consolidated financial statements on pages 70 to 172 were approved and authorised for issue by the board of directors on 23 February 2017 and are signed on its behalf by:

第70頁至172頁的綜合財務報表已於二零一七年二月二十三日由董事會批准及授權發行，並由以下董事代表董事會簽署：

Yuan Shaoli
袁紹理
Director
董事

Wang Hongxin
王洪信
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

	Equity attributable to owners of the Company 本公司擁有人應佔之權益											
	Share capital	Capital reserve	Statutory reserve	Shares held for share award scheme	Employee share-based compensation reserve	Available-for-sale financial assets revaluation reserve	Other reserve	Exchange reserve	Accumulated profits	Total	Non-controlling interests	Total
	股本	資本儲備	法定儲備	為股份獎勵計劃持有之股份	以股份支付的僱員酬金儲備	可供出售金融資產重估儲備	其他儲備	匯兌儲備	累計溢利	合計	非控股權益	合計
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
At 31 December 2014	1,224,214	2,814	22,704	(1,999)	702	-	296	106,240	502,130	1,857,101	156,898	2,013,999
Transactions with owners:												
Subscriptions of new shares (note 39)	977,680	-	-	-	-	-	-	-	-	977,680	-	977,680
Share issuance expenses	(16,018)	-	-	-	-	-	-	-	-	(16,018)	-	(16,018)
Total transactions with owners	961,662	-	-	-	-	-	-	-	-	961,662	-	961,662
Profit/(loss) for the year	-	-	-	-	-	-	-	-	81,830	81,830	(4,904)	76,926
Other comprehensive income:												
Exchange differences arising on translation to presentation currency	-	-	-	-	-	-	-	(136,233)	-	(136,233)	(6,565)	(144,798)
Change in fair value of available-for-sale financial assets	-	-	-	-	-	(3,492)	-	-	-	(3,492)	-	(3,492)
Total comprehensive income for the year	-	-	-	-	-	(3,492)	-	(136,233)	81,830	(57,895)	(13,469)	(71,364)
Appropriation to statutory reserve	-	-	11,126	-	-	-	-	-	(11,126)	-	-	-
At 31 December 2015	2,185,876	2,814	33,830	(1,999)	702	(3,492)	296	(29,993)	572,834	2,760,868	143,379	2,904,247

Consolidated Statement of Changes in Equity

綜合權益變動表

	Equity attributable to owners of the Company 本公司擁有人應佔之權益											
	Share capital	Capital reserve	Statutory reserve	Shares held for share award scheme	Employee share-based compensation reserve	Available-for-sale financial assets revaluation reserve	Other reserve	Exchange reserve	Accumulated profits	Total	Non-controlling interests	Total
	股本	資本儲備	法定儲備	為股份獎勵計劃持有的股份	以股份支付的僱員酬金儲備	可供出售金融資產重估儲備	其他儲備	匯兌儲備	累計溢利	合計	非控股權益	合計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 31 December 2015	2,185,876	2,814	33,830	(1,999)	702	(3,492)	296	(29,993)	572,834	2,760,868	143,379	2,904,247
Transactions with owners:												
Share purchased for share award scheme	-	-	-	(4,495)	-	-	-	-	-	(4,495)	-	(4,495)
Total transactions with owners				(4,495)						(4,495)		(4,495)
Profit for the year	-	-	-	-	-	-	-	-	63,804	63,804	3,566	67,370
Other comprehensive income:												
Exchange differences arising on translation to presentation currency	-	-	-	-	-	-	-	(142,998)	-	(142,998)	(9,207)	(152,205)
Change in fair value of available-for-sale financial assets	-	-	-	-	-	9,894	-	-	-	9,894	-	9,894
Total comprehensive income for the year						9,894		(142,998)	63,804	(69,300)	(5,641)	(74,941)
Appropriation to statutory reserve			4,473						(4,473)			
At 31 December 2016	2,185,876	2,814	38,303	(6,494)	702	6,402	296	(172,991)	632,165	2,687,073	137,738	2,824,811

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

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

Other reserve represents the difference between the consideration and the carrying amount of the net assets attributable to the additional of interests in subsidiaries being acquired from non-controlling equity holders.

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

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

其他儲備指代價及自非控股股東收購附屬公司的額外利息歸屬於淨資產賬面值之間的差異。

Consolidated Statement of Cash Flows

綜合現金流量表

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Cash flows from operating activities	經營活動產生之現金流量		
Profit before income tax	除所得稅前溢利	99,278	126,317
Adjustments for:	就以下項目調整：		
Interest income	利息收入	(60,958)	(99,625)
Interest income from entrusted loan receivables	應收委託貸款之利息收入	(2,461)	(10,471)
Interest expense	利息開支	32,843	40,579
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	12,654	15,233
Amortisation of prepaid land lease payments	預付土地租賃付款攤銷	5,523	3,256
Fair value loss on investment properties	投資物業之公平值虧損	80	62
Fair value (gain)/loss on held-for-trading securities	持作買賣證券之公平值(收益)/虧損	(45)	469
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	4	12,408
(Reversal of write-down of)/Provision for inventories	(撥回存貨撇減)/存貨撥備	(530)	1,511
Written off of other receivables	其他應收款項註銷	276	-
Impairment of prepayment	預付款項減值	-	4,960
Excess of fair value of the net identifiable assets over the cost of acquisition of subsidiaries	可識別淨資產公平值於收購一間附屬公司成本之超額	-	(5,056)
Operating profit before working capital changes	未計營運資金變動前經營溢利	86,664	89,643
Increase in properties under development	發展中物業增加	(149,782)	(65,826)
Decrease in properties held for sale	持作銷售物業減少	148,700	92,241
Decrease/(Increase) in inventories	存貨減少/(增加)	17,086	(1,242)
(Increase)/Decrease in trade and other receivables	貿易及其他應收款項(增加)/減少	(25,898)	318,722
Increase in loans receivable	應收貸款增加	(275,478)	(167,037)
Increase/(Decrease) in trade and other payables	貿易及其他應付款項增加/(減少)	30,310	(2,725,863)
Increase/(Decrease) in deposits received from sale of properties	出售物業之已收按金增加/(減少)	23,777	(6,366)
Cash used in operations	經營業務所用之現金	(144,621)	(2,465,728)
PRC enterprise income tax paid	已支付之中國企業所得稅	(25,655)	(65,984)
PRC land appreciation tax paid	已支付之中國土地增值稅	(2,148)	(2,403)
Net cash used in operating activities	經營活動所用之現金淨額	(172,424)	(2,534,115)

Consolidated Statement of Cash Flows

綜合現金流量表

			2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
	Note 附註			
Cash flows from investing activities		投資活動產生之現金流量		
Interest received		已收利息	59,733	98,684
Interest received from entrusted loan receivables		已收應收委託貸款利息	2,692	10,841
Acquisition of subsidiaries, net of cash acquired	43	收購附屬公司 (扣除收購現金)	-	(167,969)
Amounts received from the vendor in respect of the post agreement date results borne by the vendor	43	從賣方就協議日期後 由賣方承擔結果 而收取的金額	-	5,692
Purchase of available-for-sale financial assets		購買可供出售金融資產	(248,625)	(635,020)
Purchase of short-term investments		購買短期投資	(224,640)	(45,880)
Settlement of available-for-sale financial assets		結算可供出售 金融資產	140,400	220,642
Settlement of short-term investments		結算短期投資	226,980	623,720
Decrease in entrusted loan receivables		應收委託貸款減少	49,725	43,824
Advance to a related party		向一名關連方墊款	-	(37,200)
Repayment from a related party		來自一名關連方之還款	-	49,600
Purchase of property, plant and equipment		購買物業、廠房及 設備	(2,514)	(1,749)
Purchase of investment property under construction		購買建造下的投資物業	(4,159)	-
Proceeds from disposal of property, plant and equipment		出售物業、廠房及 設備所得款項	7	460
Deposits paid for acquisition of property, plant and equipment		購置物業、廠房及 設備的按金	-	(12,276)
Decrease in structured bank deposits		結構性銀行存款減少	167,790	494,970
Decrease in pledged bank deposits		已抵押銀行存款減少	97	1,773,079
Net cash generated from investing activities		投資活動產生之現金淨額	167,486	2,421,418

Consolidated Statement of Cash Flows

綜合現金流量表

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Cash flows from financing activities	融資活動產生之現金流量		
Proceeds from issuance of share capital	發行股本所得款項	-	977,680
Share issuance expenses	股份發行開支	-	(16,018)
Interest paid	已付利息	(33,675)	(60,301)
Cash flows from discounted bills with recourse	具有追索權之貼現票據產生之現金流量	-	(52,223)
New bank loans raised	新籌集之銀行貸款	77,280	-
Share purchased for share award scheme	為股份獎勵計劃購入的股份	(4,495)	-
Repayment of bank loans	償還銀行貸款	-	(14,883)
Net cash generated from financing activities	融資活動產生之現金淨額	39,110	834,255
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	34,172	721,558
Cash and cash equivalents at beginning of year	於年初之現金及現金等價物	1,403,868	728,127
Effect of foreign exchange rate changes	外匯匯率變動影響	(79,951)	(45,817)
Cash and cash equivalents at end of year	於年末之現金及現金等價物	1,358,089	1,403,868
Analysis of cash and cash equivalents:	現金及現金等價物分析：		
Bank balances and cash	銀行結餘及現金	929,903	1,048,218
Deposits in other financial institution	於其他金融機構存款	428,186	355,650
		1,358,089	1,403,868

Notes to the Financial Statements 財務報表附註

1. GENERAL

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

The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). As at 31 December 2016, the Company’s immediate holding company is World Gain Holdings Limited, which is incorporated in the British Virgin Islands (the “**BVI**”) and the directors of the Company consider the Group’s ultimate holding company to be China Chengtong Holdings Group Limited (“**CCHG**”), a company incorporated in the PRC.

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”) and the functional currency of the Company is Renminbi (“**RMB**”). The Company uses Hong Kong dollars as its presentation currency because the Company is a public company incorporated in Hong Kong with its shares listed on the Stock Exchange.

1. 一般資料

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

本公司之股份於香港聯合交易所有限公司(「**聯交所**」)主板上市。於二零一六年十二月三十一日，本公司之直接控股公司為World Gain Holdings Limited(於英屬維爾京群島(「**英屬維爾京群島**」)註冊成立)，本公司董事認為本集團之最終控股公司為中國誠通控股集團有限公司(「**誠通控股**」)(一間於中國註冊成立的公司)。

綜合財務報表以港幣(「**港幣**」)呈列，而本公司之功能貨幣為人民幣(「**人民幣**」)。本公司採用港幣作為呈列貨幣，是基於本公司為一家在香港註冊成立及其股份於聯交所上市之公司。

Notes to the Financial Statements 財務報表附註

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

2.1 Adoption of new and revised HKFRSs

In the current year, the Group has applied for the first time the following new standards, amendments and interpretations (the “**new HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), which are relevant to and effective for the Group’s financial statements for the annual period beginning on 1 January 2016:

HKFRSs (Amendments)	Annual Improvements 2012–2014 Cycle
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 27	Equity Method in Separate Financial Statements
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception

The adoption of the amendments has no material impact on the Group’s financial statements.

2. 採納香港財務報告準則(「香港財務報告準則」)

2.1 採納新訂及經修訂之香港財務報告準則

於本年度，本集團首次應用由香港會計師公會(「**香港會計師公會**»)頒佈之下列新訂準則、修訂及詮釋(「**新訂香港財務報告準則**」)，該等準則與本集團於二零一六年一月一日開始之年度期間之財務報表相關並已生效：

香港財務報告準則(修訂本)	二零一二年至二零一四年週期之年度改進
香港會計準則第1號之修訂	披露計劃
香港會計準則第16號及第38號之修訂	澄清折舊及攤銷之可接受方法
香港會計準則第27號之修訂	獨立財務報表中的權益法
香港財務報告準則第10號及第12號及香港會計準則第28號之修訂	關於投資性主體：應用合併的例外規定

採納該等修訂對本集團的財務報表並無重大影響。

Notes to the Financial Statements 財務報表附註

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

(Continued)

2.2 New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, which are potentially relevant to the Group’s financial statements, have been issued but are not yet effective and have not been early adopted by the Group.

Amendments to HKAS 7	Disclose Initiative ¹
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses ¹
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ²
HKFRS 9 (2014)	Financial Instruments ²
HKFRS 15	Revenue from Contracts with Customers ²
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15) ²
HKFRS 16	Leases ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

¹ Effective for annual periods beginning on or after 1 January 2017

² Effective for annual periods beginning on or after 1 January 2018

³ Effective for annual periods beginning on or after 1 January 2019

⁴ The amendments were originally intended to be effective for periods beginning on or after 1 January 2016. The effective date has now been deferred/removed. Early application of the amendments continue to be permitted.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則

下列已頒佈但尚未生效之新訂／經修訂香港財務報告準則與本集團之財務報表潛在相關，惟尚未由本集團提早採納。

香港會計準則第7號之修訂	披露計劃 ¹
香港會計準則第12號之修訂	就未變現虧損作出遞延稅項資產之確認 ¹
香港財務報告準則第2號之修訂	以股份為基礎付款之交易之分類及計量 ²
香港財務報告準則第9號(二零一四年)	金融工具 ²
香港財務報告準則第15號	來自與客戶合約之收益 ²
香港財務報告準則第15號之修訂	來自與客戶合約之收益(香港財務報告準則第15號的澄清) ²
香港財務報告準則第16號	租賃 ³
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 ⁴

¹ 二零一七年一月一日或之後開始之年度期間生效

² 二零一八年一月一日或之後開始之年度期間生效

³ 二零一九年一月一日或之後開始之年度期間生效

⁴ 該等修訂原定於二零一六年一月一日或之後開始之年度期間生效。生效日期現已押後／撤銷。有關修訂繼續允許提前應用。

Notes to the Financial Statements

財務報表附註

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

2.2 New/revised HKFRSs that have been issued but are not yet effective (Continued)

HKFRS 9 (2014) – Financial Instruments

HKFRS 9 (2014) introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flows (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at fair value through other comprehensive income (“**FVTOCI**”) if the objective of the entity’s business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election at initial recognition to measure equity instruments that are not held for trading at FVTOCI. All other debt and equity instruments are measured at fair value through profit or loss (“**FVTPL**”).

HKFRS 9 (2014) includes a new expected loss impairment model for all financial assets not measured at FVTPL replacing the incurred loss model in HKAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements.

HKFRS 9 (2014) carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 (2014) retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

The directors of the Company anticipate that the adoption of HKFRS 9 (2014) would not result in significant impact on amounts reported in respect of the Group’s financial assets and financial liabilities based on an analysis of the Group’s financial instruments as at 31 December 2016.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

香港財務報告準則第9號(二零一四年) – 金融工具

香港財務報告準則第9號(二零一四年)引進有關金融資產分類及計量之新要求。按其目的為收取合約現金流之業務模式持有之債務工具(業務模式測試)以及具產生現金流之合約條款且僅為支付本金及未償還本金利息之債務工具(合約現金流特徵測試)，一般按攤銷後成本計量。倘該實體業務模式之目的為持有及收取合約現金流以及出售金融資產，則符合合約現金流特徵測試之債務工具按公平值變動計入其他綜合收益(「**公平值變動計入其他綜合收益**」)計量。實體可於初步確認時作出不可撤銷之選擇，以按公平值變動計入其他綜合收益計量並非持作買賣之股本工具。所有其他債務及股本工具按公平值計入損益(「**公平值計入損益**」)。

香港財務報告準則第9號(二零一四年)就並非按公平值計入損益之所有金融資產納入新的預期虧損減值模式(取代了香港會計準則第39號之已產生虧損模式)以及新的一般對沖會計規定，以讓實體於財務報表內更好地反映其風險管理活動。

香港財務報告準則第9號(二零一四年)貫徹香港會計準則第39號有關金融負債確認、分類及計量之規定，惟按公平值計入損益之金融負債除外，除非會導致或擴大會計錯配，該負債之信貸風險變動引起之公平值變動金額於其他全面收入確認。此外，香港財務報告準則第9號(二零一四年)保留香港會計準則第39號終止確認金融資產及金融負債之規定。

本公司董事預期採納香港財務報告準則第9號(二零一四年)對根據本集團二零一六年十二月三十一日的金融工具分析而在本集團金融資產及金融負債內呈報之金額並無重大影響。

Notes to the Financial Statements 財務報表附註

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

(Continued)

2.2 New/revised HKFRSs that have been issued but are not yet effective (Continued)

HKFRS 15 – Revenue from Contracts with Customers

The new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 supersedes existing revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and related interpretations.

HKFRS 15 requires the application of a 5 steps approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to each performance obligation
- Step 5: Recognise revenue when each performance obligation is satisfied

HKFRS 15 includes specific guidance on particular revenue related topics that may change the current approach taken under HKFRS. The standard also significantly enhances the qualitative and quantitative disclosures related to revenue.

The directors of the Company anticipate that the adoption of HKFRS 15 would not result in significant impact on amounts reported in the Group’s financial statements.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

香港財務報告準則第15號 – 來自與客戶合同之收入

該新訂準則設立單一收益確認框架。該框架的核心原則為實體須確認收益，以說明實體按其預期有權就交換所承諾貨物及服務而收取之代價相同之金額向客戶轉讓該等貨物或服務。香港財務報告準則第15號用以替代現有的收益確認指引，包括香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋。

香港財務報告準則第15號規定須應用五步驟法確認收益：

- 步驟1： 識別客戶合約
- 步驟2： 識別合約的履行責任
- 步驟3： 釐定交易價格
- 步驟4： 分配交易價格至各項履行責任
- 步驟5： 於各項履行責任達成後確認收益

就根據香港財務報告準則採取的現時方法可能有所改變的個別收益而言，香港財務報告準則第15號載有有關具體指引。該準則亦明顯加強有關收益的定性及定量披露。

本公司董事預期，採納香港財務報告準則第15號對本集團財務報表內呈報之金額並無重大影響。

Notes to the Financial Statements 財務報表附註

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

(Continued)

2.2 New/revised HKFRSs that have been issued but are not yet effective (Continued)

HKFRS 16 – Leases

HKFRS 16, which upon the effective date will supersede HKAS 17 “Leases” and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

As set out in note 42, the total operating lease commitment of the Group in respect of rented premises as at 31 December 2016 amounted to HK\$8,547,000. The directors of the Company anticipate that the adoption of HKFRS 16 would not result in significant impact on the Group’s result but expect that the above operating lease commitments will be recognised as right-of-use assets and lease liabilities in the Group’s financial statements.

The directors of the Company anticipate that the adoption of other new or revised standards would not result in significant impact on amounts reported in the Group’s financial statements.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

香港財務報告準則第16號 – 租賃

香港財務報告準則第16號於生效日期起將取代香港會計準則第17號「租賃」及相關詮釋，引入單一承租人會計處理模式並規定承租人就為期超過12個月的所有租賃確認資產及負債，除非相關資產為低價值資產。具體而言，根據香港財務報告準則第16號，承租人須確認使用權資產(表示其有權使用相關租賃資產)及租賃負債(表示其有責任支付租賃款項)。因此，承租人應確認使用權資產折舊及租賃負債利息，並將租賃負債的現金還款分類為本金部份及利息部份，於現金流量表中呈列。此外，使用權資產及租賃負債初步按現值基準計量。計量包括不可註銷租賃付款，亦包括如承租人合理肯定會行使選擇權延續租賃或行使選擇權而終止租賃的情況下，將於選擇權期間內作出的付款。此會計處理方法與承租人會計法顯著不同，後者根據原準則香港會計準則第17號分類為經營租賃。

就出租人會計處理方法而言，香港財務報告準則第16號大致轉承了香港會計準則第17號的出租人會計處理方法的規定。因此，出租人繼續將其租賃分類為經營租賃或融資租賃，並且以不同方式將兩類租賃入賬。

誠如附註42所載，本集團於二零一六年十二月三十一日有關租賃物業的經營租約承擔總額為港幣8,547,000元。本公司董事預期採納香港財務報告準則第16號不會對本集團業績造成重大影響，但預期上述經營租約承擔將被確認為本集團財務報表中的使用權資產及租賃負債。

本公司董事預期，採納其他新訂或經修訂準則對本集團財務報表內呈報之金額並無重大影響。

Notes to the Financial Statements

財務報表附註

3. BASIS OF PREPARATION

3.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations (hereinafter collectively referred to as the “**HKFRS**”) and the provisions of the Hong Kong Companies Ordinance which concern the preparation of financial statements. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

3.2 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at fair value, as explained in the accounting policies set out in note 4 below.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Group. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective dates of acquisition or up to the effective dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

3. 編製基準

3.1 遵例聲明

綜合財務報表已根據所有適用之香港財務報告準則、香港會計準則(「**香港會計準則**」)及詮釋(統稱為「**香港財務報告準則**」)及香港公司條例有關編製財務報表之條文而編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則規定之適用披露資料。

3.2 計量基準

誠如下文附註4所載會計政策所述，除若干物業及金融工具以公平值計量外，綜合財務報表已按歷史成本基準編製。

4. 主要會計政策

4.1 業務合併及綜合賬目基準

綜合財務報表包括本集團之財務報表。集團內公司間之交易及結餘連同未變現溢利均於編製綜合財務報表時全數對銷。除非有關交易提供所轉讓資產減值之證據，否則未變現虧損亦予以對銷，在此情況下，虧損於損益中確認。

於年內購入或售出之附屬公司之業績由收購生效日起計或計至出售生效日止(視情況而定)，列入綜合全面收益表內。必要時，附屬公司之財務報表將予調整以使其會計政策與本集團其他成員公司所使用者一致。

Notes to the Financial Statements

財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

4.1 Business combination and basis of consolidation

(Continued)

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by HKFRSs. Acquisition-related costs incurred are expensed.

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

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

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

4. 主要會計政策(續)

4.1 業務合併及綜合賬目基準(續)

收購附屬公司或業務採用收購法入賬。收購成本乃按所轉讓資產、所產生負債及本集團(作為收購方)發行之股權於收購當日之公平值總額計量。所收購之可識別資產及所承擔負債則主要按收購當日之公平值計量。本集團先前所持被收購方之股權以收購當日公平值重新計量，而所產生之收益或虧損則於損益中確認。本集團可按每宗交易選擇按公平值或按應佔被收購方可識別資產淨值中所佔份額計量代表目前於附屬公司擁有權益之非控制股東權益。所有其他非控股股東權益乃以公平值計量，惟香港財務報告準則規定其他計量基準則除外。所產生之收購相關成本列作開支。

由收購方將予轉讓之任何或然代價按收購日期之公平值確認。其後對代價之調整僅於調整源自於計量期(最長為收購日期起12個月)內所取得有關於收購日期之公平值之新資料時方與商譽確認。分類為資產或負債之或然代價之所有其他其後調整均於損益中確認。

本集團於附屬公司權益的變動並無導致本集團對附屬公司失去控制權，會作為股權交易入賬。本集團的權益及非控股權益的賬面值經調整以反映彼等於附屬公司的有關權益變動。非控股權益的經調整金額與已付或已收代價的公平值間任何差額直接於權益中確認並歸屬於本公司的擁有人。

當本集團失去附屬公司控制權時，出售所產生溢利或虧損為以下兩者之差額：(i)已收代價之公平值與任何保留權益之公平值之總額；及(ii)該附屬公司之資產(包括商譽)及負債與任何非控股權益之過往賬面值。以往於其他全面收入確認與附屬公司有關之金額，入賬方式相同，猶如相關資產或負債已經出售。

Notes to the Financial Statements 財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

4.1 Business combination and basis of consolidation

(Continued)

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus such non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in those non-controlling interests having a deficit balance.

4.2 Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

4.3 Goodwill

Goodwill is initially recognised at cost being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests in the acquiree and the acquisition date fair value of the acquirer's previously held equity interest in the acquiree over the fair value of identifiable assets and liabilities acquired.

Where the fair value of identifiable assets and liabilities exceed the aggregate of the fair value of consideration paid, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of the acquirer's previously held equity interest in the acquiree, the excess is recognised in profit or loss on the acquisition date, after re-assessment.

4. 主要會計政策(續)

4.1 業務合併及綜合賬目基準(續)

收購後，代表目前於附屬公司擁有權益之非控制股東權益之賬面值為該等權益於初始確認時之金額加上非控制股東權益應佔權益其後變動之部份。即使會導致非控制股東權益產生負債結餘，全面收益總額仍屬於該非控制股東權益。

4.2 附屬公司

附屬公司指本公司能對其行使控制權之被投資方。倘下列三項因素全部出現時，本公司可控制被投資方：可對被投資方行使權力；承擔來自被投資方之風險或有權獲得來自被投資方之可變動回報；及能夠運用其權力來影響有關可變動回報。當事實及情況顯示該等控制權的任何因素可能發生變動，控制權將會進行重新評估。

在本公司之財務狀況表中，於附屬公司之投資按成本扣除減值虧損(如有)列賬。附屬公司之業績由本公司按已收或應收股息基準列賬。

4.3 商譽

商譽起初按成本確認，即已轉讓總代價、已確認被收購方之非控股權益及先前於收購中持有的股權的收購日期公平值，超逾所收購可識別資產及負債的差額。

倘可識別資產及負債之公平值超出已付代價之公平值，加上任何於被收購方之非控股權益的數額，以及收購方先前於被收購方持有的股本權益於收購當日的公平值時，則超額部份於收購當日經重估後於損益中確認。

Notes to the Financial Statements

財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

4.3 Goodwill (Continued)

Goodwill is measured at cost less impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units that are expected to benefit from the synergies of the acquisition. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, by comparing its carrying amount with its recoverable amount (see note 4.20), and whenever there is an indication that the unit may be impaired.

For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. However, the loss allocated to each asset will not reduce the individual asset's carrying amount to below its fair value less cost of disposal (if measurable) or its value in use (if determinable), whichever is the higher. Any impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

4.4 Foreign currencies translation

Transactions entered into by the consolidated entities in currencies other than the currency of the primary economic environment in which they operate (the “**functional currency**”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

4. 主要會計政策(續)

4.3 商譽(續)

商譽按成本減去減值虧損計量。就減值檢測而言，收購所產生商譽乃分配至預期可自收購之協同效益獲益之各有關現金產生單位。現金產生單位為可獨立於其他資產或類別資產所產生之現金流量而可賺取現金之最小可分類資產。經分配商譽之現金產生單位每年及當有跡象顯示可能出現減值時，通過比較其賬目價值與其可收回金額(見附註4.20)進行減值檢測。

就於某個財政年度之收購所產生商譽而言，經分配商譽之現金產生單位於該財政年度完結前進行減值檢測。當現金產生單位之可收回金額少於該單位之賬面值，則先將減值虧損分配，以調減分配至該單位之商譽賬面值，其後按單位內各資產之賬面值為基準按比例分配到該單位其他資產。然而，分配至各資產之虧損，個別資產之賬面值將不會減少至低於其公平值減出售成本(如可計量)或其使用價值(如可釐定)，兩者之較高者。商譽之任何減值虧損於損益中確認，不會於其後期間撥回。

4.4 外幣換算

綜合實體以實體經營所在的主要經濟環境的貨幣(「**功能貨幣**」)以外之貨幣進行交易，乃以進行交易時適用之匯率記賬。外幣貨幣資產及負債按各報告期結算日之適用匯率換算。按公平值以外幣入賬之非貨幣項目按釐定公平值當日之匯率換算。按歷史成本以外幣計算之非貨幣項目不作重新換算。

結算及換算貨幣項目所產生之匯兌差額於其產生的期間在損益中確認。換算非貨幣項目所產生之匯兌差額按公平值計入期間的損益，惟換算有關損益直接在其他綜合收益確認之非貨幣項目所產生之匯兌差額除外，而有關差額直接在其他綜合收益確認。

Notes to the Financial Statements 財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

4.4 Foreign currencies translation (Continued)

On consolidation, income and expense items of foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rates approximating to those ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as foreign exchange reserve (attributed to minority interests as appropriate). Exchange differences recognised in profit or loss of group entities' separate financial statements on the translation of long-term monetary items forming part of the Group's net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in equity as foreign exchange reserve.

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign exchange reserve relating to that operation up to the date of disposal are reclassified to profit or loss as part of the profit or loss on disposal.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of reporting period. Exchange differences arising are recognised in the foreign exchange reserve.

4.5 Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use.

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease.

4. 主要會計政策(續)

4.4 外幣換算(續)

於綜合賬目時，海外業務之收支項目乃按年度平均匯率換算為本集團之呈列貨幣(即港幣)，惟倘匯率於有關期間內大幅波動則除外，在此情況下，則按交易進行時採用之概約匯率換算。海外業務之所有資產及負債乃按於報告期間結算日之適用匯率換算。由此產生之匯兌差額(如有)則於其他全面收入確認，並於權益累計為外匯儲備(歸屬於少數股東權益，如適用)。於集團實體之獨立財務報表中就換算組成本集團海外業務投資淨額一部份之長期貨幣項目而於損益確認之匯兌差額，重新分類至其他全面收入，並於權益累計為外匯儲備。

在出售海外業務時，截至出售日期在該業務外匯儲備確認之累計匯兌差額重新分類至收益表，作為出售時溢利或虧損一部份。

於二零零五年一月一日或之後因收購海外業務而產生之可識別資產之商譽及公平值調整，被視作該海外業務之資產與負債，並按報告期末適用之匯率重新換算。由此產生之匯兌差額於外匯儲備確認。

4.5 投資物業

投資物業是指為賺取租金收入及／或為資本增值而以租賃權益擁有或持有的土地及／或建築物，當中包括尚未確定未來用途持有的土地。

當本集團以經營租賃持有物業權益以賺取租金收入及／或為資本增值，有關的權益會按每項物業的基準劃歸為投資物業。劃歸為投資物業的任何物業權益的入賬方式與以融資租賃持有的權益一樣。

Notes to the Financial Statements

財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.5 Investment properties (Continued)

On initial recognition, investment property is measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment property is stated at fair value, unless it is still in the course of construction or development at the reporting date and its fair value cannot be reliably determined at that time. Fair value is determined by independent professional valuers, with sufficient experience with respect to both the location and the nature of the investment property. The carrying amounts recognised at the reporting date reflect the prevailing market conditions at the reporting date.

Gains or losses arising from either changes in the fair value or the sale of an investment property are included in profit or loss in the period in which they arise.

4.6 Property, plant and equipment

Property, plant and equipment, other than construction-in-progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of property, plant and equipment includes its purchase price and any directly attributable cost of bringing the asset to its working condition and location for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expense in profit or loss during the year in which they are incurred.

Depreciation on the following property, plant and equipment is calculated using the straight-line method to allocate their costs less their residual values over their estimated useful lives, as follows:

Buildings	4%
Furniture and equipment	10% to 33%
Motor vehicles and vessels	12.5% to 33%
Facilities	5%
Marine travel facilities and equipment	6.67% to 20%

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

The gain or loss arising on retirement or disposal is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised in the profit or loss on disposal.

4. 主要會計政策(續)

4.5 投資物業(續)

初步確認時，投資物業以成本計量，包括任何直接應佔開支。初步確認後，除非投資物業在報告日期仍然在興建或開發過程中，而當時其公平值不能可靠地確定，否則投資物業按公平值列賬。公平值由對投資物業地點及性質具足夠經驗的獨立專業估值師釐定。於報告日期確認的賬面值，反映於報告日期的當時市況。

因投資物業公平值變動或出售投資物業所產生的任何盈虧於產生期間計入損益。

4.6 物業、廠房及設備

物業、廠房及設備(在建工程除外)乃按照成本減累計折舊及任何減值虧損列賬。物業、廠房及設備之成本包括其購買價及令資產達致符合預計用途之操作狀況及運到使用地點之任何直接應計費用。

如項目相關之未來經濟利益可能歸入本集團，而其成本可妥為計算，則項目之其後成本方會計入資產之賬面值或確認為獨立資產。其他所有維修保養費用於損益中確認為產生之年內的開支。

下列物業、廠房及設備折舊乃採用直線法計算，於其估計可使用年期內以其成本減其剩餘價值：

樓宇	4%
傢俬及設備	10%至33%
汽車及船舶	12.5%至33%
設施	5%
海上旅遊設施及設備	6.67%至20%

資產之剩餘價值、折舊方法及可使用年期會於各結算日作出檢討，並作出調整(倘適用)。

因報廢或出售所產生的收益或虧損被釐定為資產出售所得款項淨額及其賬面值兩者之差額並於出售時於損益賬中確認。

Notes to the Financial Statements 財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.6 Property, plant and equipment (Continued)

Construction in progress represents buildings under construction and is stated at cost less any impairment losses, and is not depreciated. Construction in progress is reclassified to appropriate category of property, plant and equipment when the construction works complete and ready for use.

4.7 Prepaid land lease payments

Prepaid land lease payments represent up-front payments to acquire the land use rights/leasehold land. They are stated at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated on a straight-line basis over the term of the lease/right of use except where an alternative basis is more representative of the time pattern of benefits to be derived by the Group from use of the land.

The determination if an arrangement is or contains a lease and the lease is an operating lease is detailed in note 4.15.

4.8 Properties held for sale, properties held for development and properties under development

Properties held for sale, properties held for development and properties under development are stated at the lower of cost and net realisable value. Cost comprises the cost of the land together with direct costs attributable to the development of the properties and borrowing costs capitalised during the period of development.

Properties held for development represented properties which has not yet commenced development and mainly comprises of leasehold land before commencement of construction.

Properties held under development for future sale in the ordinary course of business are included in current assets and stated at the lower of cost and net realisable value. Cost comprises the acquisition cost of land, aggregate cost of development, materials and supplies, wages and other direct expenses and an appropriate proportion of overheads. On completion, the properties are transferred to properties held for sale.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated selling expenses.

4. 主要會計政策(續)

4.6 物業、廠房及設備(續)

在建工程乃指在建樓宇，按成本減任何減值虧損列賬，且並無折舊。在建工程於完成及可供使用時重新分類至適當之物業、廠房及設備類別。

4.7 預付土地租賃付款

預付土地租賃付款指購入土地使用權／租賃土地之預付款，按成本減累計攤銷及任何累計減值虧損列賬。攤銷乃以直線法按租約／使用權年期計算，惟倘若有另一種更能反映本集團於土地使用衍生之利益時間模式之基準則除外。

釐定一項安排是否屬於或包含租賃以及該租賃是否屬於經營租賃，乃於附註4.15詳述。

4.8 持作銷售物業、持作發展物業及發展中物業

持作銷售、持作發展及發展中之物業以成本與可變現淨值之較低者列賬。成本包括土地成本、開發物業之直接成本及開發期內已資本化之借貸成本。

持作發展之物業指尚未開始發展及於開始施工之前主要由租賃土地組成之物業。

在日常業務過程中，持作日後出售之發展中物業計入流動資產，並以成本及可變現淨值之較低者入賬。成本包括土地收購成本、開發總成本、材料及物料、薪金、其他直接開支及適當之管理費用。完成後，物業轉為持作銷售物業。

可變現淨值為日常業務過程之估計銷售價減去達致完成之成本及估計銷售開支。

Notes to the Financial Statements 財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.8 Properties held for sale, properties held for development and properties under development (Continued)

Transfer from properties under development to investment properties carried at fair value

The Group transfers a property under development to investment property when there is a change of intention to hold the property to earn rentals and/or for capital appreciation rather than for sale in the ordinary course of business, which is evidenced by the commencement of an operating lease to another party. Any difference between the fair value of the property at the date of transfer and its previous carrying amount is recognised in profit or loss.

4.9 Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using first-in first-out method, weighted average and actual cost basis. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

4.10 Cash and cash equivalents

For the purpose of the consolidated statement of cash flows presentation, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, bank and cash balances comprise cash on hand and at banks and other financial institution, including term deposits, which are not restricted as to use.

4. 主要會計政策(續)

4.8 持作銷售物業、持作發展物業及發展中物業(續)

轉為投資物業之發展中物業乃按公平值列賬

當持有物業之目的從在日常業務中出售轉變為賺取租賃收入及/或資本升值，而且有證據顯示開始租賃予其他方時，本集團將該物業由發展中物業轉為投資物業。該物業於轉換日之公平值與其原有賬面值之差異於損益中確認。

4.9 存貨

存貨最初以成本確認，其後以成本及可變現淨額兩者中之較低者入賬。成本包括所有採購成本、生產成本及將存貨運至目前地點及使其達到現時狀況所產生的其他相關成本。成本乃按先入先出法、加權平均及實際成本釐定。可變現淨值指日常業務過程中之估計售價減估計銷售所需成本。

4.10 現金及現金等價物

就綜合現金流量表呈列而言，現金及現金等價物包括手頭現金及活期存款，以及可轉換為已知金額現金且無重大價值變動風險之短期高流動投資，並於購置時具有一般為三個月之短時間到期日，扣除須於要求時償還之銀行透支，並構成本集團現金管理之一部份。

就綜合財務狀況表而言，銀行及現金結餘由並無使用限制之手頭及銀行及其他金融機構現金(包括定期存款)組成。

Notes to the Financial Statements 財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

4.11 Financial instruments

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

Contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, are accounted for as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

(i) Financial assets

The Group classifies its financial assets at initial recognition, depending on the purpose for which the asset was acquired. Financial assets at fair value through profit or loss are initially measured at fair value and all other financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets. Regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

Financial assets at fair value through profit or loss

These assets include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments or financial guarantee contracts.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial asset at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

4. 主要會計政策(續)

4.11 金融工具

當一家集團公司成為工具合約條文之一方，金融資產及金融負債於綜合財務狀況表內確認。

可以淨額結算(以現金或其他金融工具結算或通過交換金融工具結算)的非金融項目買賣合同屬於金融工具，除非該合同是根據主體的預期購買、出售或使用要求，以獲取或交付非金融項目為目的而簽訂並繼續持有的。

(i) 金融資產

本集團視乎資產收購之目的，於初步確認時將其金融資產分類。按公平值計入損益賬之金融資產初步按公平值計量，而所有其他金融資產初步則按公平值加收購該金融資產直接應佔之交易成本計量。按常規買賣之金融資產按交易日期基準確認及終止確認。按常規買賣乃指根據合約買賣之金融資產，而該合約條款規定須於一般按市場相關規定或慣例確立之時限內交付資產。

經損益賬按公平值入賬之金融資產

該等資產包括持作買賣金融資產。倘購買金融資產之目的旨在近期出售，則有關金融資產分類為持作買賣。衍生工具(包括單獨嵌入式衍生工具)亦分類為持作買賣，除非被指定為有效對沖工具或金融擔保合約。

倘一份合約含有一份或以上嵌入式衍生工具，則整份混合合約可指定為經損益賬按公平值入賬之金融資產，惟嵌入式衍生工具並無導致現金流出現重大變動，或明確禁止分列嵌入式衍生工具則除外。

Notes to the Financial Statements

財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

4.11 Financial instruments (Continued)

(i) Financial assets (Continued)

Financial assets may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis; (ii) the assets are part of a group of financial assets which is managed and its performance evaluated on a fair value basis according to a documented management strategy; or (iii) the financial asset contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise.

Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade debtors), and also incorporate other types of contractual monetary asset. Subsequent to initial recognition, they are carried at amortised cost using the effective interest method, less any identified impairment losses.

Available-for-sale financial assets

These assets are non-derivative financial assets that are designated as available-for-sale or are not included in other categories of financial assets. Subsequent to initial recognition, these assets are carried at fair value with changes in fair value recognised in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary instruments, which are recognised in profit or loss.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses.

4. 主要會計政策(續)

4.11 金融工具(續)

(i) 金融資產(續)

倘符合以下條件，則可於初步確認時將金融資產指定為經損益賬按公平值入賬：(i)該分類消除或大幅減少按不同基準計量資產或確認其盈虧所導致之不一致入賬方法；(ii)該等資產為根據明文規定之風險管理政策按公平值基準管理及評估表現之金融資產組別一部份；或(iii)金融資產包括需獨立列賬之嵌入式衍生工具。

於初步確認後，經損益賬按公平值入賬之金融資產將按公平值計量，其公平值變動於產生期間在損益中確認。

貸款及應收款項

該等資產為無活躍市場報價而附帶固定或可釐定付款之非衍生性質金融資產。該等資產主要。透過向客戶(應收款項債務人)提供貨品及服務時產生，亦包括其他種類之合約性貨幣資產。於初步確認後，該等資產乃採用實際利息法按攤銷成本減任何已識別減值虧損列賬。

可供出售金融資產

該等資產屬指定為可供出售或不計入其他類別金融資產之非衍生金融資產。於初次確認後，該等資產按公平值列賬，其公平值變動於其他全面收入確認，惟於損益中確認之減值虧損及貨幣工具之外匯收益及虧損除外。

並無活躍市場之市場報價而其公平值未能可靠計量之可供出售權益投資，以及與該等未報價權益工具有關並須以交付該等工具結算之衍生工具，按成本減可識別減值虧損計量。

Notes to the Financial Statements 財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

4.11 Financial instruments (Continued)

(ii) Impairment loss on financial assets

The Group assesses, at the end of each reporting period, whether there is any objective evidence that financial asset is impaired. Financial asset is impaired if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- granting concession to a debtor because of debtor's financial difficulty; and
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

For loans and receivables

An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. The carrying amount of financial asset is reduced through the use of an allowance account. When any part of financial asset is determined as uncollectible, it is written off against the allowance account for the relevant financial asset.

Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

4. 主要會計政策(續)

4.11 金融工具(續)

(ii) 金融資產減值虧損

於各報告期末，本集團評估是否有任何客觀證據表明金融資產出現減值。倘若有客觀證據證明，明於金融資產初步確認後發生一項或多項事件對該金融資產之估計未來現金流量構成影響，而該影響能可靠估計，則該金融資產減值。減值證據可包括：

- 債務人之重大財政困難；
- 違約，例如無力償債或拖欠利息或本金；
- 因債務人之財政困難而向債務人授出寬免；及
- 債務人可能陷入破產或其他財務重組。

就貸款及應收款項而言

倘若有客觀證據顯示資產出現減值，則於損益中確認減值虧損，而減值虧損乃按該資產之賬面值與按原有實際利率折現之估計未來現金流量之現值間之差額計量。金融資產之賬面值會透過使用撥備賬扣減。倘若金融資產之任何部份被釐定為不可收回，則於相關金融資產之撥備賬進行撇銷。

當資產之可收回金額增加可客觀地與確認減值後發生之事件有關，則於後續期間撥回減值虧損，惟有關資產於撥回減值當日之賬面值不得超過並無確認減值時資產之攤銷成本。

Notes to the Financial Statements 財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.11 Financial instruments (Continued)

(ii) Impairment loss on financial assets (Continued)

For available-for-sale financial assets

Where a decline in the fair value constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognised in profit or loss.

Any impairment losses on available-for-sale debt investments are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

For available-for-sale equity investment, any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income.

For available-for-sale equity investment that is carried at cost, the amount of impairment loss is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss is not reversed.

(iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade payables, accrued liabilities and other payables, borrowings and corporate bonds issued by the Group are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

4. 主要會計政策(續)

4.11 金融工具(續)

(ii) 金融資產減值虧損(續)

可供出售金融資產

當公平值減少構成客觀減值憑證，虧損總額從權益中移除並於損益中確認。

至於可供出售債務投資，倘投資公平值的增加在客觀而言與確認減值虧損後發生的事項有關，則有關之任何減值虧損會於其後撥回損益。

就可供出售債務投資而言，緊隨減值虧損其後之任何公平值增加於其他全面收入中確認。

就按成本計價之可供出售權益投資而言，按資產之賬面值與按目前返還類似金融資產的市場利率貼現之估計未來現金流量之現值之差額計量。此等減值虧損概無撥回。

(iii) 金融負債

本集團視乎負債產生之目的，將其金融負債分類。經損益賬按公平值入賬之金融負債初步按公平值計量，而按攤銷成本計量之金融負債則初步按公平值扣除直接應佔所產生之成本計量。

按攤銷成本計量之金融負債

按攤銷成本計量之金融負債(包括貿易應付款項、應計負債及其他應付款項、借貸以及本集團所發行之公司債券)，隨後按攤銷成本採用實際利息法計量。相關利息開支於損益中確認。

當負債終止確認時，以及在攤銷過程中，收益或虧損於損益中確認。

Notes to the Financial Statements

財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

4.11 Financial instruments (Continued)

(iv) *Effective interest method*

The effective interest method is a method of calculating the amortised cost of financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(v) *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group 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.

(vi) *Derecognition*

The Group derecognises a financial asset when the contractual right to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKAS 39.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

4. 主要會計政策(續)

4.11 金融工具(續)

(iv) *實際利息法*

實際利息法乃計算金融資產或金融負債及按有關期間分配利息收入或利息開支之攤銷成本計算方法。實際利率乃透過金融資產或負債之預期年期或(如適用)較短期間準確貼現估計未來現金收款或付款之利率。

(v) *股本工具*

股本工具為見證於本集團資產之餘額權益經扣除其所有負債後之任何合約。本集團發行之股本工具確認為扣除直接發行成本後收取之所得款項。

購回本公司自身股本工具直接於權益確認及扣除。概無就購買、出售、發行或註銷本公司自身股本工具而於損益中確認收益或虧損。

(vi) *終止確認*

當與金融資產相關之未來現金流量合約權利屆滿，或當金融資產已經按照符合香港會計準則第39號終止確認之條件轉讓，則本集團終止確認該項金融資產。

當於相關合約之特定責任被解除、取消或屆滿時，即終止確認金融負債。

Notes to the Financial Statements 財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.12 Revenue recognition

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

Revenue from sale of goods is recognised when goods are delivered and title has passed at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

For contracts to buy or sell non-financial items which was accounted for as if the contracts were financial instruments (except for contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements), the net income from the contracts is recognised as revenue.

Revenue from sale of properties in the ordinary course of business is recognised upon delivery of properties to the purchasers pursuant to the sales agreements. Deposits received from the purchasers prior to meeting the above criteria for revenue recognition are included in the consolidated statement of financial position under current liabilities.

Rental income, including rentals invoiced in advance from properties lent under operating leases, is recognised on a straight-line basis over the term of the leases.

Service income is recognised when services are provided.

Revenue from hotel is recognised upon the provision of the accommodation services. Revenue from food and beverage sales and other ancillary services are recognised upon the sales of goods and provision of services respectively.

4. 主要會計政策(續)

4.12 收入確認

收入乃根據已收或應收代價的公平值計算，並指於一般業務過程中出售貨品及提供服務的應收款項，且已扣除折扣及相關銷售稅。

銷貨收入在貨品交付及所有權轉移且滿足以下所有條件之時確認：

- 本集團已將貨品所有權之主要風險及回報轉移予買方；
- 本集團對所售貨品不再擁有通常與所有權相關的持續管理參與權，亦無實際控制權；
- 收入金額能可靠計量；
- 與交易相關的經濟利益可能流入本集團；及
- 交易已產生或將予產生的成本能可靠計量。

就非金融項目(按猶如合同為金融工具入賬)買賣合同而言(除非該合同是根據主體的預期購買、出售或使用要求，以獲取或交付非金融項目為目的而簽訂並繼續持有的)，合同之收益淨額確認為收入。

日常業務過程中銷售物業之收入乃於根據銷售協議將物業交付買方後確認。在以上收入確認條件達成前收取之按金記錄於綜合財務狀況表中流動負債下。

租金收入包括根據經營租約出租物業預收之租金按直線法於租約期予以確認。

服務收入在服務提供之時確認。

酒店收入乃於提供住宿服務後確認。食品和飲料銷售及其他輔助服務的收入乃分別於銷售食品及提供服務後確認。

Notes to the Financial Statements 財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

4.12 Revenue recognition (Continued)

Interest income (as the case may be, including the handling fees that are an integral part of the effective interest rate) from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

4.13 Capitalisation of borrowing costs

Borrowing costs attributable directly to the acquisition, construction or production of qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets. Income earned on temporary investments of specific borrowings pending their expenditure on those assets is deducted from borrowing costs capitalised. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4.14 Income taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

4. 主要會計政策(續)

4.12 收入確認(續)

當經濟利益可能將流入本集團且收入金額可予以合理地計量時，來自金融資產之利息收入(視情況而定，包括屬實際利率之組成部份之手續費)被確認。金融資產產生之利息收入乃按時間基準，並參照尚未償還本金額及按實際適用利率計算，而實際利率乃透過金融資產之預期可用年期內以預計收取現金折現至該資產初步確認時之賬面淨值之利率。

投資產生之股息收入乃於股東收取款項之權利確立後予以確認(前提是經濟利益可能流入本集團且收入金額能可靠計量)。

4.13 資本化借款成本

收購、建造或生產須耗用較長時間方可作擬定用途或銷售之合資格資產直接產生之借款成本均撥充資本，作為該等資產成本之一部份。特定借款撥作該等資產支出前暫時用作投資所賺取之收入須自資本化之借款成本中扣除。所有其他借款成本於產生期間於損益中確認。

4.14 所得稅

所得稅開支包括本期稅項及遞延稅項。

本期稅項乃根據日常業務之溢利或虧損，就所得稅而言毋須課稅或不可扣減之項目作出調整，按報告期末已制定或大致上制定之稅率計算。

Notes to the Financial Statements 財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

4.14 Income taxes (Continued)

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

An exception to the general requirement on determining the appropriate tax rate used in measuring deferred tax amount is when an investment property is carried at fair value under HKAS 40 "Investment Property". Unless the presumption is rebutted, the deferred tax amounts on these investment properties are measured using the tax rates that would apply on sale of these investment properties at their carrying amounts at the reporting date. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income.

Current tax assets and current tax liabilities are presented in net if, and only if:

- (a) the Group has the legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4. 主要會計政策(續)

4.14 所得稅(續)

遞延稅項乃以就財務報告而言資產與負債之賬面值與就稅務而言之相關數值間之暫時差額確認。除不影響會計或應課稅溢利之商譽及已確認資產與負債外，遞延稅項負債均會就所有應課稅暫時差額確認遞延稅項資產乃在可運用可扣稅暫時差額抵銷應課稅溢利之情況下確認。遞延稅項乃按適用於預期變現資產或清償負債賬面值的方式以及於報告期末已實施或大致上已實施之稅率計算。

對於計量遞延稅項金額時用於釐定適合稅率的一般規定而言，有一個例外情況，即投資物業是根據香港會計準則第40號「投資物業」而按公平值列賬。除非該假定被推翻，否則此等投資物業的遞延稅項金額是以出售此等投資物業時所適用的稅率以及按其於報告日期的賬面值而計量。若投資物業是可計提折舊並根據一個商業模式而持有，而該商業模式的目的是隨著時間推移而消耗該物業所體現的絕大部份經濟利益(而不是通過出售)時，該假定即被推翻。

遞延稅項負債乃就與於附屬公司投資之權益相關之應課稅暫時差額而確認，惟本集團可控制暫時差異之撥回及暫時差異可能不會於可見將來撥回時除外。

所得稅乃於損益中確認，除非該等稅項與於其他全面收入確認之項目有關，在此情況下。該等稅項亦於其他全面收入確認。

即期稅項資產與即期稅項負債只會於以下情況以淨額呈列：

- (a) 本集團依法有強制執行權可以將已確認金額對銷；及
- (b) 計劃以淨額基準結算或同時實現資產及結清負債。

Notes to the Financial Statements

財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

4.14 Income taxes (Continued)

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if:

- (a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - (i) the same taxable entities; or
 - (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4.15 Leasing

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

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on the straight-line basis over the lease term.

The Group as lessee

Where the Group has the right to use of assets held under operating leases, payments made under the leases are charged to profit or loss on a straight line basis over the lease terms except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rental are charged to profit or loss in the accounting period in which they are incurred.

4. 主要會計政策(續)

4.14 所得稅(續)

本集團只會於以下情況以淨額呈列遞延稅項資產與遞延稅項負債：

- (a) 該實體依法有強制執行權可以將即期稅項資產與即期稅項負債對銷；及
- (b) 遞延稅項資產與遞延稅項負債是關於同一稅務機關就以下任何一項所徵收的所得稅：
 - (i) 同一應課稅實體；或
 - (ii) 計劃於各段未來期間(而預期在有關期間內將結清或收回大額的遞延稅項負債或資產)以淨額基準結算即期稅項負債與資產或同時實現資產及結清負債的不同應課稅實體。

4.15 租約

倘租約條款將所有權絕大部份風險及回報轉讓予承租人，則租賃被分類為融資租約。所有其他租約被分類為經營租約。

本集團作為出租人

經營租約之租金收入乃按相關租約年期以直線法於損益中確認。於磋商及安排經營租約時所產生之初步直接成本添加於租賃資產之賬面值，並以直線法於租期內確認為開支。

本集團作為承租人

倘本集團持有按經營租約持有之資產之使用權，根據租約所付款項會按租期以直線法自損益中扣除，惟倘另一基準更能代表租賃資產所產生利益之模式則除外。所獲租約優惠於損益中確認為所付總租金淨額之一部份。或有租金於產生之期間自損益中扣除。

Notes to the Financial Statements 財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.16 Share capital

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued. Considerations received or receivable on the issue of shares are credited to share capital. Commissions and expenses are deducted from share capital.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

4.17 Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which will probably result in an outflow of economic benefits that can be reasonably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

4.18 Employee benefits

Payments to the defined contribution retirement benefits schemes are charged as an expense when employees have rendered services entitling them to the contributions.

Retirement benefits

Retirement benefits to employees are provided through defined contribution plans.

The Group operates a defined contribution retirement benefit plan under the Mandatory Provident Fund Schemes Ordinance, for all of its eligible employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries.

The employees of the Group's subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries are required to contribute certain percentage of their payroll costs to the central pension scheme.

4. 主要會計政策(續)

4.16 股本

普通股分類為權益。股本以已發行股份面值釐定。發行股份之已收或應收代價計入股本。佣金及費用將從股本扣除。

因發行新股份或購股權而產生的直接相關新增成本，乃以所得款項的扣減(扣除稅項)於權益中列賬。

4.17 撥備及或然負債

因過去某一事件以致本集團出現可能導致可合理估計之經濟利益流出之法律或推定責任時，就時間或金額不明確之負債計提撥備。

倘若經濟利益不大可能需要流出，或倘若有關金額不能可靠估計時，則有關責任將獲披露為或然負債，除非經濟利益流出之可能性極微。有可能之責任(其存在僅由一項或多項未來事件之出現與否確定)亦披露為或然負債，除非經濟利益流出之可能性極微。

4.18 僱員福利

向定額供款退休福利計劃所作之付款於僱員提供可獲取該等供款之服務時作為開支扣除。

退休福利

僱員之退休福利乃透過定額供款計劃提供。

本集團根據強制性公積金計劃條例為全部其合資格參與強積金計劃之僱員設立定額供款退休福利計劃。供款乃按僱員基本薪金之百分比作出。

本集團於中國經營之附屬公司之僱員須參加由地方市政府設立之中央退休金計劃。該等附屬公司須按其薪資成本之若干比例向中央退休金計劃供款。

Notes to the Financial Statements

財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.19 Share-based payment transactions

Equity-settled share-based payment transactions

Share options granted to employees

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (the employee share-based compensation reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the employee share-based compensation reserve.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in the employee share-based compensation reserve will be transferred to accumulated profits.

Share award scheme

The cost of equity-settled transactions is recognised, together with a corresponding increase in the employee share-based compensation reserves in equity, over the period in which the granted conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The income statement expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

When the share award is cancelled, it is treated as if it vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

4. 主要會計政策(續)

4.19 以股份為基礎之付款交易

按權益結算以股份為基礎之付款交易

授予僱員之購股權

所獲服務之公平值乃參考購股權於授出當日之公平值釐定，並於歸屬期間以直線法支銷，並於權益中作相應增加(以股份支付的僱員酬金儲備)。

於報告期末，本集團會修訂其對預計最終歸屬購股權數目之初始估計。於歸屬期內修訂估計所帶來之影響(如有)在損益中確認，以使累計費用反應經修訂之估計，並對以股份支付的僱員酬金儲備作出相應調整。

購股權獲行使時，過往於購股權儲備中確認之數額將轉移至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日仍未獲行使，過往確認於以股份支付的僱員酬金儲備之數額將轉入累計溢利。

股份獎勵計劃

權益結算交易之成本，連同以股份支付的僱員酬金之相應增加在批約條件得到履行期間內分期確認。在賦權日之前每個報告日，對於權益結算交易所確認之累計費用乃反映賦權期屆滿之程度及本集團對於最終賦權之權益工具數量之最佳估計。期內損益表費用或計入之金額乃代表該期期初及期末所確認累計費用之變動及於員工福利費用內確認。

倘股份獎勵取消，將其視為已於取消日賦權，並立即確認獎勵未確認之任何費用。

Notes to the Financial Statements 財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.20 Impairment losses of non-financial assets

Property, plant and equipment, prepaid land lease payments and interests in subsidiaries are subject to impairment testing.

Goodwill and intangible assets with indefinite useful life or those not yet available for use are tested for impairment at least annually, irrespective of whether there is any indication that they are impaired. All other non-financial assets are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value, reflecting market conditions less costs of disposal, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill in particular is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which the goodwill is monitored for internal management purpose.

4.21 Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major products and service lines.

4. 主要會計政策(續)

4.20 非金融資產減值虧損

物業、廠房及設備、預付土地租約付款及於附屬公司之權益均須進行減值測試。

並無限定可使用年期或尚未可供使用之商譽及無形資產須至少每年進行一次減值測試，而不論是否有跡象顯示出現減值。所有其他非金融資產在出現未必能收回賬面值之跡象時進行減值測試。

減值虧損乃按資產之賬面值超出其可收回數額之差額即時確認為支出。可收回數額為反映市況之公平值減銷售成本與使用價值兩者之較高者。評估使用價值時，估計未來現金流量採用稅前折現率折現至其現值，以反映現時市場對金錢時間值及有關資產特有風險之評估。

就評估減值而言，倘資產產生之現金流入大部份並不獨立於其他資產，可收回數額則按可獨立產生現金流入之最小資產組合(即現金產生單位)釐定。因此，部份資產乃個別進行減值測試，另有部份按現金產生單位進行測試。特別是商譽乃分配至該等預期可受惠於相關業務合併所帶來協同效應之現金產生單位，即本集團內就內部管理目的而監控商譽之最低水準。

4.21 分類報告

本集團根據向執行董事呈報以供彼等就分配資源至本集團業務部份及檢討該等部份表現作出決定之定期內部財務資料識別經營分類及編製分類資料。向執行董事呈報之內部財務資料內之業務部份乃按本集團主要產品及服務線釐定。

Notes to the Financial Statements 財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

4.21 Segment reporting (Continued)

The Group has identified the following reportable segments:

- Property development – holding land for property development projects;
- Property investment – providing rental services and holding investment properties for appreciation;
- Finance leasing – providing finance leasing service including arranging sales and leaseback transaction;
- Bulk commodity trade – trading of coal and non-ferrous metals; and
- Hotel and marine travelling services – providing hotel and marine travelling services.

Each of these operating segments is managed separately as each of the products and service lines requires different resources as well as marketing approaches.

The measurement policies the Group uses for reporting segment results under HKFRS 8 are the same as those used in its financial statements prepared under HKFRSs. Segment results represent the results from each segment without allocation of administration costs incurred and other income generated by head office and the inactive subsidiaries, directors' salaries, excess of fair value of the net identifiable assets over the cost of acquisition of a subsidiary, fair value changes of investment properties and held-for-trading securities and finance cost of corporate bonds. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

4. 主要會計政策(續)

4.21 分類報告(續)

本集團已識別以下可呈報分類：

- 物業發展－持有土地作物業發展項目用途；
- 物業投資－提供租賃服務及持有投資物業以待增值；
- 融資租賃－提供融資租賃服務（包括安排售後回租交易）；
- 大宗商品貿易－煤炭及有色金屬貿易；及
- 酒店和海上旅遊服務－提供酒店和海上旅遊服務。

由於各產品及服務線需要不同資源以及市場推廣方法，故該等經營分類各自獨立管理。

本集團根據香港財務報告準則第8號用作呈報分類業績之計量政策與其根據香港財務報告準則編製之財務報表內採用者相同。分類業績為未分配已產生的行政費用及來自總辦事處及不活躍附屬公司之其他收入、董事薪金、可識別淨資產公平值於收購一間附屬公司成本之超額、投資物業及持作買賣證券之公平值變動收益及公司債券融資成本前，各分類之業績。此乃向主要營運決策者報告之計量方式，以便其分配資源及評估表現。

Notes to the Financial Statements 財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.21 Segment reporting (Continued)

Segment assets include all assets other than held-for-trading securities, assets held by head office and the inactive subsidiaries (including property, plant and equipment, other receivables and bank balances and cash) and other unallocated assets that are not directly attributable to reportable segments. Segment liabilities exclude corporate bonds, liabilities incurred by head office and the inactive subsidiaries (including other payables, unsecured other loans and deferred tax liabilities) and other unallocated liabilities that are not directly attributable to reportable segments.

Segment assets of property investment segment include investment properties but segment results exclude the related fair value changes for the year.

Save as the aforementioned, no asymmetrical allocations have been applied to reportable segments.

4.22 Government grants

Government grants are recognised when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

4.23 Related parties

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

4. 主要會計政策(續)

4.21 分類報告(續)

分類資產包括除持作買賣證券、總辦事處及不活躍附屬公司之資產(含物業、廠房及設備、其他應收款項及銀行結餘及現金)及其他非可呈報經營分類直接應佔的未分配資產外的所有資產。分類負債不包括公司債券、總辦事處及不活躍附屬公司之負債(含其他應付款項、其他無抵押貸款及遞延稅項負債)及其他非可呈報經營分類直接應佔的未分配負債。

資產投資之分類資產包括投資物業，但分類業績不包括年內相關公平值變動。

除上文所披露者，本公司並無對呈報分類採用非對稱之分配。

4.22 政府補助

當可以合理地確定將會收到政府補助且本集團將遵守其附帶條件時，政府補助將予以確認。用作補償本集團所產生開支之補助於產生開支之同一期間有系統地於損益中確認為收入。補償本集團資產成本之補助從資產賬面值中扣除，其後於該項資產之可使用年期以減少折舊開支方式於損益中實際確認。

4.23 關連方

- (a) 倘屬下列情況，則某人士或該人士的近親家族成員即被視為與本集團有關連：
- (i) 對本集團有控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本公司母公司之主要管理人員。

Notes to the Financial Statements

財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.23 Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions apply:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
 - (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.

4. 主要會計政策(續)

4.23 關連方(續)

- (b) 倘下列任何情況適用，則某實體即為與本集團有關連：
- (i) 該實體與本集團屬同一集團的成員公司(即各母公司、附屬公司及同系附屬公司互相關連)。
 - (ii) 一個實體為另一實體的聯營公司或合營企業(或為某一集團的成員公司的聯營公司或合營企業，而該另一實體為此集團的成員)。
 - (iii) 兩個實體皆為相同第三方的合營企業。
 - (iv) 一個實體為第三實體的合營企業，而另一實體為該第三實體的聯營公司。
 - (v) 該實體為本集團或與本集團有關連的實體的僱員福利而設的離職後福利計劃。
 - (vi) 該實體受(a)項所界定的人士控制或共同控制。
 - (vii) (a)(i)項所界定的人士對該實體有重大影響力，或為實體(或該實體的母公司)的高級管理人員。
 - (viii) 該實體或其所屬集團旗下任何公司向本集團或本集團的母公司提供主要管理人員服務。

Notes to the Financial Statements 財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.23 Related parties (Continued)

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

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, management of the Group has made various estimates based on past experience, expectations of the future and other information. 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 is set out below.

5.1 Fair value of investment properties

Investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair value, the valuers have based on a method of valuation which involves certain estimates of market condition. In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the assumptions used in the valuation are reflective of the current market conditions. Changes to these assumptions would result in changes in the fair values of the Group's investment properties and the corresponding adjustments to the amount of gain or loss reported in the consolidated income statement.

4. 主要會計政策(續)

4.23 關連方(續)

某人士的近親家族成員指在與實體交易時預期可影響該人士或受該人士影響的家族成員，包括：

- (i) 該人士的子女及配偶或同居伴侶；
- (ii) 該人士的配偶或同居伴侶的子女；及
- (iii) 該人士或該人士的配偶或同居伴侶的受養人。

5. 估計不明朗因素之主要來源

於應用本集團載於附註4之會計政策時，本集團管理層根據過往經驗、對未來及其他資料之預期作出各種估計。下文為有關未來之主要假設及於報告期末估計不明朗因素之其他主要來源，此等假設及來源均對下一個財政年度資產及負債賬面值造成須作出大幅調整之重大風險。

5.1 投資物業之公平值

投資物業乃按獨立專業估值師進行之估值以公平值列賬。在釐訂公平值時，估值師依據之估值方法涉及若干對市況之估計。在依賴估值報告之餘，本公司董事已行使其判斷力並信納估值採用之假設足以反映現時市況。該等假設之變更會導致本集團投資物業公平值發生變動，並須對綜合收益表內所呈報之收益或虧損金額作出相應調整。

Notes to the Financial Statements

財務報表附註

5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

5.2 Estimated net realisable value on properties under development

In determining whether allowances should be made for the Group's properties under development, the Group takes into consideration the current market environment and the estimated market value less estimated costs to completion of the properties. An allowance is made if the estimated market value is less than the carrying amount. If the actual net realisable value on properties under development is less than expected as a result of change in market condition and/or significant variation in the budgeted development cost, material provision for impairment losses may result.

5.3 Estimated net realisable value for properties held for sale

Management exercises its judgement in making allowance for properties held for sale with reference to the existing market environment, the sales performance in previous years and estimated market value of the properties, i.e. the estimated selling price less estimated costs of selling. A specific allowance for stocks of completed properties is made based on the estimation of net realisable value on the completed properties if the estimated market value of the property is lower than its carrying amount. If the actual net realisable values of the stocks of completed properties are less than expected as a result of change in market condition, material provision for impairment losses may result.

5.4 Estimated impairment of loans and receivables

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, an impairment loss may arise.

5. 估計不明朗因素之主要來源(續)

5.2 發展中物業之估計可變現淨值

於釐定應否就本集團之發展中物業計提撥備時，本集團會考慮目前市場環境及估計市值減估計物業完工成本。倘估計市值低於賬面值，則須作出撥備。倘發展中物業之實際可變現淨值因市況發生變化及／或預算發展成本出現重大變動而少於預期，則可能導致重大減值虧損撥備。

5.3 持作銷售物業之估計可變現淨值

管理層對持作銷售物業之撥備作出判斷乃根據現有市場狀況、以往年度銷售表現及該等物業之估計市值(即估計銷售價減估計銷售費用)。若物業之估計市值低於其賬面值，則須根據已完成物業之估計可變現淨值，對已完成物業作出特別撥備。倘已完成物業之實際可變現淨值因市況發生變化而少於預期，則可能導致重大減值虧損撥備。

5.4 貸款及應收款項之估計減值

若出現減值虧損之客觀憑證，本集團將考慮估計未來之現金流量。減值虧損之金額按資產賬面值與估計未來現金流量按金融資產最初實際利率(即初始確認時計算之實際利率)貼現之現值(不包括尚未引致之未來信貸虧損)之間的差額計量。倘實際未來現金流量少於預期，則可能產生減值虧損。

Notes to the Financial Statements 財務報表附註

5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

5.5 Estimated provision for inventories

In determining the amount of allowance required for obsolete and slow-moving inventories, the Group would evaluate ageing analysis of inventories and compare the carrying value of inventories to their respective net realisable value. A considerable amount of judgement is required in determining such allowance. If conditions which have impact on the net realisable value of inventories deteriorate, additional allowances may be required.

5.6 Depreciation and amortisation

The Group depreciates the property, plant and equipment and amortises the prepaid land lease payments in accordance with the accounting policies stated in notes 4.6 and 4.7. The estimated useful lives reflect the directors' estimates of the periods that the Group intends to derive future economic benefits from the use of these assets.

5.7 Estimated impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows.

5. 估計不明朗因素之主要來源(續)

5.5 存貨的估計撥備

於釐定陳舊及滯銷存貨之撥備金額時，本集團須評估存貨之賬齡分析並將存貨之賬面值與其各自可變現淨值作比較。於釐定有關撥備時須進行大量判斷。若影響存貨可變現淨值之條件惡化，即須作出額外撥備。

5.6 折舊及攤銷

本集團分別根據附註4.6及附註4.7所述之會計政策對物業、廠房及設備計算折舊及對預付土地租約付款計算攤銷。估計可用年期為董事估計本集團擬從使用該等資產取得未來經濟利益之期間。

5.7 非金融資產之估計減值

本集團於各呈報日評估全部非金融資產是否有任何減值跡象。非金融資產於有跡象顯示賬面值可能無法收回時進行減值測試。倘進行計算使用價值時，管理層須估計資產或現金產生單位之預期未來現金流量，及選用合適之貼現率以計算該等現金流量現值。

Notes to the Financial Statements 財務報表附註

5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

5.8 Fair value measurement

A number of assets included in the Group's financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "**fair value hierarchy**"):

Level 1 valuations:	Quoted prices in active markets for identical items (unadjusted);
Level 2 valuations:	Observable direct or indirect inputs other than Level 1 inputs;
Level 3 valuations:	Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures a number of items at fair value:

- Investment properties (note 17)
- available-for-sale financial assets (note 28)
- Held-for trading securities (note 29)

For more detailed information in relation to the fair value measurement of the items above, please refer to the applicable notes.

5. 估計不明朗因素之主要來源(續)

5.8 公平值計量

部份計入本集團財務報表的資產要求按公平值計量及／或披露。

本集團之金融及非金融資產之公平值計量盡可能使用市場可報價及數據。依據估值技術使用的報價之可觀察程度，用於釐定公平值計量之報價可分為不同等級（「**公平值等級**」）：

一級評估：	相同科目於活躍市場之輸入數據（未經調整）；
二級評估：	除一級輸入數據之外的直接或間接可觀察輸入數據；
三級評估：	不可觀察輸入數據（如：非基於市場數據的輸入數據）。

項目乃根據對該項目的公平值計量具有重要影響的輸入參數的最低層級歸類為上述層級。層級之間的项目轉移於發生期間確認。

本集團按公平值計量的部份科目：

- 投資物業(附註17)
- 可供出售金融資產(附註28)
- 持作買賣證券(附註29)

有關上述科目公平值計量之更多詳情，請參閱適用附註。

Notes to the Financial Statements 財務報表附註

6. SEGMENT INFORMATION

For the purpose of resources allocation and performance assessment, the executive directors, being the Group's chief operating decision makers, review operating results and financial information on a company by company basis. Each company is identified as an operating segment in accordance with HKFRS 8. When the group companies are operating in similar business model with similar target group of customers, the group companies are aggregated into same segments.

During the year ended 31 December 2016, the Group has reorganised its internal reporting structure by simplifying the segmental classification based on revenue contribution from its product and service lines so as to enhance operational efficiency. Accordingly, the comparative segment information has been re-presented to conform to current year's presentation. The Group's reportable segments for financial reporting purposes have been reorganised as follows:

- (1) Property development – holding land for property development projects
- (2) Property investment – providing rental services and holding investment properties for appreciation
- (3) Finance leasing – providing finance leasing service including arranging sale and leaseback transaction
- (4) Bulk commodity trade – trading of coal and non-ferrous metals
- (5) Hotel and marine travelling services – providing hotel and marine travelling services

6. 分類資料

就資源分配及表現評估而言，本集團的主要營運決策者即執行董事逐個審閱各公司之經營業績及財務資料。根據香港財務報告準則第8號，各公司確定為一個經營分類。當集團公司按類似目標客戶群的類似業務模式經營，集團公司會綜合至同一分類。

截至二零一六年十二月三十一日止年度，本集團已按照其產品及服務線的收益貢獻簡化分部份類，以重組其內部呈報結構，從而提高經營效率。因此，可比較分部資料已作重新呈列以遵循本年度的呈列方式。本集團就財務報告而言的可呈報分類已重組如下：

- (1) 物業發展－持有土地作物業發展項目用途
- (2) 物業投資－提供租賃服務及持有投資物業以待增值
- (3) 融資租賃－提供融資租賃服務（包括安排售後回租交易）
- (4) 大宗商品貿易－煤炭及有色金屬貿易
- (5) 酒店和海上旅遊服務－提供酒店和海上旅遊服務

Notes to the Financial Statements

財務報表附註

6. SEGMENT INFORMATION (Continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment:

For the year ended 31 December 2016

	Property investment	Property development	Finance leasing	Bulk commodity trade	Hotel and marine travelling services	Total
	物業投資	物業發展	融資租賃	大宗商品貿易	酒店和海上旅遊服務	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Turnover as presented in consolidated income statement	2,157	103,598	51,503	511,849	47,452	716,559
Results						
Segment results (note (a))	1,972	19,177	47,806	16,012	7,452	92,419
Fair value loss on investment properties (note (b))						(80)
Fair value gain on held-for-trading securities						45
Interest income from entrusted loan receivables						2,461
Unallocated finance costs						(32,819)
Unallocated corporate expenses						(52,937)
Unallocated corporate income						90,189
Profit before income tax						99,278

6. 分類資料(續)

分類收益及業績

以下為本集團按報告分類劃分之收益及業績分析：

截至二零一六年十二月三十一日止年度

Notes to the Financial Statements

財務報表附註

6. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

For the year ended 31 December 2016 (Continued)

	Property investment	Property development	Finance leasing	Bulk commodity trade	Hotel and marine travelling services	Unallocated	Total
	物業投資	物業發展	融資租賃	大宗商品貿易	酒店和海上旅遊服務	未分配	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Notes:	附註:						
(a) Amounts included in the measure of segment results	(a) 分類業績已計入之金額						
Interest income from deposits, short-term investments and available-for-sale financial assets	-	235	2,427	315	561	53,060	56,598
Depreciation	-	(228)	(115)	(3)	(8,200)	(4,108)	(12,654)
Finance costs	-	-	(24)	-	-	(32,819)	(32,843)
Loss on disposal of property, plant and equipment	-	-	-	-	(4)	-	(4)
Reversal of write-down of inventories	-	-	-	-	530	-	530
Written off of other receivables	-	-	-	-	-	(276)	(276)
(b) Amounts regularly provided to the chief operating decision maker for the analysis of the segment's performance	(b) 定期向主要營運決策者提供以供其分析分類表現之金額						
Fair value loss on investment properties	(80)	-	-	-	-	-	(80)

6. 分類資料 (續)

分類收益及業績 (續)

截至二零一六年十二月三十一日止年度 (續)

Notes to the Financial Statements

財務報表附註

6. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

For the year ended 31 December 2015

		Property investment	Property development	Finance leasing	Bulk commodity trade	Hotel and marine travelling services	Total
		物業投資 HK\$'000 港幣千元	物業發展 HK\$'000 港幣千元	融資租賃 HK\$'000 港幣千元	大宗商品貿易 HK\$'000 港幣千元	酒店和 海上旅遊服務 HK\$'000 港幣千元	總計 HK\$'000 港幣千元
Turnover as presented in consolidated income statement	綜合收益表呈列之營業額	1,970	101,042	40,986	374,345	58,190	576,533
Results	業績						
Segment results (note (a))	分類業績(附註(a))	1,719	22,384	36,478	62,988	6,661	130,230
Fair value loss on investment properties (note (b))	投資物業之公平值虧損 (附註(b))						(62)
Fair value loss on held-for-trading securities	持作買賣證券之公平值虧損						(469)
Excess of fair value of the net identifiable assets over the cost of acquisition of a subsidiary	可識別淨資產公平值於收購一間附屬公司成本之超額						5,056
Interest income from entrusted loan receivables	應收委託貸款之利息收入						10,471
Unallocated finance costs	未分配融資成本						(39,394)
Unallocated corporate expenses	未分配企業開支						(29,950)
Unallocated corporate income	未分配企業收入						50,435
Profit before income tax	除所得稅前溢利						126,317

6. 分類資料(續)

分類收益及業績(續)

截至二零一五年十二月三十一日止年度

Notes to the Financial Statements

財務報表附註

6. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

For the year ended 31 December 2015 (Continued)

	Property investment	Property development	Finance leasing	Bulk commodity trade	Hotel and marine travelling services	Unallocated	Total		
	物業投資 HK\$'000 港幣千元	物業發展 HK\$'000 港幣千元	融資租賃 HK\$'000 港幣千元	大宗商品貿易 HK\$'000 港幣千元	海上旅遊服務 酒店和 酒店和 HK\$'000 港幣千元	未分配 HK\$'000 港幣千元	總計 HK\$'000 港幣千元		
				(Re-presented) (經重列)					
Notes:	附註:								
(a) Amounts included in the measure of segment results	(a) 分類業績已計入之金額								
Interest income from deposits, short-term investments and available-for-sale financial assets		存款、短期投資及可供出售金融資產之利息收入	-	222	2,776	62,881	1,534	17,397	84,810
Depreciation		折舊	-	(157)	(101)	(3,592)	(10,903)	(480)	(15,233)
Finance costs		融資成本	-	-	-	(1,185)	-	(39,394)	(40,579)
(Loss)/gain on disposal of property, plant and equipment		出售物業、廠房及設備之(虧損)/收益	-	-	43	(13)	(12,438)	-	(12,408)
Reversal of impairment of prepayment		預付款項減值之撥回	-	-	-	16,855	-	-	16,855
Compensation income		賠償收入	-	-	-	-	6,762	-	6,762
Subsidy income		貼現收入	-	5,315	-	-	-	-	5,315
Provision for inventories		存貨撥備	-	-	-	(949)	(562)	-	(1,511)
Impairment of prepayment		預付款項減值	-	-	-	(4,960)	-	-	(4,960)
(b) Amounts regularly provided to the chief operating decision maker for the analysis of the segment's performance	(b) 定期向主要營運決策者提供以供其分析分類表現之金額								
Fair value loss on investment properties		投資物業之公平值虧損	(62)	-	-	-	-	-	(62)

6. 分類資料(續)

分類收益及業績(續)

截至二零一五年十二月三十一日止年度(續)

Notes to the Financial Statements

財務報表附註

6. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

Unallocated corporate income mainly comprised interest income from deposits, short-term investments and available-for-sale financial assets, interest income from a related party and reversal of other payables which are not directly attributable to the business activities of any operating segment.

Unallocated corporate expenses mainly comprised staff costs and legal and professional expenses of the Group's headquarter which are not directly attributable to the business activities of any operating segment.

Segment results do not include income tax expense, while segment liabilities include the current and deferred taxation except for those recognised by the head office and the inactive subsidiaries.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 4. Segment results represent the results from each segment without allocation of administration costs incurred and other income generated by head office and the inactive subsidiaries, directors' salaries, excess of fair value of the net identifiable assets over the cost of acquisition of a subsidiary, fair value changes of investment properties and held-for-trading securities and finance cost of corporate bonds. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

6. 分類資料(續)

分類收益及業績(續)

未分配企業收入主要包括來自存款、短期投資及可供出售之金融資產、來自關連方之利息收入及其他應付款項之撥回、並不直接歸屬於任何經營分類的業務活動。

未分配企業開支主要包括員工成本、法律及本集團總部的專業開支，並不直接歸屬於任何經營分類的業務活動。

分類業績不包括所得稅開支，而分類負債則包括當期及遞延稅項，由總辦事處及不活躍附屬公司確認者除外。

報告分類之會計政策與附註4所述本集團會計政策相同。分類業績為未分配已產生的行政費用及來自總辦事處及不活躍附屬公司之其他收入、董事薪金、可識別淨資產公平值於收購一間附屬公司成本之超額、投資物業及持作買賣證券之公平值變動及公司債券融資成本各分類之業績。此乃向主要營運決策者報告之計量方式，以便分配資源及評估表現。

Notes to the Financial Statements

財務報表附註

6. SEGMENT INFORMATION (Continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segment:

6. 分類資料(續)

分類資產及負債

以下為本集團的資產及負債按報告分類之分析：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Re-presented) (經重列)
Segment assets	分類資產		
Property investment*	物業投資*	58,934	58,468
Property development	物業發展	792,620	761,279
Finance leasing	融資租賃	791,155	646,170
Bulk commodity trade	大宗商品貿易	79,096	105,538
Hotel and marine travelling services	酒店和海上旅遊服務	203,595	234,341
Total segment assets	分類資產總額	1,925,400	1,805,796
Unallocated	未分配		
– Prepaid land lease payments	– 預付土地租賃付款	150,395	163,313
– Entrusted loan receivables	– 應收委託貸款	7,840	59,140
– Available-for-sale financial assets	– 可供出售金融資產	513,130	410,136
– Structured bank deposits	– 結構性銀行存款	–	13,090
– Deposits in other financial institution	– 於其他金融機構存款	428,186	355,650
– Bank balances and cash	– 銀行結存及現金	716,744	896,501
– Other unallocated assets	– 其他未分配資產	105,205	133,431
Consolidated assets	綜合總資產	3,846,900	3,837,057

Notes to the Financial Statements

財務報表附註

6. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Re-presented) (經重列)
Segment liabilities	分類負債		
Property investment	物業投資	8,050	8,573
Property development	物業發展	159,521	109,416
Finance leasing	融資租賃	80,020	4,415
Bulk commodity trade	大宗商品貿易	17,031	14,437
Hotel and marine travelling services	酒店和海上旅遊服務	33,606	33,902
Total segment liabilities	分類負債總額	298,228	170,743
Corporate bonds	公司債券	667,219	694,757
Other unallocated liabilities	其他未分配負債	56,642	67,310
Consolidated liabilities	綜合負債	1,022,089	932,810

* Segment assets of property investment segment include investment properties but segment results exclude the related fair value loss of HK\$80,000 (2015: HK\$62,000) for the year.

* 物業投資分類的分類資產包括投資物業，而分類業績則不包括年內相關公平值虧損港幣80,000元(二零一五年：港幣62,000元)。

Notes to the Financial Statements

財務報表附註

6. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than held-for-trading securities, entrusted loan receivables and assets held by head office and the inactive subsidiaries (including property, plant and equipment, other receivables and bank balances and cash); and
- all liabilities are allocated to reportable segments other than corporate bonds, liabilities incurred by head office and the inactive subsidiaries (including other payables, unsecured other loans and deferred taxation).

For the year ended 31 December 2016

Amounts included in the measure of segment assets:

	Property investment	Property development	Finance leasing	Bulk commodity trade	Hotel and marine travelling services	Unallocated	Total
	物業投資	物業發展	融資租賃	大宗商品貿易	酒店和海上旅遊服務	未分配	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Additions to non-current assets (other than financial assets) 添置非流動資產 (金融工具除外)	4,159	11	65	17	2,327	94	6,673

6. 分類資料(續)

分類資產及負債(續)

為監控分類表現及於分類間分配資源：

- 除持作買賣證券、應收委託貸款、總辦事處及不活躍附屬公司之資產(含物業、廠房及設備、其他應收款項及銀行結餘及現金)外，所有資產均分配至報告分類；及
- 除公司債券、總辦事處及不活躍附屬公司之負債(含其他應付款項、其他無抵押貸款及遞延稅項)之外，所有負債均分配至報告分類。

截至二零一六年十二月三十一日止年度

計入分類資產計量之金額：

Notes to the Financial Statements

財務報表附註

6. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

For the year ended 31 December 2015

Amounts included in the measure of segment assets:

	Property investment	Property development	Finance leasing	Bulk commodity trade (Re-presented) (大宗商品貿易 (經重列))	Hotel and marine travelling services (酒店和海上旅遊服務)	Unallocated	Total
	物業投資	物業發展	融資租賃			未分配	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Additions to non-current assets (other than financial assets) 添置非流動資產 (金融工具除外)	-	57	333	21	1,243	199,636	201,290

Other segment information

The Group's significant operations, external customers and non-current assets (other than financial assets) during the years ended 31 December 2016 and 2015 were mainly located in Hong Kong (place of domicile) and the PRC. Geographical information of revenue from external customers is based on the location of the customers and the geographical location of the non-current assets (other than financial assets) is based on the physical location of the assets.

6. 分類資料 (續)

分類資產及負債 (續)

截至二零一五年十二月三十一日止年度

計入分類資產計量之金額：

	Property investment	Property development	Finance leasing	Bulk commodity trade (Re-presented) (大宗商品貿易 (經重列))	Hotel and marine travelling services (酒店和海上旅遊服務)	Unallocated	Total
	物業投資	物業發展	融資租賃			未分配	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Additions to non-current assets (other than financial assets) 添置非流動資產 (金融工具除外)	-	57	333	21	1,243	199,636	201,290

其他分類資料

於截至二零一六年及二零一五年十二月三十一日止年度，本集團之重要業務、外部客戶及非流動資產(金融資產除外)主要位於香港(本公司註冊地)及中國。來自外部客戶之收益之地區資料乃根據客戶所在地而定，非流動資產(金融資產除外)之地理位置乃根據該等資產之實際位置而定。

		Revenue from external customers 來自外部顧客之收益		Non-current assets (other than financial assets) 非流動資產(金融資產除外)	
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Hong Kong	香港	-	-	184	223
The PRC	中國	716,559	576,533	406,412	443,883
		716,559	576,533	406,596	444,106

Notes to the Financial Statements

財務報表附註

6. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

Revenue from customers of the corresponding years contributing over 10% of the total turnover of the Group are as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Customer A (Note 1)	客戶A(附註1)	-	139,469
Customer B (Note 2)	客戶B(附註2)	96,733	-
Customer C (Note 3)	客戶C(附註3)	106,534	98,212
		203,267	237,681

Notes:

1. This was a customer for bulk commodity trade business for the year ended 31 December 2015 and no revenue was contributed from this customer to the total turnover of the Group for the year ended 31 December 2016.
2. This was a customer for bulk commodity trade business for the year ended 31 December 2016 and no revenue was contributed from this customer to the total turnover of the Group for the year ended 31 December 2015.
3. This was a customer for bulk commodity trade business for the years ended 31 December 2016 and 2015.

6. 分類資料(續)

其他分類資料(續)

以下為相應年度佔本集團營業總額10%以上的客戶貢獻之收益：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Customer A (Note 1)	客戶A(附註1)	-	139,469
Customer B (Note 2)	客戶B(附註2)	96,733	-
Customer C (Note 3)	客戶C(附註3)	106,534	98,212
		203,267	237,681

附註：

1. 該客戶乃截至二零一五年十二月三十一日止年度的大宗商品貿易業務客戶，且截至二零一六年十二月三十一日止年度該客戶並無對本集團營業總額產生任何收益。
2. 該客戶乃截至二零一六年十二月三十一日止年度的大宗商品貿易業務客戶，且截至二零一五年十二月三十一日止年度該客戶並無對本集團營業總額產生任何收益。
3. 該客戶乃截至二零一六年及二零一五年十二月三十一日止年度的大宗商品貿易業務客戶。

Notes to the Financial Statements

財務報表附註

6. SEGMENT INFORMATION (Continued)

Turnover from major products and services

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Re-presented) (經重列)
Rental income	租金收入	2,157	1,970
Sales of properties	出售物業	103,598	101,042
Interest income	利息收入	43,777	28,703
Consultancy service income from finance leasing arrangements	融資租賃安排之 諮詢服務收入	7,726	12,283
Bulk commodity trade	大宗商品貿易	511,849	374,345
Hotel and marine travelling services	酒店和海上旅遊服務	47,452	58,190
		716,559	576,533

6. 分類資料(續)

主要產品及服務所得營業額

7. OTHER INCOME

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Interest income from deposits, short-term investments and available-for-sale financial assets	存款、短期投資及可供出售金融 資產之利息收入	56,598	84,810
Interest income from entrusted loan receivables	應收委託貸款之利息收入	2,461	10,471
Interest income from consideration receivable from disposal of a subsidiary	出售一間附屬公司之應收代價之 利息收入	-	7,159
Interest income from a related party (note 26)	來自一名關連方之利息收入 (附註26)	3,367	6,448
Interest income from a non-controlling shareholder of a subsidiary (note 25)	來自一間附屬公司一名非控股股 東的利息收入(附註25)	993	1,208
Subsidy income (note (a))	貼現收入(附註(a))	-	5,315
Reversal of impairment of prepayment	預付款項減值之撥回	-	16,855
Reversal of other payables ((note (b))	其他應付款項之撥回(附註(b))	-	5,024
Compensation income	賠償收入	-	6,762
Overdue charges under the entrusted loan arrangements	委託貸款項下之逾期費用	-	197
Exchange gain, net	匯兌收益淨額	33,362	27,941
Others	其他	1,710	763
		98,491	172,953

7. 其他收入

Notes to the Financial Statements

財務報表附註

7. OTHER INCOME (Continued)

Notes:

- (a) Subsidy income mainly comprised unconditional government grants for subsidising the Group's property development business.
- (b) The disposal of Chengtong Development International Trading Limited ("CDIT") and 杭州瑞能金屬材料有限公司 ("杭州瑞能") was completed on 22 December 2014 and 19 December 2014 respectively. The profit or loss of CDIT and 杭州瑞能 during the period from the valuation date (being 31 May 2014) up to the date of completion (the "post agreement date") was borne by the Group. As at 31 December 2014 and up to the date that the board of directors approved the Group's annual financial statements for the year ended 31 December 2014 for issue, the Group had not signed any supplemental agreement with the buyer yet. As at 31 December 2014, the Group accrued the amount of approximately HK\$31,746,000 for the amounts to the buyer regarding the post agreement date results borne by the Group based on the directors' best estimation.

On 30 April 2015, the Group entered into a supplemental agreement with the buyer of CDIT and 杭州瑞能 and confirmed that the post agreement date loss in the aggregate amount of approximately HK\$26,722,000 from CDIT and 杭州瑞能 should be borne by the Group. Since the supplemental agreement was signed during the year ended 31 December 2015, reversal of amount payable to the buyer regarding the post agreement date results borne by the Group of approximately HK\$5,024,000 was credited to other income. Details of the supplemental agreement are set out in the Company's announcement dated 30 April 2015.

8. FINANCE COSTS

Interest on corporate bonds	公司債券之利息	42,019	43,553
Interest on bank borrowings	銀行借貸之利息	24	477
Interest on discounted bills with recourse	具有追索權之貼現票據之利息	-	708
		42,043	44,738
Less: Amounts capitalised on properties under development	減：發展中物業之撥作資本化之金額	(9,200)	(4,159)

32,843

40,579

7. 其他收入(續)

附註：

- (a) 貼現收入主要包括政府補貼本集團物業發展業務之無條件補助。
- (b) 誠通發展國際貿易有限公司(「誠通國際貿易」)及杭州瑞能金屬材料有限公司(「杭州瑞能」)的出售事項已分別於二零一四年十二月二十二日及二零一四年十二月十九日完成。誠通國際貿易及杭州瑞能由估值日期起(即二零一四年五月三十一日)至完成日期(「後協議日期」)期間的損益由本集團承擔。於二零一四年十二月三十一日及直至董事會批准發出本集團截至二零一四年十二月三十一日止年度的年度財務報表的日期，本集團並無與買方簽署任何補充協議。於二零一四年十二月三十一日，按照董事的最佳預計，本集團已就支付買方有關本集團承擔後協議日期結果的款項累積約港幣31,746,000元金額。

於二零一五年四月三十日，本集團與誠通國際貿易及杭州瑞能的買方訂立補充協議，並確認由本集團承擔自誠通國際貿易及杭州瑞能合共約港幣26,722,000元的後協議日期虧損。由於補充協議於截至二零一五年十二月三十一日止年度簽署，約港幣5,024,000元的撥回應付買方有關本集團承擔後協議日期結果的款項已計入其他收入。有關補充協議的詳情載於本公司日期為二零一五年四月三十日的公告。

8. 融資成本

2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
-----------------------------------	-----------------------------------

Interest on corporate bonds	公司債券之利息	42,019	43,553
Interest on bank borrowings	銀行借貸之利息	24	477
Interest on discounted bills with recourse	具有追索權之貼現票據之利息	-	708
		42,043	44,738
Less: Amounts capitalised on properties under development	減：發展中物業之撥作資本化之金額	(9,200)	(4,159)
		32,843	40,579

Notes to the Financial Statements

財務報表附註

9. INCOME TAX EXPENSE

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits for both years.

Under the Law of the PRC on Enterprise Income Tax (“EIT”) and Implementation Regulation, the PRC subsidiaries are subject to tax rate of 25%. The current tax also comprised land appreciation tax (“LAT”) which is estimated in accordance with the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

9. 所得稅開支

香港利得稅乃就兩個年度內之估計應課稅溢利按16.5%之稅率計提。

根據中國企業所得稅(「**企業所得稅**」)法及企業所得稅法實施條例，中國附屬公司稅率為25%。本期稅項亦包括土地增值稅(「**土地增值稅**」)。土地增值稅乃根據相關中國稅法及條例所載之規定估計。土地增值稅已按增值額之累進稅率範圍撥備，且有若干可扣減項目。

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
The taxation charge comprises:	稅項支出包括：		
Current tax for the year:	本年度稅項：		
Hong Kong Profits Tax	香港利得稅	-	-
PRC EIT	中國企業所得稅	24,362	34,775
PRC LAT	中國土地增值稅	4,423	2,784
		28,785	37,559
Under-provision in prior years:	過往年度撥備不足：		
PRC EIT	中國企業所得稅	126	7,972
		28,911	45,531
Deferred taxation (note 37)	遞延稅項(附註37)	2,997	3,860
Income tax expense	所得稅開支	31,908	49,391

Notes to the Financial Statements

財務報表附註

9. INCOME TAX EXPENSE (Continued)

Reconciliation between income tax expense and accounting profit at applicable tax rates:

9. 所得稅開支(續)

按適用稅率計算之所得稅開支與會計溢利之對賬如下：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Profit before income tax	除所得稅前溢利	99,278	126,317
Tax calculated at PRC EIT rate of 25% (2015: 25%)	按中國企業所得稅25%(二零一五年：25%)計算之稅項	24,820	31,579
Effect of different tax rates of group entities operating in jurisdictions other than the PRC	在除中國外其他司法權區經營之集團實體之不同稅率影響	(350)	3,073
PRC LAT	中國土地增值稅	4,423	2,784
Tax effect of expenses not deductible for tax purposes	納稅時不可扣除開支之稅務影響	8,151	7,591
Tax effect of income not taxable for tax purposes	毋須課稅收入之稅務影響	(12,301)	(12,936)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	4,021	5,468
Tax effect of temporary difference not recognised	未確認臨時性差額之稅務影響	1	-
Withholding tax for undistributed profits of PRC subsidiaries	中國附屬公司之未分配溢利之預扣稅	3,017	3,860
Under-provision in prior years	過往年度撥備不足	126	7,972
Income tax expense	所得稅開支	31,908	49,391

Notes to the Financial Statements

財務報表附註

10. PROFIT FOR THE YEAR

10. 年內溢利

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Profit for the year is arrived at after charging/(crediting):	年內溢利已扣除/(計入)：		
Auditor's remuneration	核數師酬金		
– audit services	– 審計服務	980	980
– non-audit services	– 非審計服務	310	180
		<u>1,290</u>	<u>1,160</u>
Amortisation of prepaid land lease payments	預付土地租賃付款攤銷	5,523	3,256
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	12,765	15,351
Less: Amounts capitalised on properties under development	減：發展中物業之撥作資本化之金額	(111)	(118)
		<u>12,654</u>	<u>15,233</u>
Minimum lease payments in respect of rented premises	租賃物業之最低租賃付款	2,619	3,056
Contributions to retirement benefits schemes (including directors' emoluments)	退休金福利計劃供款 (包括董事酬金)	6,891	6,791
Staff costs (including directors' emoluments)	員工成本 (包括董事酬金)	50,131	48,977
Total staff costs	員工成本總計	57,022	55,768
Less: Amounts capitalised on properties under development	減：發展中物業之撥作資本化之金額	(1,460)	(1,674)
		<u>55,562</u>	<u>54,094</u>
Cost of inventories recognised as expenses	確認為開支之存貨成本	576,814	451,070
(Reversal of write-down of)/Provision for inventories*	(撥回存貨撇減)/存貨撥備*	(530)	1,511
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	4	12,408
Written off of other receivables	其他應收款項註銷	276	–
Impairment of prepayment	預付款項減值	–	4,960
		<u>576,814</u>	<u>451,070</u>

* (Reversal of write-down of)/provision for inventories for the year was included in "cost of sales" on the face of the consolidated income statement.

* 當年度(撥回存貨撇減)/存貨撥備計入綜合收益表內之「銷售成本」。

Notes to the Financial Statements 財務報表附註

11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

Directors' emoluments disclosed pursuant to Section 383 of the Hong Kong Companies Ordinance (Cap. 622) and the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G) are as follows:

For the year ended 31 December 2016

		Yuan Shaoli 袁紹理	Wang Hongxin 王洪信	Wang Tianlin 王天霖	Zhang Bin 張斌	Chang Qing 常清	Lee Man Chun, Tony 李萬全	He Jia 何佳	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Fees	袍金	360	360	240	240	360	360	360	2,280
Salaries	薪金	1,121	867	1,074	269	-	-	-	3,331
Performance-based bonus (note)	績效獎金 (附註)	345	249	83	41	-	-	-	718
Contribution to retirement benefits schemes	退休福利計劃供款	124	142	137	133	-	-	-	536
Total emoluments	總酬金	<u>1,950</u>	<u>1,618</u>	<u>1,534</u>	<u>683</u>	<u>360</u>	<u>360</u>	<u>360</u>	<u>6,865</u>

11. 董事及高級管理層酬金

(a) 董事酬金

根據香港公司條例(第622章)第383條及公司(披露董事利益資料)規例(第622G章)作出之董事酬金披露如下：

截至二零一六年十二月三十一日止年度

Notes to the Financial Statements

財務報表附註

11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

11. 董事及高級管理層酬金(續)

(a) Directors' emoluments (Continued)

For the year ended 31 December 2015

	Yuan Shaoli	Wang Hongxin	Wang Tianlin	Zhang Bin	Chang Qing	Chun, Tony	Lee Man	He Jia (appointed with effect from 1 September 2015)	Chan Sheung Lai (resigned with effect from 1 September 2015)	Total
	袁紹理	王洪信	王天霖	張斌	常清	李萬全	何佳 (於二零一五年九月一日獲委任)	陳尚禮 (於二零一五年九月一日辭任)		總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Fees	袍金	360	360	240	240	280	300	120	180	2,080
Salaries	薪金	1,121	867	-	269	-	-	-	-	2,257
Performance-based bonus (note)	績效獎金(附註)	487	116	-	398	-	-	-	-	1,001
Contribution to retirement benefits schemes	退休福利計劃供款	120	138	-	-	-	-	-	-	258
Total emoluments	總酬金	2,088	1,481	240	907	280	300	120	180	5,596

Note: The performance-based bonus is determined according to the performance of each individual director of the Company for the relevant years by the remuneration committee.

附註：績效獎金乃由薪酬委員會根據本公司董事各人於相關年度的績效釐定。

(b) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, three (2015: three) were directors of the Company whose emoluments are included in (a) above. The emoluments of the remaining two (2015: two) individuals were as follows:

(b) 五名最高薪酬人士

本集團五名最高薪酬人士中，三名（二零一五年：三名）為本公司董事，其酬金於上文(a)項披露。其餘二名（二零一五年：二名）人士之酬金如下：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Salaries and other benefits	薪金及其他福利	1,799	1,772
Performance-based bonus	績效獎金	277	143
Contributions to retirement benefits schemes	退休福利計劃供款	36	36
		2,112	1,951

Notes to the Financial Statements

財務報表附註

11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

(b) Five highest paid individuals (Continued)

The emoluments of the two (2015: two) highest paid individuals were within the following bands:

		Number of individuals 人員數目	
		2016 二零一六年	2015 二零一五年
Nil to HK\$1,000,000	港幣零元至港幣1,000,000元	1	1
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元	1	1
		<u>2</u>	<u>2</u>

During the years ended 31 December 2016 and 2015, no remunerations were paid by the Group to the directors or the two (2015: two) highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

None of the directors waived any emoluments for both years.

(c) Senior management's emolument

The remuneration paid to the senior management (other than the directors as disclosed in note 11(a) above) for the year fell within the following band:

		Number of individuals 人員數目	
		2016 二零一六年	2015 二零一五年
Nil to HK\$1,000,000	港幣零元至港幣1,000,000元	<u>1</u>	<u>1</u>

11. 董事及高級管理層酬金(續)

(b) 五名最高薪酬人士(續)

兩名(二零一五年：兩名)最高薪酬人士之酬金介乎下列組別：

		Number of individuals 人員數目	
		2016 二零一六年	2015 二零一五年
港幣零元至港幣1,000,000元		1	1
港幣1,000,001元至 港幣1,500,000元		1	1
		<u>2</u>	<u>2</u>

於截至二零一六年及二零一五年十二月三十一日止年度，本集團並無向任何董事或兩名(二零一五年：二名)最高薪僱員支付任何酬金，作為鼓勵其加入本集團或於其加入本集團時之獎勵，或作為其離職之補償。

於兩個年度概無董事放棄任何酬金。

(c) 高級管理層酬金

於年內，向高級管理層支付的酬金(除以上披露在附註11(a)的董事外)介乎下列組別：

		Number of individuals 人員數目	
		2016 二零一六年	2015 二零一五年
港幣零元至港幣1,000,000元		<u>1</u>	<u>1</u>

Notes to the Financial Statements 財務報表附註

12. DIVIDEND

No dividend in respect of the years ended 31 December 2016 and 2015 was proposed during the years ended 31 December 2016 and 2015, nor has any dividend been proposed since the end of the reporting period.

13. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the earnings for the year attributable to owners of the Company of HK\$63,804,000 (2015: HK\$81,830,000) and on the weighted average number of 5,808,735,000 (2015: 5,360,538,000) ordinary shares in issue during the year.

There were no potential dilutive ordinary shares outstanding during both years and hence the diluted earnings per share is the same as basic earnings per share.

14. RETIREMENT BENEFITS SCHEMES

The Group participates in defined contribution retirement benefits schemes which are registered under the Occupational Retirement Scheme Ordinance (the “**ORSO Scheme**”) and a Mandatory Provident Fund Scheme (the “**MPF Scheme**”) established under the Mandatory Provident Fund Ordinance in December 2000. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. All employees who were members of the ORSO Scheme prior to the establishment of the MPF Scheme were required to switch to the MPF Scheme, whereas all new Hong Kong employees joining the Group after December 2000 are required to join the MPF Scheme. Subject to a capped amount, the Group contributes 5% of relevant income for each employee to the MPF Scheme, which contribution is matched with that contributed by employees. Contributions to the schemes vest immediately.

The employees of the Group’s subsidiaries in the PRC are members of a state-managed retirement benefits scheme operated by the PRC government. The subsidiaries are required to contribute 10% to 20% (2015: 10% to 20%) of payroll costs, subject to a capped amount for each employee to the retirement benefits scheme. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions.

During the year ended 31 December 2016, contributions totalling of HK\$6,891,000 (2015: HK\$6,791,000) were charged to the profit or loss for the year.

12. 股息

截至二零一六年及二零一五年十二月三十一日止年度，並無建議派發任何截至二零一六年及二零一五年十二月三十一日止年度的股息，自報告期末以來亦無建議派發任何股息。

13. 每股盈利

每股基本盈利乃按年內本公司擁有人應佔盈利港幣63,804,000元(二零一五年：港幣81,830,000元)及年內發行在外之普通股加權平均數5,808,735,000股(二零一五年：5,360,538,000股)為計算基準。

於兩個年度均無發行在外之潛在攤薄普通股，因此每股攤薄盈利與每股基本盈利相同。

14. 退休福利計劃

本集團參加一項根據職業退休計劃條例註冊之定額供款退休福利計劃(「**職業退休計劃**」)及一項於二零零零年十二月根據強制性公積金計劃條例設立之強制性公積金計劃(「**強積金計劃**」)。該等計劃之資產均由受託人控制之基金持有，並與本集團之資產分開。所有於成立強積金計劃前為職業退休計劃成員之僱員需轉往強積金計劃，而所有於二零零零年十二月以後加入本集團之新入職香港員工，均須參加強積金計劃。本集團按有關工資成本之5%(有上限)為每位僱員向強積金計劃作出供款，而僱員亦須作出相應之供款。向該等計劃作出的供款將即時歸屬。

本集團中國附屬公司之僱員為一項中國政府管理之國營退休福利計劃之成員。附屬公司需按工資成本之10%至20%(二零一五年：10%至20%)向退休福利計劃供款(每位僱員均有上限)。本集團就退休福利計劃之唯一責任是作出指定之供款。

於截至二零一六年十二月三十一日止年度，合共港幣6,891,000元(二零一五年：港幣6,791,000元)之供款已計入年度損益表。

Notes to the Financial Statements

財務報表附註

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Buildings	Furniture and equipment	Motor vehicles and vessels	Marine travel facilities and equipment 海上旅遊設施	Construction -in-progress	Total
		樓宇	傢俬及設備	汽車及船舶	及設備	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Cost	成本						
At 31 December 2014	於二零一四年十二月三十一日	147,486	8,633	41,915	18,512	2,060	218,606
Currency realignment	貨幣調整	(9,334)	(321)	(2,299)	(463)	(114)	(12,531)
Additions	添置	-	196	350	1,203	-	1,749
Acquisition of subsidiaries (note 43)	收購附屬公司(附註43)	28,272	25	-	-	-	28,297
Disposals	出售	-	(22)	(4,431)	(15,233)	-	(19,686)
At 31 December 2015	於二零一五年十二月三十一日	166,424	8,511	35,535	4,019	1,946	216,435
Currency realignment	貨幣調整	(9,787)	(442)	(2,486)	(294)	(114)	(13,123)
Additions	添置	-	349	732	1,433	-	2,514
Disposals	出售	-	(108)	(6)	-	-	(114)
At 31 December 2016	於二零一六年十二月三十一日	156,637	8,310	33,775	5,158	1,832	205,712
Accumulated depreciation	累計折舊						
At 31 December 2014	於二零一四年十二月三十一日	9,623	6,481	6,609	8,171	-	30,884
Currency realignment	貨幣調整	(797)	(251)	(606)	(387)	-	(2,041)
Provided for the year	年內撥備	6,513	1,109	6,712	1,017	-	15,351
Eliminated on disposals	出售時抵銷	-	(17)	(554)	(6,247)	-	(6,818)
At 31 December 2015	於二零一五年十二月三十一日	15,339	7,322	12,161	2,554	-	37,376
Currency realignment	貨幣調整	(1,182)	(229)	(1,519)	(109)	-	(3,039)
Provided for the year	年內撥備	6,550	1,034	4,910	271	-	12,765
Eliminated on disposals	出售時抵銷	-	(102)	(1)	-	-	(103)
At 31 December 2016	於二零一六年十二月三十一日	20,707	8,025	15,551	2,716	-	46,999
Carrying amounts	賬面值						
At 31 December 2016	於二零一六年十二月三十一日	135,930	285	18,224	2,442	1,832	158,713
At 31 December 2015	於二零一五年十二月三十一日	151,085	1,189	23,374	1,465	1,946	179,059

Notes to the Financial Statements

財務報表附註

16. PREPAID LAND LEASE PAYMENTS

16. 預付土地租賃付款

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Leasehold land outside Hong Kong: – Medium-term leases	香港境外之租賃土地： – 中期租約	194,236	211,993
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Opening net carrying amount	年初賬面淨值	211,993	53,767
Acquisition of subsidiaries (note 43)	收購附屬公司(附註43)	–	171,244
Amortisation charge for the year	年內攤銷支出	(5,523)	(3,256)
Currency realignment	貨幣調整	(12,234)	(9,762)
Closing net carrying amount	年末賬面淨值	194,236	211,993
Analysed for reporting purposes as:	分析作呈報用途：		
Current assets	流動資產	5,287	5,414
Non-current assets	非流動資產	188,949	206,579
		194,236	211,993

As at 31 December 2016 and 2015, the Group's prepaid land lease payments represent up-front payments to acquire interest in the usage of land situated in the PRC, which are held under medium-term leases.

於二零一六年及二零一五年十二月三十一日，本集團之預付土地租約付款指購入位於中國之土地使用權之預付款，並按中期租約持有。

Notes to the Financial Statements

財務報表附註

17. INVESTMENT PROPERTIES

17. 投資物業

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
At fair value	按公平值		
At 1 January	於一月一日	58,468	58,086
Currency realignment	貨幣調整	(3,613)	(3,379)
Loss on change in fair value recognised in profit or loss	於損益表內確認之公平值變動虧損	(80)	(62)
Additions	添置	4,159	-
Reclassified from properties under development	從發展中物業重新分類	-	3,823
		<u>58,934</u>	<u>58,468</u>
At 31 December	於十二月三十一日	58,934	58,468

The carrying amount of investment properties shown above represents properties situated in the PRC held under medium-term leases.

The fair values of the Group's investment properties at 31 December 2016 and 2015 have been arrived at on the basis of a valuation carried out on that date by Jones Lang Lasalle Corporate Appraisal and Advisory Limited, the independent qualified professional valuers. Jones Lang Lasalle Corporate Appraisal and Advisory Limited are members of the Hong Kong Institute of Surveyors and have appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations.

During the year ended 31 December 2015, the directors of the Company initiated an operating lease of which a portion of properties under development with carrying amount of HK\$3,823,000 being developed for future use as investment property. This portion of properties under development in inventory was reclassified to investment property under construction as a result of the change in use which the property is leased to another entity. The fair value of the investment property under construction and the carrying amount at the date of reclassification was the same for the year ended 31 December 2015. During the year ended 31 December 2016, the investment property under construction had an addition of HK\$4,159,000 to its carrying amount. The construction works of the investment property under construction has been completed as at 31 December 2016.

As at 31 December 2016, the building ownership certificates of an investment property of the Group with carrying amount of approximately HK\$7,000,000 (2015: Nil) have not yet been obtained. In the opinion of the independent PRC legal advisors of the Group, the Group is entitled to obtain the building ownership certificates without legal impediment and is entitled to lawfully and validly use the investment property during the year.

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

上文所示之投資物業之賬面值表示根據中期租約於中國持有之物業。

本集團於二零一六年及二零一五年十二月三十一日之投資物業之公平值以獨立合資格專業估值師仲量聯行企業評估及諮詢有限公司於該日執行之估值基準入賬。仲量聯行企業評估及諮詢有限公司均為香港測量師學會會員，擁有合適資格，最近亦有評估相關地點類似物業之經驗。

於截至二零一五年十二月三十一日止年度，本公司董事發起經營租約以當中一部份正進行發展作將來用途的(賬面值價值港幣3,823,000元未充分發展的)物業作為投資物業。由於物業的用途改變為租賃予另一實體，該一部份未充分發展的物業於庫存獲重新分類為建造下的投資物業。建造下的投資物業的公平值及於重新分類之日的賬面值與截至二零一五年十二月三十一日止年度的相同。截至二零一六年十二月三十一日止年度，在建投資物業擁有額外港幣4,159,000元的賬面值。在建投資物業的建設工程已於二零一六年十二月三十一日完成。

於二零一六年十二月三十一日，本集團尚未就賬面值為約港幣7,000,000元(二零一五年：無)的投資物業取得房屋所有權證。本集團中國獨立法律顧問認為，本集團有權取得房屋所有權證而不存在法律障礙，並有權於年內合法有效使用投資物業。

本集團所有以經營租約形式收取租金或以作資本增值的物業權益乃採用公平值模式計量，並分類及作為投資物業處理。

Notes to the Financial Statements

財務報表附註

17. INVESTMENT PROPERTIES (Continued)

Fair value hierarchy

The following table presents the fair value of the Group's investment properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 Fair Value Measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

17. 投資物業(續)

公平值等級

下表呈列於報告期末按經常性基準計量的本集團投資物業的公平值，歸類為香港財務報告準則第13號公平值計量定義的三級公平值等級。公平值計量歸類的層級經參考估值技術中使用的輸入參數的可觀察性及重要性釐定如下：

Fair value measurement as at 31 December 2016 於二零一六年十二月三十一日之公平值計量

	Level 1	Level 2	Level 3	Fair value as at 31 December 2016 公平值截至 二零一六年 十二月三十一日 HK\$'000 港幣千元
	第一級 HK\$'000 港幣千元	第二級 HK\$'000 港幣千元	第三級 HK\$'000 港幣千元	
Recurring fair value measurement				
Investment properties:				
Property units – the PRC	-	-	58,934	58,934

Fair value measurement as at 31 December 2015 於二零一五年十二月三十一日之公平值計量

	Level 1	Level 2	Level 3	Fair value as at 31 December 2015 公平值截至 二零一五年 十二月三十一日 HK\$'000 港幣千元
	第一級 HK\$'000 港幣千元	第二級 HK\$'000 港幣千元	第三級 HK\$'000 港幣千元	
Recurring fair value measurement				
Investment properties:				
Property units – the PRC	-	-	58,468	58,468

During the years ended 31 December 2016 and 2015, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

於截至二零一六年及二零一五年十二月三十一日止年度，並無第一級及第二級之間的轉移或於第三級轉入或轉出。根據本集團之政策，公平值等級間的轉移於其產生的報告期末確認。

Notes to the Financial Statements

財務報表附註

17. INVESTMENT PROPERTIES (Continued)

Fair value hierarchy (Continued)

The fair value of investment properties is a Level 3 recurring fair value measurement. A reconciliation of the opening and closing fair value balance is provided below:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Opening balance (Level 3 recurring fair value)	年初餘額 (第三級經常性公平值)	58,468	58,086
Currency realignment	貨幣調整	(3,613)	(3,379)
Fair value change	公平值變動	(80)	(62)
Additions	添置	4,159	-
Reclassified from properties under development	重新分類 未充分發展的物業	-	3,823
Closing balance (Level 3 recurring fair value)	年末餘額 (第三級經常性公平值)	<u>58,934</u>	<u>58,468</u>
Change in unrealised losses for the year included in profit or loss for assets held at 31 December	計入於十二月三十一日持有 資產損益的年內未確認 虧損變動	<u>(80)</u>	<u>(62)</u>

Information about Level 3 fair value measurement – Property units in the PRC

The fair value of property units in the PRC was determined based on investment method for the year ended 31 December 2016 and 2015.

For the fair value measurement for property units under investment method, the fair value was determined by taking into account the current rents passing and the reversionary income potential of respective portions of such properties.

The valuation takes account of expected term yield and reversionary yield potential of the property units. The term yield and reversionary yield have been based on the actual location, type and quality of the properties and supported by the terms of the existing lease, other contracts and external evidence such as current market rents for similar properties.

One of the key inputs used in valuing the investment properties was the discount rates used, which was 4.0% (2015: 4.3%) per annum. A decrease in the discount rate used would result in an increase in fair value measurement of the investment properties, and vice versa.

There has been no change in the valuation technique used in the prior year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

17. 投資物業(續)

公平值等級(續)

投資物業之公平值屬第三級經常性公平值計量。年初與年末餘額公平值之對賬如下：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Opening balance (Level 3 recurring fair value)	年初餘額 (第三級經常性公平值)	58,468	58,086
Currency realignment	貨幣調整	(3,613)	(3,379)
Fair value change	公平值變動	(80)	(62)
Additions	添置	4,159	-
Reclassified from properties under development	重新分類 未充分發展的物業	-	3,823
Closing balance (Level 3 recurring fair value)	年末餘額 (第三級經常性公平值)	<u>58,934</u>	<u>58,468</u>
Change in unrealised losses for the year included in profit or loss for assets held at 31 December	計入於十二月三十一日持有 資產損益的年內未確認 虧損變動	<u>(80)</u>	<u>(62)</u>

中國第三級公平值計量－於中國的物業單位之資料

於中國的物業單位之公平值乃基於截至二零一六年及二零一五年十二月三十一日止年度的投資法釐定。

就採用投資法的物業單位之公平值計量而言，公平值乃參考該等物業各部份的現時租金及復歸潛力釐定。

估值考慮租約期限預期回報率及潛在復歸回報率。租約期限回報及復歸回報乃基於該等物業之實際位置、類型和質量，並獲現有租賃之租期、其他租約及包括同類物業現行市場租金在內的外部證據支持。

投資物業估值採用的一個重要輸入數據為貼現率4.0% (二零一五年：4.3%)。所採用貼現率減少將導致投資物業之公平值增加，反之亦然。

於上一年度所採用之估值技術並無變動。於估計物業之公平值時，有關物業之最高及最佳用途即為其當前用途。

Notes to the Financial Statements

財務報表附註

18. INTERESTS IN SUBSIDIARIES

Particulars of the principal subsidiaries are as follows:

Company 公司	Place of incorporation/ operations 註冊成立/ 營業地點	Particulars of paid-up capital/issued share capital 已繳足資本/ 已發行股本總	Equity interest owned by the Company 本公司擁有之 權益主要業務 %	Principal activities 主要業務
<i>Directly held:</i> 直接持有：				
Galactic Investment Limited 銀河投資有限公司	Hong Kong 香港	HK\$2 港幣2元	100	Investment holding 投資控股
<i>Indirectly held:</i> 間接持有：				
諸城鳳凰置地有限公司**	The PRC 中國	RMB50,000,000 人民幣50,000,000	100	Property development 物業發展
誠通大豐海港開發有限公司*	The PRC 中國	RMB150,000,001 人民幣150,000,001	66.67	Property development 物業發展
誠通融資租賃有限公司**	The PRC 中國	US\$40,000,000 40,000,000美元	100	Finance leasing 融資租賃
誠通發展貿易有限公司**	The PRC 中國	RMB100,000,000 人民幣100,000,000	100	Investment holding (2015: Bulk commodity trade) 投資控股(二零一五年： 大宗商品貿易)
誠通能源廣東有限公司**	The PRC 中國	RMB50,000,000 人民幣50,000,000	51	Trading of coal 煤炭貿易
海南亞龍灣海底世界旅游 有限公司**	The PRC 中國	RMB96,000,000 人民幣96,000,000	100	Provision of marine travelling services 提供海上旅遊服務
海南寰島海底世界酒店有限公司**	The PRC 中國	RMB8,000,000 人民幣8,000,000	100	Hotel business 酒店業務
Cuidao Hotspring Resort Hotel Company Limited ("Cuidao Hotspring Hotel") 海口翠島溫泉度假酒店有限公司 (「翠島溫泉酒店」)**	The PRC 中國	RMB12,000,000 人民幣12,000,000	100	Hotel management 酒店管理

* Established in the PRC as a Sino-foreign equity joint venture enterprise

** A limited liability company established in the PRC

主要附屬公司詳情如下：

* 於中國成立之中外合資經營企業

** 一間於中國成立之有限公司

Notes to the Financial Statements

財務報表附註

18. INTERESTS IN SUBSIDIARIES (Continued)

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results of the year or formed a substantial portion of the assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

None of the subsidiaries had any debt securities at 31 December 2016 and 2015 or at any time during the respective years.

The following table lists out the information relating to 誠通大豐海港開發有限公司 and 誠通能源廣東有限公司, the subsidiaries of the Company which have material non-controlling interests ("NCI"). The summarised financial information presented below represents the amounts before any inter-company elimination.

18. 於附屬公司之權益(續)

上表列出本公司董事認為主要影響本集團年內業績或形成大部份本集團資產及負債之本公司附屬公司。本公司董事考慮到篇幅所限，故並無列出其他附屬公司之詳情。

於二零一六年及二零一五年十二月三十一日或於各年內任何時間，並無附屬公司擁有任何債務證券。

下表列出有關本公司持有重大非控制權益(「非控制權益」)的附屬公司誠通大豐海港開發有限公司及誠通能源廣東有限公司的資料。以下呈列之財務資料概要為未計任何公司間抵銷前之數額。

		誠通大豐海港開發有限公司		誠通能源廣東有限公司	
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
As at 31 December	截至十二月三十一日				
NCI percentage	非控制權益百分比	33.33%	33.33%	49.00%	49.00%
Current assets	流動資產	419,749	443,673	79,070	105,525
Non-current assets	非流動資產	254	350	26	13
Current liabilities	流動負債	(81,571)	(77,999)	(26,471)	(60,166)
Non-current liabilities	非流動負債	-	-	-	-
Net assets	資產淨值	338,432	366,024	52,625	45,372
Carrying amount of NCI	非控制權益賬面值	112,799	121,996	25,786	22,232
For the year ended 31 December	截至十二月三十一日止年度				
Revenue	收益	-	-	511,849	374,345
(Loss)/Profit for the year	年內(虧損)/溢利	(6,332)	(7,058)	11,585	(5,208)
Total comprehensive income	全面收入總額	(27,589)	(28,703)	7,253	(7,963)
(Loss)/Profit allocated to NCI	分配至非控制權益之(虧損)/溢利	(2,111)	(2,352)	5,677	(2,522)
For the year ended 31 December	截至十二月三十一日止年度				
Cash flows from operating activities	經營活動產生之現金流量	7,730	(7,726)	(23,015)	37,377
Cash flows from investing activities	投資活動產生之現金流量	-	(3)	(16)	(21)
Cash flows from financing activities	融資活動產生之現金流量	-	-	-	-
Net cash inflows/(outflows)	現金流入/(流出)淨額	7,730	(7,729)	(23,031)	37,356

Notes to the Financial Statements

財務報表附註

19. DEPOSITS PAID

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Deposits paid for purchase of property, plant and equipment	37,027	39,341

19. 已付按金

Deposits paid for purchase of property, plant and equipment

購買物業、廠房及設備已付按金

37,027

39,341

20. PROPERTIES HELD FOR SALE/PROPERTIES UNDER DEVELOPMENT

Properties held under development comprise leasehold land and certain construction costs in the PRC under medium-term lease for commercial use and long lease for residential use. The amount is expected to be recovered within the Group's operating cycle, thus, it is classified as current assets.

Upon completion of construction works, completed properties under development will be transferred to properties held for sale.

During the year ended 31 December 2016, carrying amount of HK\$75,791,000 was transferred from properties under development to properties held for sale (2015: HK\$47,660,000).

As mentioned in note 17, during the year ended 31 December 2015, properties under development with carrying amount of HK\$3,823,000 was reclassified to investment properties.

20. 持作銷售物業／發展中物業

發展中物業包括根據商業用途中期租約及住宅用途長期租約於中國持有的租賃土地及若干建築成本。該款項預計將於本公司經營週期內收回，因此列為流動資產。

建設工程完工後，完工的發展中物業將轉入持作銷售物業。

於截至二零一六年十二月三十一日止年度，賬面值為港幣75,791,000元的發展中物業轉入持作銷售物業(二零一五年：港幣47,660,000元)。

誠如附註17所述，於截至二零一五年十二月三十一日止年度，賬面值港幣3,823,000元已由發展中物業重新分類至投資物業。

21. PROPERTIES HELD FOR DEVELOPMENT

The properties held for development mainly comprises leasehold land in the PRC under medium-term and long leases without commencement of construction works. The amount is expected to be recovered within the normal operating cycle and therefore classified as current assets.

21. 持作發展物業

持作發展物業主要包括根據中長期租約於中國持有、尚未開始施工的租賃土地。該款項預計將於本公司一般經營週期內收回，因此列為流動資產。

22. INVENTORIES

Coal
Merchandises and consumables

煤炭
商品及消費品

2,080

4,065

6,145

19,128

3,794

22,922

22. 存貨

2016
二零一六年
HK\$'000
港幣千元

2015
二零一五年
HK\$'000
港幣千元

Notes to the Financial Statements

財務報表附註

23. TRADE AND OTHER RECEIVABLES

23. 貿易及其他應收款項

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Trade receivables (note (a))	貿易應收款項(附註(a))	63,682	48,979
Prepayments and deposits	預付款項及按金	12,191	10,017
Other receivables (note (b))	其他應收款項(附註(b))	22,006	14,496
Total trade and other receivables	貿易及其他應收款項合計	97,879	73,492

Notes:

- (a) As at 31 December 2016 and 2015, trade receivables mainly arose from bulk commodity trading. There is a 30 days to 45 days credit period granted to certain customers (2015: 0 day to 45 days) of bulk commodity trade business.

The Group normally grants credit terms to its customers according to industry practice together with consideration of their creditability and repayment history. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management.

The following is an ageing analysis of trade receivables presented based on the invoice date at the end of the reporting period.

附註:

- (a) 於二零一六年及二零一五年十二月三十一日，貿易應收款項主要來自大宗商品貿易。本集團給予若干大宗商品貿易業務客戶30天至45天之除賬期(二零一五年：0天至45天)。

本集團一般根據行業慣例及考慮客戶之信譽及還款記錄給予客戶除賬期。本集團對未償還應收款項保持嚴格控制。高級管理層定期對逾期款項進行審閱。

於報告期末按發票日期呈報之貿易應收款項之賬齡分析如下。

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Within three months	三個月內	63,682	48,979

The ageing analysis of trade receivables presented that are neither individually nor collectively considered to be impaired are as follows:

並無被視為個別或共同減值之貿易應收款項之賬齡分析如下：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Neither past due nor impaired	尚未逾期或減值	63,676	48,145
Less than one month past due	逾期少於一個月	-	820
One to three months past due	逾期一至三個月	6	14
		63,682	48,979

As at 31 December 2016, among the Group's trade receivables balance were debtors with aggregate carrying amount of HK\$6,000 (2015: HK\$834,000) which were past due at the reporting date for which the Group has not provided for impairment loss as the directors of the Company are of the view that such receivables can be fully recovered. The Group does not hold any collateral over these balances.

於二零一六年十二月三十一日，本集團之貿易應收款項結餘包括於呈報日已逾期之總賬面值為港幣6,000元(二零一五年：港幣834,000元)之應收款項。由於本公司董事認為該等應收款項可悉數收回，故本集團並無就減值虧損撥備。本集團並無就此等結餘持有任何抵押品。

- (b) During the year ended 31 December 2016, the Group has written off other receivables of HK\$276,000 (2015: Nil) which were uncollectible.

- (b) 截至二零一六年十二月三十一日止年度，本集團已註銷一筆無法收回的其他應收款項港幣276,000元(二零一五年：無)。

Notes to the Financial Statements

財務報表附註

24. LOANS RECEIVABLE

During the year ended 31 December 2016, the Group entered into 9 (2015: 5) sale and leaseback agreements pursuant to which the customers (the “lessees”) sold their equipment and facilities to the Group and leased back the equipment and facilities with the lease period ranged from 2.5 years to 3 years from the date of inception. In addition, the ownership of leased assets will be transferred to the lessees at a purchase option of RMB1 upon the settlement of the receivable and the interest accrued under the sale and leaseback arrangements. The lessees retain control of the equipment and facilities before and after entering into the sale and leaseback arrangements which do not therefore constitute a lease for accounting purposes. Rather, the arrangements have been accounted for as a secured loan in accordance with HKAS 39 “Financial Instruments: Recognition and Measurement”.

24. 應收貸款

於截至二零一六年十二月三十一日止年度內，本集團訂立了九份(二零一五年：五份)售後回租協議，據此，客戶(「承租方」)將其設備及設施出售予本集團，並於協議生效之日起兩年半至三年租賃期中租回該等設備及設施。此外，於售後回租安排項下應收款項及應計利息結清後，將在承租方以人民幣1元行使購買權的情況下，把租賃資產的所有權轉讓予承租方。在訂立該等售後回租安排前後，承租方保留設備及設施的控制權，故就會計核算而言並不構成一項租賃，而有關安排已根據香港會計準則第39號「金融工具：確認及計量」作為一項抵押貸款列賬。

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Analysed for reporting purposes as:		
Current assets	309,545	162,969
Non-current assets	353,654	261,493
	663,199	424,462

As at 31 December 2016, effective interest rates ranged from approximately 6.50% to 10.87% (2015: 8.20% to 10.87%) per annum.

於二零一六年十二月三十一日，實際年利率介乎約6.50%至10.87%(二零一五年：介乎8.20%至10.87%)。

As at 31 December 2016 and 2015, no loans receivable have been past due or impaired. The loans receivable under the sale and leaseback arrangements are secured by land and buildings, the leased equipment and facilities and the Group has obtained guarantees provided by the controlling shareholders of the lessees. The Group is not permitted to sell or re-pledge the collateral in absence of default by the lessees. The lessees are obliged to settle the amounts according to the terms set out in the relevant contracts.

於二零一六年及二零一五年十二月三十一日，概無應收貸款出現逾期或減值。售後回租協議項下應收款項以土地及建築物、租賃設備及設施作為保障，且本集團獲得承租方的控股股東提供之擔保。在承租方未違約的情況下，本集團不得出售該抵押品或將其轉押。承租方有義務根據相關合約所載條款結算相關款項。

As at 31 December 2016 and 2015, the fair value of loans receivable approximates to its carrying amount.

於二零一六年及二零一五年十二月三十一日，應收貸款的公平值與其賬面值相若。

25. AMOUNT DUE FROM A NON-CONTROLLING SHAREHOLDER OF A SUBSIDIARY

The amount due from a non-controlling shareholder of a subsidiary is unsecured, repayable on demand and bears interest at 5.70% (2015: 5.70%) per annum, which is 120% of the benchmark rate offered by the People's Bank of China. During the year, the Group has derived interest income of HK\$993,000 (2015: HK\$1,208,000) from this non-controlling shareholder of a subsidiary.

25. 應收一間附屬公司一名非控股股東款項

應收一間附屬公司一名非控股股東款項為無抵押、須應要求償還及年利率為5.70%(二零一五年：5.70%)，即相當於中國人民銀行基準利率之120%。本年度內，本集團從一間附屬公司一名非控股股東獲得衍生利息收入港幣993,000元(二零一五年：港幣1,208,000元)。

Notes to the Financial Statements

財務報表附註

26. LOAN TO A RELATED PARTY

The Group has arranged a short-term loan to 中國寰島(集團)公司, a wholly-owned subsidiary of CCHG. The principal amount is RMB30,000,000 (equivalent to approximately HK\$33,600,000) (2015: RMB30,000,000 equivalent to approximately HK\$35,700,000) and repayable on 8 February 2017. The loan bear interest at 10% per annum and secured by certain listed securities investments held by 中國寰島(集團)公司. The amount presented in the consolidated statement of financial position represented the outstanding principal amount and interest receivable from 中國寰島(集團)公司 as at 31 December 2016.

27. ENTRUSTED LOAN RECEIVABLES

As at 31 December 2016, the Group had entered into one (2015: one) entrusted loan arrangement with customer through a licensed bank in the PRC. Details of the entrusted loan receivables are as follows:

Entrusted loan receivables:	應收委託貸款：
Principal	本金
Interest receivables	應收利息

Receivables within one year	一年內應收款項
-----------------------------	---------

As at 31 December 2016 and 2015, all entrusted loan receivables carry fixed-rate interest and the contractual maturity dates are within one year from the respective date of borrowing.

Effective interest rate (which is equal to contractual interest rate) of the Group's entrusted loan receivables as at 31 December 2016 is 8.5% (2015: 13%).

As at 31 December 2016 and 2015, no entrusted loan receivables have been past due or impaired. The entrusted loan receivables are mainly secured by land and buildings. The Group is not permitted to sell or re-pledge the collateral in the absence of default by the entrusted loan borrowers.

All the Group's entrusted loan receivables are denominated in RMB, which is the functional currency of the respective group companies.

26. 向一名關連方提供之貸款

本集團已向誠通控股之全資附屬公司中國寰島(集團)公司安排一筆短期貸款。該筆貸款本金額為人民幣30,000,000元(相當於約港幣33,600,000元)(二零一五年：人民幣30,000,000元，相當於約港幣35,700,000元)，並須於二零一七年二月八日償還。該筆貸款附息每年10%，並以中國寰島(集團)公司所持部份上市證券作為擔保。綜合財務狀況表所示金額為於二零一六年十二月三十一日應收中國寰島(集團)公司未償還本金及利息。

27. 應收委託貸款

於二零一六年十二月三十一日，本集團在中國通過持牌銀行與客戶訂立一項(二零一五年：一項)委託貸款安排。應收委託貸款之詳情載列如下：

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
	7,840	58,905
	-	235
	<u>7,840</u>	<u>59,140</u>
	<u>7,840</u>	<u>59,140</u>

於二零一六年及二零一五年十二月三十一日，所有應收委託貸款均為按固定利率計息，合約到期日均為相關貸款日期起一年內。

於二零一六年十二月三十一日，本集團之應收委託貸款之實際利率(相當於合約利率)為8.5%(二零一五年：13%)。

於二零一六年及二零一五年十二月三十一日，並無應收委託貸款已逾期或減值。應收委託貸款主要以土地及建築物擔保。在委託貸款借款人未違約的情況下，本集團不得出售該抵押品或將其轉押。

本集團所有應收委託貸款以相關集團公司之功能貨幣人民幣計值。

Notes to the Financial Statements

財務報表附註

28. AVAILABLE-FOR-SALE FINANCIAL ASSETS

28. 可供出售金融資產

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Listed investment, at fair value:		
– Term note with interest of 8.125% per annum, dual-listed in Singapore and Ireland	241,530	231,636
Unlisted investments, at cost:		
– Investments with interest ranging from 3.9% to 9.2% (2015: ranging from 8.3% to 9.6%) per annum	271,600	178,500
	513,130	410,136

Available-for-sale financial assets are denominated in the following currencies:

可供出售金融資產以下列貨幣計值：

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
United States Dollars (“USD”) 美元	241,530	231,636
RMB 人民幣	271,600	178,500
	513,130	410,136

Within the available-for-sale financial assets, balance of HK\$241,530,000 (2015: HK\$267,336,000) was subject to maturity in 3 years (2015: 2 to 3 years) and balance of HK\$271,600,000 (2015: HK\$142,800,000) was redeemable on demand or with maturity from 152 days to 1 year and 7 months (2015: 152 days to 1 year).

於可供出售金融資產內，港幣241,530,000元(二零一五年：港幣267,336,000元)的結餘於三年內到期(二零一五年：二至三年)，而港幣271,600,000元(二零一五年：港幣142,800,000元)的結餘須按的要求贖回或由152日至一年七個月內到期(二零一五年：152日至一年)。

The unlisted investments amounted to HK\$271,600,000 (2015: HK\$178,500,000) do not have quoted market prices in an active market and those fair value cannot be reliably measured. These available-for-sale financial assets are measured at cost less identified impairment losses (if any) at the end of the reporting period.

港幣271,600,000元(二零一五年：港幣178,500,000元)之非上市投資在活躍市場並無報價，其公平值未能確實釐定。於報告期末，該等可供出售金融資產按成本減已確認減值虧損(如有)釐定。

None of the available-for-sale financial assets was either past due or impaired as at 31 December 2016 and 2015.

於二零一六年及二零一五年十二月三十一日，並無可供出售金融資產逾期或減值。

Notes to the Financial Statements

財務報表附註

29. HELD-FOR-TRADING SECURITIES

Equity securities listed in Hong Kong,
at fair value

以公平值於香港上市之
股本證券

1,279

1,234

29. 持作買賣證券

2016
二零一六年
HK\$'000
港幣千元

2015
二零一五年
HK\$'000
港幣千元

30. SHORT-TERM INVESTMENTS

During the years ended 31 December 2016 and 2015, the Group purchased short-term investments from major banks in the PRC.

The short-term investments as at 31 December 2016 was subject to maturity of 2 months (2015: subject to maturity of 1 month). The estimated return from these short-term investments was 2.6% per annum (2015: 3.6% per annum). The accrued and unpaid interest will be received upon redemption of the investment from the banks. The directors of the Company consider that the carrying value of short-term investments approximates their fair value at end of the reporting period.

31. STRUCTURED BANK DEPOSITS

As at 31 December 2015, the structured bank deposits were interest-bearing and not quoted in an active market. The principal and interest earned are linked to the investments associated with treasury bills and bonds of certain banks in the PRC.

32. DEPOSITS IN OTHER FINANCIAL INSTITUTION

During the year ended 31 December 2015, the Company entered into the financial services agreement with China Chengtong Finance Corporation Ltd. (“**Chengtong Finance**”), a wholly-owned subsidiary of CCHG, pursuant to which Chengtong Finance agreed to provide the Group with a range of financial services, including the deposit services, up to 31 December 2017. The interest rates payable by Chengtong Finance to the Group for any deposits made with Chengtong Finance shall (i) be 20%–50% higher than the deposit interest rate prescribed by the The People’s Bank of China for deposits with the same term and of the same type; (ii) not be lower than the interest rates payable by the major commercial banks in the PRC for deposits with the same term and of the same type; and (iii) not be lower than the interest rates offered by Chengtong Finance to any third party for deposits with the same term and of the same type.

As at 31 December 2016, the Group made current deposits of HK\$428,186,000 (2015: HK\$355,650,000) with Chengtong Finance with interest ranged from 0.42% to 0.53% (2015: 0.39%) per annum.

30. 短期投資

於截至二零一六年及二零一五年十二月三十一日止年度，本集團透過中國若干大型銀行購入短期投資。

於二零一六年十二月三十一日，短期投資的期限為兩個月(二零一五年：期限為一個月)。該等短期投資的估計年收益率為2.6%(二零一五年：3.6%)。應計及未付利息將於從銀行贖回投資時收取。本公司董事認為，於報告期末短期投資的賬面值與其公平值相若。

31. 結構性銀行存款

於二零一五年十二月三十一日，結構性銀行存款計息並沒有活躍市場報價。本金與所賺取的利息與中國若干銀行之國債及債券相關之投資掛鈎。

32. 其他金融機構存款

於截至二零一五年十二月三十一日止年度，本公司與誠通財務有限責任公司(「**誠通財務**」)，誠通控股之全資附屬公司簽訂融資服務協議，據此，誠通財務同意向本集團提供一系列金融服務，包括存款服務，直至二零一七年十二月三十一日。誠通財務就其作出的任何存款向本集團支付的利率須(i)按照中國人民銀行統一頒佈的相同期限及類型存款的存款利率上浮20%–50%執行；(ii)不低於中國主要商業銀行就相同期限及類型的存款支付的利率；及(iii)不低於相同期間內誠通財務就相同期限及類型的存款向任何第三方提供的利率。

於二零一六年十二月三十一日，本集團存放在誠通財務的活期存款為港幣428,186,000元(二零一五年：港幣355,650,000元)，年利率為介乎0.42%至0.53%(二零一五年：0.39%)。

Notes to the Financial Statements

財務報表附註

33. BANK BALANCES AND CASH AND PLEDGED BANK DEPOSITS

33. 銀行結存及現金及已抵押銀行存款

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Bank balances and cash	銀行結存及現金		
Cash at banks and in hand	銀行及手頭現金	<u>929,903</u>	<u>1,048,218</u>
Pledged bank deposits	已抵押銀行存款		
Deposits pledged against banking facilities granted to mortgagees	就授予按揭人之銀行融資抵押之存款	<u>1,640</u>	<u>1,737</u>

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less, which carry fixed interest rates.

銀行結存及現金包括本集團持有之現金及原到期日為三個月或以下，並以固定利率計息之短期銀行存款。

Bank balances deposited in Hong Kong banks carry interest ranged from 0.01% to 0.10% (2015: from 0.04% to 0.11%) per annum.

於香港銀行之銀行結存的年利率介乎0.01%至0.10% (二零一五年：介乎0.04%至0.11%)。

Bank balances deposited in PRC banks carry interest at benchmark rate offered by The People's Bank of China.

於中國之銀行之結存按中國人民銀行公佈之基準利率計息。

Bank balances and cash and pledged bank deposits held by the Group's PRC subsidiaries amounting to HK\$220,176,000 (2015: HK\$186,790,000) were denominated in RMB and deposited with banks in the PRC, which are not a freely convertible currency in the international market. The RMB exchange rate is determined by the Government of the PRC and the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the Government of the PRC.

本集團之中國附屬公司所持金額為港幣220,176,000元(二零一五年：港幣186,790,000元)之銀行結存及現金及已抵押銀行存款以人民幣列值，並存放中國的銀行，惟人民幣不可於國際市場自由兌換。人民幣之匯率由中國政府釐定，而自中國匯出有關資金須受中國政府實施之外匯管制所規限。

Notes to the Financial Statements

財務報表附註

34. TRADE AND OTHER PAYABLES

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Trade payables (note (a))	貿易應付款項(附註(a))	22,252	13,669
Other payables and accruals (note (b))	其他應付款項及應計款項 (附註(b))	41,511	49,450
Accrual of construction costs	應計工程費用	64,071	44,214
		127,834	107,333

Notes:

- (a) The ageing analysis of the trade payables presented based on the invoice date at the end of the reporting period is as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Within one year	一年內	18,669	9,232
Over one year but less than two years	超過一年但少於兩年	2,974	4,088
Over two years but less than three years	超過兩年但少於三年	609	349
		22,252	13,669

- (b) As at 31 December 2016, among the other payables and accruals, an amount of HK\$3,897,000 (2015: HK\$3,371,000) was due to 中國寰島(集團)公司, a wholly-owned subsidiary of CCHG. The balance was unsecured, interest-free and repayable on demand.

附註:

- (a) 於報告期末按發票日期呈報之貿易應付款項之賬齡分析如下:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Within one year	一年內	18,669	9,232
Over one year but less than two years	超過一年但少於兩年	2,974	4,088
Over two years but less than three years	超過兩年但少於三年	609	349
		22,252	13,669

- (b) 於二零一六年十二月三十一日, 在其他應付款項及應計費用中, 港幣3,897,000元(二零一五年: HK\$3,371,000) 為應付誠通控股全資附屬公司中國寰島(集團)公司的款項。餘額為無抵押、免息及按要求償還。

35. BANK BORROWINGS

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Unsecured bank borrowings	無抵押銀行借貸		
Short-term bank loans	短期銀行貸款	77,280	-

The short-term bank loans were unsecured and repayable within one year from the end of the reporting period.

The effective interest rates of the bank loans ranged from 3.91% to 4.79% per annum at 31 December 2016.

35. 銀行借貸

短期銀行貸款乃無抵押, 並自報告期末起一年內可予償還。

於二零一六年十二月三十一日, 該等銀行貸款的實際年利率介乎3.91%至4.79%。

Notes to the Financial Statements

財務報表附註

36. UNSECURED OTHER LOAN

Unsecured other loan from third parties is unsecured, repayable on demand and interest-free.

37. DEFERRED TAX

Deferred tax liabilities

The followings are the major deferred tax liabilities and movement thereon during the current and prior year:

		Revaluation of prepaid land lease payments and properties 預付土地租賃付款 及物業重估 HK\$'000 港幣千元	Undistributed profits of PRC subsidiaries* 中國附屬公司 未分配利潤* HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 31 December 2014	於二零一四年 十二月三十一日			
Charge to profit or loss (note 9)	於損益中扣除(附註9)	39,534	13,050	52,584
Acquisition of subsidiaries (note 43)	收購附屬公司 (附註43)	–	3,860	3,860
Exchange differences	匯兌差額	22,133	–	22,133
		(3,089)	(880)	(3,969)
At 31 December 2015	於二零一五年 十二月三十一日			
(Credit)/Charge to profit or loss (note 9)	(計入)損益中/於損益 中扣除(附註9)	58,578	16,030	74,608
Exchange differences	匯兌差額	(20)	3,017	2,997
		(3,445)	(1,072)	(4,517)
At 31 December 2016	於二零一六年 十二月三十一日	55,113	17,975	73,088

* Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC entities to a non-PRC holding company from 1 January 2008 onwards.

* 根據中國企業所得稅法，自二零零八年一月一日起對中國公司就所獲溢利向非中國控股公司宣派的股息徵收預扣稅。

36. 無抵押其他貸款

第三方提供之無抵押其他貸款均為無抵押、須應要求償還及免息。

37. 遞延稅項

遞延稅項負債

於本年度及以往年度產生之重大遞延稅項負債及其變動載列如下：

Notes to the Financial Statements

財務報表附註

37. DEFERRED TAX (Continued)

Deferred tax assets

The Group has estimated unused tax losses not recognised in the consolidated financial statements as follows:

Estimated unused tax losses	預期未動用稅項虧損
-----------------------------	-----------

No deferred tax asset in respect of the abovementioned estimated unused tax losses have been recognised due to unpredictability of future profit streams. Included in the unrecognised estimated unused tax losses are losses of approximately HK\$38,717,000 (2015: HK\$31,957,000) that will expire on various dates within five years from the reporting dates. Other estimated unused tax losses may be carried forward indefinitely.

38. CORPORATE BONDS

Corporate bonds	公司債券
-----------------	------

The corporate bonds are fixed rate bonds issued by the Company (the "Bonds") on 9 May 2014 with a principal amount of RMB600,000,000 and a fixed interest at 4.0% per annum.

The Bonds will mature on 9 May 2017 and are guaranteed by an irrevocable standby letter of credit denominated in RMB issued by Agricultural Bank of China Limited, Beijing Branch. The Bonds are subject to redemption, in whole but not in part, at their principal amount, together with accrued interest, at the option of the Company at any time in the event of certain changes affecting taxes of Hong Kong or the PRC. At any time following the occurrence of a change of control, the holder of any Bonds will have the right, at such holder's option, to require the Company to redeem all, but not some, of that holder's Bonds at their principal amount plus accrued interest to the change of control put date. Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on the maturity date.

Net proceeds from the issue of the Bonds was reduced by transaction costs amounted to approximately RMB34,248,000. The effective interest rate of the Bonds is approximately 6.11% per annum.

37. 遞延稅項(續)

遞延稅項資產

本集團未於綜合財務報表中確認之預期未動用稅項虧損載列如下：

2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
247,133	247,307

鑒於未能預測日後溢利，故並無就上述預期未動用稅項虧損確認遞延稅項資產。未確認預期未動用稅項虧損中包括約港幣38,717,000元(二零一五年：港幣31,957,000元)將於報告日期起計五年內到期，且具體到期日不同。其他預期未動用稅項虧損可無限期結轉。

38. 公司債券

2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
667,219	694,757

公司債券為本公司於二零一四年五月九日發行的定息債券(「債券」)，本金金額為人民幣600,000,000元，固定年利率為4.0%。

債券將於二零一七年五月九日到期，並由中國農業銀行股份有限公司北京分行發出以人民幣計值的不可撤回備用信用證作擔保。倘發生足以影響香港或中國稅項的若干變動，本公司可隨時選擇贖回全部(而非部份)債券，贖回價為本金額連同應計利息。於發生控制權變更事項後，債券持有人將有權隨時選擇要求本公司於控制權變更日期，按本金額連同應計利息的價格，贖回該持有人的全部(而非部份)債券。除非之前已經贖回或購回或註銷，否則債券將會在到期日按本金額贖回。

發行債券之所得款項淨額已扣減交易成本約人民幣34,248,000元。債券的實際年利率約為6.11%。

Notes to the Financial Statements

財務報表附註

39. SHARE CAPITAL

39. 股本

		2016 二零一六年		2015 二零一五年	
		Number of shares 股份數目	HK\$'000 港幣千元	Number of shares 股份數目	HK\$'000 港幣千元
		'000 千股		'000 千股	
Issued and fully paid:	已發行及已繳足：				
At 1 January	於一月一日	5,808,735	2,185,876	4,840,735	1,224,214
Subscription of shares during the period (note)	期內認購股份 (附註)	-	-	968,000	977,680
Share issuance expenses	發行股份費用	-	-	-	(16,018)
At 31 December	於十二月三十一日	5,808,735	2,185,876	5,808,735	2,185,876

Note: On 13 June 2015, (1) the Company, the Company's immediate holding company and the placing agent entered into a placing agreement pursuant to which the immediate holding company of the Company appointed the placing agent to procure placees for a maximum of 968,000,000 existing shares at the placing price of HK\$1.01 per placing share; and (2) the Company and the Company's immediate holding company entered into a subscription agreement pursuant to which the immediate holding company of the Company conditionally agreed to subscribe for a maximum of 968,000,000 new shares at the subscription price of HK\$1.01 per subscription share. The placing of shares was completed on 17 June 2015 and the subscription of shares was completed on 19 June 2015. A total of 968,000,000 existing shares have been placed at the placing price of HK\$1.01 per share and a total of 968,000,000 new shares were subscribed by the immediate holding company of the Company at HK\$1.01 per subscription share. Net cash proceeds of HK\$961,662,000 have been received by the Company.

附註：於二零一五年六月十三日，(1)本公司、本公司直屬控股公司及配售代理訂立配售協議，據此，本公司直屬控股公司委任配售代理向承配人以每股配售股份港幣1.01元的配售價購買最多968,000,000股現有股份；及(2)本公司及本公司直屬控股公司訂立認購協議，據此，本公司直屬控股公司有條件同意以每股認購股份港幣1.01元的認購價認購最多968,000,000股新股份。股份配售於二零一五年六月十七日完成，而股份認購於二零一五年六月十九日完成。合共968,000,000股現有股份及合共968,000,000股新股份已分別由本公司直屬控股公司以每股港幣1.01元的配售價配售及以每股港幣1.01元的認購價認購。港幣961,662,000元的所得款項現金淨額已由本公司收取。

During the year ended 31 December 2016, for the purpose of the Share Award Scheme, the trustee of the share award scheme purchased a total of 7,670,000 existing shares of the Company on the Stock Exchange at a total consideration of approximately HK\$4,495,000 (with transaction cost) (2015: Nil).

於截至二零一六年十二月三十一日止年度，股份獎勵計劃的受託人就股份獎勵計劃以合共約港幣4,495,000元(含手續費)(二零一五年：無)的代價在聯交所購買合共7,670,000股本公司現有股份。

40. SHARE OPTION SCHEME

40. 購股權計劃

The Company has adopted the share option scheme (the "Scheme") on 27 June 2013. The purpose of the Scheme is to provide incentives or rewards to participants thereunder for their contribution to the Group and/or to enable the Group to recruit and retain high-caliber employees and attract human resources that are valuable to the Group and any invested entity.

本公司已於二零一三年六月二十七日採納購股權計劃(「計劃」)。計劃旨在鼓勵或獎賞對本集團作出貢獻之參與者及/或使本集團能招攬及挽留高質素僱員以及吸納對本集團及任何投資實體而言屬寶貴之人力資源。

Notes to the Financial Statements

財務報表附註

40. SHARE OPTION SCHEME (Continued)

Eligible participants of the Scheme include (a) any employee (whether full-time or part-time, including any executive director but excluding any non-executive director of the Company) of, or any individual for the time being seconded to work for, the Company, any subsidiary or any entity in which any member of the Group holds any equity interest (“**Invested Entity**”) or any employee or officer of the controlling shareholder of the Company; (b) any non-executive director (including independent non-executive directors) of the Company, any subsidiary or any Invested Entity; (c) any suppliers of goods or services to any member of the Group or any Invested Entity; (d) any customer of the Group or any Invested Entity; (e) any person or entity that provides research, development or other technological support to the Group or any Invested Entity; (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued or proposed to be issued by any member of the Group or any Invested Entity; (g) any adviser (professional or otherwise) or consultant to the Group relating to any area of business or business development of any member of the Group or any Invested Entity; and (h) any joint venture or business partner of the Group who have contributed or may contribute to the development and growth of the Group. For the purpose of the Scheme, the offer may be made to any company wholly owned by one or more eligible participants. The Scheme shall be valid and effective for a period of 10 years commencing on the date it was adopted and will end on 26 June 2023.

An offer of the grant of an option under the Scheme (the “**Option**”) may be accepted within 21 days from the date of grant together with a remittance of HK\$1.00 by way of consideration for the grant thereof. An Option may be exercised during such period as the board of directors may in its absolute discretion determine, save that such period shall not be more than 10 years from the date of grant. The maximum number of shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes adopted by the Group shall not exceed 30% of the share capital of the Company in issue from time to time.

The subscription price of the Option shall be determined at the discretion of the board of directors which shall not be less than the higher of (i) the closing price of the Company’s shares as stated in the Stock Exchange’s daily quotations sheet on the date of grant; (ii) the average closing price of the Company’s shares as stated in the Stock Exchange’s daily quotations sheets for the five trading days immediately preceding the date of grant, and (iii) the nominal value of the Company’s shares. Holding period will be determined by directors upon granting.

During the years ended 31 December 2016 and 2015, no share option was granted, exercised, cancelled or lapsed under the Scheme. There was no option outstanding as at 31 December 2016 and 2015.

40. 購股權計劃(續)

計劃的合資格參與者包括：(a)本公司、本集團的任何附屬公司或任何本集團成員持有任何股權的實體(「**投資實體**」)的任何僱員(全職或兼職，包括本公司任何執行董事，但不包括任何非執行董事)或暫時被調派到本公司、本集團的任何附屬公司或投資實體的人士，或本公司控股股東的任何僱員或高級人員；(b)本公司、任何附屬公司或任何投資實體的任何非執行董事(包括獨立非執行董事)；(c)本集團任何成員公司或任何投資實體的任何貨物或服務供應商；(d)本集團或任何投資實體的任何客戶；(e)向本集團或任何投資實體提供研發或其他技術支持的任何個人或實體；(f)本集團或任何投資實體的任何股東或本集團任何成員公司或任何投資實體發行或擬發行的任何證券的任何持有人；(g)本集團或本集團任何成員公司或任何投資實體有關本集團業務範疇或業務發展的任何顧問(專業或非專業)或專家顧問；及(h)為本集團的發展與成長作出貢獻或可能作出貢獻的本集團之任何合營企業或商業夥伴。就計劃而言，可向由一名或多名合資格參與者全資擁有的任何公司授出購股權。計劃應自採納之日起生效，有效期為10年並將於二零二三年六月二十六日結束。

計劃項下授出的購股權(「**購股權**」)可於授出之日起21日內於接受所授出的購股權後匯款支付港幣1元作為授出購股權的代價而被接納。此期間內，董事會可按其絕對酌情權決定行使購股權，惟該期間不得超過授出日期10年。所有根據購股權計劃及本集團任何其他購股權計劃已授予而尚未行使的未兌現購股權獲行使後可供配發及發行的股份最大數額不得超過本公司不時發行的已發行股本總額30%。

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

截至二零一六年及二零一五年十二月三十一日止年度，概無購股權在該計劃下被授出、行使、取消或失效。於二零一六年及二零一五年十二月三十一日，概無尚未行使的購股權。

Notes to the Financial Statements

財務報表附註

41. RESERVES

The Group

Details of changes in reserves accounts of the Group are set out in the consolidated statement of changes in equity on pages 74 and 75.

The Company

41. 儲備

本集團

本集團儲備賬目變動詳情載於第74及75頁之綜合權益變動表。

本公司

		Shares held for share award scheme 為股份 獎勵計劃 持有之股份 (note) (附註) HK\$'000 港幣千元	Employee share- based compensation reserve 以股份支付的 僱員酬金儲備 (note) (附註) HK\$'000 港幣千元	Available-for- sale financial assets revaluation reserve 可供出售金融 資產重估 儲備 (note) (附註) HK\$'000 港幣千元	Exchange reserve 匯兌儲備 (note) (附註) HK\$'000 港幣千元	Accumulated profits/(losses) 累計盈利/ (虧損) HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
At 31 December 2014	於二零一四年 十二月三十一日						
Loss for the year	年內虧損	(1,999)	702	-	892	22,134	21,729
Change in fair value of available-for-sale financial assets	可供出售金融資產之 公平值變動	-	-	(3,492)	-	(76,560)	(76,560)
Total comprehensive income for the year	年內全面收入總額	-	-	(3,492)	-	(76,560)	(80,052)
At 31 December 2015	於二零一五年 十二月三十一日						
Transactions with owners	與擁有人之交易	(1,999)	702	(3,492)	892	(54,426)	(58,323)
Share purchased for share award scheme	為股份獎勵計劃購買 的股份	(4,495)	-	-	-	-	(4,495)
Total transactions with owners	與擁有人之交易總額	(4,495)	-	-	-	-	(4,495)
Profit for the year	年內溢利	-	-	-	-	119,824	119,824
Other comprehensive income:	其他全面收入：						
Exchange differences arising on translation to presentation currency	折算呈列貨幣產生的 匯兌差額	-	-	-	(69,411)	-	(69,411)
Change in fair value of available-for-sale financial assets	可供出售金融資產之 公平值變動	-	-	9,894	-	-	9,894
Total comprehensive income for the year	年內全面收入總額	-	-	9,894	(69,411)	119,824	60,307
At 31 December 2016	於二零一六年 十二月三十一日	(6,494)	702	6,402	(68,519)	65,398	(2,511)

Notes to the Financial Statements

財務報表附註

41. RESERVES (Continued)

Note:

Shares held for share award scheme represent the consideration paid for the shares held for the share award scheme.

Employee share-based compensation reserve represents the cumulative expenses recognised on the granting of share-based compensation to the employees over the vesting period.

Available-for-sale financial assets revaluation reserve represents gains or losses arising on the revaluation of available-for-sale financial assets.

Exchange reserve comprises all foreign exchange differences arising on translation to presentation currency.

42. OPERATING LEASE COMMITMENTS

(a) Operating lease commitments as lessee

At 31 December 2016, the Group has commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Within one year	一年內	2,913	3,719
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	4,324	7,267
Over five years	五年以上	1,310	1,392
		8,547	12,378

Leases are negotiated for terms ranging from one to ten years (2015: one to ten years). None of these leases include contingent rentals.

41. 股份溢價及儲備(續)

附註：

為股份獎勵計劃持有之股份指就股份獎勵計劃而持有之股份而支付的代價。

以股份支付的僱員酬金儲備指於歸屬期間向僱員授予以股份支付酬金時確認的累計開支。

可供出售金融資產重估儲備指重估可供出售金融資產所產生的收益或虧損。

匯兌儲備包括呈列貨幣折算所產生的所有外匯差額。

42. 經營租約承擔

(a) 作為承租人之經營租約承擔

於二零一六年十二月三十一日，本集團就下列期間到期之有關租賃物業不可解除經營租約未來最低租金付款承擔如下：

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Within one year	2,913	3,719
In the second to fifth years inclusive	4,324	7,267
Over five years	1,310	1,392
	8,547	12,378

租約協定之租期介乎一年至十年(二零一五年：一年至十年)。該等租約均不包括或有租約。

Notes to the Financial Statements

財務報表附註

42. OPERATING LEASE COMMITMENTS

(Continued)

(b) Operating lease commitments as lessor

At 31 December 2016, the Group has contracted with tenants for the following future minimum lease receivables:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Within one year	一年內	2,274	2,595
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	5,973	4,889
Over five years	五年以上	2,528	3,776
		10,775	11,260

Leases are negotiated for terms ranging from one to ten years. (2015: one to ten years).

於二零一六年十二月三十一日，本集團已與租戶訂約，於未來收取之最低租金如下：

租約協定之租期介乎一年至十年(二零一五年：一年至十年)。

43. ACQUISITION OF SUBSIDIARIES

The Group had no acquisition of subsidiary during the year ended 31 December 2016.

Year ended 31 December 2015

(i) Acquisition of Hainan Huandao International Travel Agency Co. Ltd. ("Huandao Int'l Travel")

On 22 January 2015, the Group entered into an acquisition agreement with Hainan Huandao Taide Hotel Property Management Co. Ltd., an indirect wholly-owned subsidiary of CCHG, to acquire the entire equity interest of Huandao Int'l Travel. The acquisition was completed on 8 July 2015 and the purchase consideration as per the acquisition agreement amounted to approximately HK\$9,207,000. Following the acquisition, the Group owned the entire equity interest in Huandao Int'l Travel and Huandao Int'l Travel became a wholly-owned subsidiary of the Company. The acquisition of Huandao Int'l Travel was made with the aim to diversify the Group's business into travel business and agent services.

Pursuant to a supplemental agreement dated 8 July 2015, the loss of Huandao Int'l Travel during the period from the valuation date (being 31 July 2014) up to the post agreement date of approximately HK\$233,000 would be borne by the vendor. The amount was settled by the vendor as at 31 December 2015. Such amount is considered as an adjustment to the purchase consideration.

43. 收購附屬公司

於截至二零一六年十二月三十一日止年度，本集團未收購附屬公司。

截至二零一五年十二月三十一日止年度

(i) 收購海南寰島國際旅行社有限公司 (「寰島國旅」)

二零一五年一月二十二日，本集團與誠通控股的間接全資附屬公司海南寰島泰得酒店物業管理有限公司訂立收購協議，以收購旅行社的全部股權。收購於二零一五年七月八日完成，而根據收購協議，購買代價約港幣9,207,000元。於收購後，本集團擁有旅行社的全部股權，旅行社則成為本公司的全資附屬公司。收購旅行社的目的是拓展本集團的業務至旅遊業務及代理服務。

根據日期為二零一五年七月八日的補充協議，從評估日期起(即二零一四年七月三十一日)至後協議日期期間，旅行社約港幣233,000元的損益將由賣方承擔。該款項由賣方於二零一五年十二月三十一日結清。該款項被視為對購買代價的調整。

Notes to the Financial Statements

財務報表附註

43. ACQUISITION OF SUBSIDIARIES (Continued)

Year ended 31 December 2015 (Continued)

(i) **Acquisition of Hainan Huandao International Travel Agency Co. Ltd. ("Huandao Int'l Travel")** (Continued)

The fair values of the identifiable assets and liabilities of Huandao Int'l Travel as at the date of acquisition are as follows:

		Fair value 公平值 HK\$'000 港幣千元
Net assets acquired:	已收購淨資產：	
Other receivables	其他應收款項	7
Short-term investments	短期投資	9,920
Bank balances and cash	銀行結存及現金	12,918
Trade and other payables	貿易及其他應付款項	(13,871)
		<hr/>
Net assets acquired	已收購淨資產：	8,974
		<hr/>
		HK\$'000 港幣千元
Net cash inflow arising on acquisition:	因收購引起的現金流入淨額：	
Cash consideration paid	已支付的現金代價	(9,207)
Bank balances and cash acquired	已收購的銀行結餘及現金	12,918
		<hr/>
Net cash inflow from acquisition of subsidiary	因收購附屬公司的現金流入淨額	3,711
		<hr/>
		HK\$'000 港幣千元
Purchase consideration as per the acquisition agreement	根據收購協議的購買代價	9,207
Amount received from the vendor in respect of the post agreement date results borne by the vendor	從賣方就協議日期後由賣方承擔結果而收取的金額	(233)
Fair value of net assets acquired	已收取淨資產的公平值	(8,974)
		<hr/>
		-
		<hr/>

The fair value of other receivables amounted to HK\$7,000. The gross amount of these receivables is HK\$7,000. None of these receivables have been impaired and it is expected that the full contractual amounts can be collected.

Acquisition transaction costs of HK\$45,000 have been recognised in the profit or loss and included under administrative expenses in the consolidated income statement for the year ended 31 December 2015.

43. 收購附屬公司(續)

截至二零一五年十二月三十一日止年度(續)

(i) **收購海南寰島國際旅行社有限公司** (「寰島國旅」)(續)

截至收購日期，可識別資產的公平值及寰島國旅的負債情況如下：

		Fair value 公平值 HK\$'000 港幣千元
Net assets acquired:	已收購淨資產：	
Other receivables	其他應收款項	7
Short-term investments	短期投資	9,920
Bank balances and cash	銀行結存及現金	12,918
Trade and other payables	貿易及其他應付款項	(13,871)
		<hr/>
Net assets acquired	已收購淨資產：	8,974
		<hr/>
		HK\$'000 港幣千元
Net cash inflow arising on acquisition:	因收購引起的現金流入淨額：	
Cash consideration paid	已支付的現金代價	(9,207)
Bank balances and cash acquired	已收購的銀行結餘及現金	12,918
		<hr/>
Net cash inflow from acquisition of subsidiary	因收購附屬公司的現金流入淨額	3,711
		<hr/>
		HK\$'000 港幣千元
Purchase consideration as per the acquisition agreement	根據收購協議的購買代價	9,207
Amount received from the vendor in respect of the post agreement date results borne by the vendor	從賣方就協議日期後由賣方承擔結果而收取的金額	(233)
Fair value of net assets acquired	已收取淨資產的公平值	(8,974)
		<hr/>
		-
		<hr/>

其他應收款項的公平值為港幣7,000元。該等應收款項總額為港幣7,000元。該等應收款項概無出現減值，預計可收回總合同金額。

港幣45,000元的收購交易成本已在截至二零一五年十二月三十一日止年度綜合損益表內的損益中確認，並計入行政費用。

Notes to the Financial Statements 財務報表附註

43. ACQUISITION OF SUBSIDIARIES (Continued)

Year ended 31 December 2015 (Continued)

(i) Acquisition of Hainan Huandao International Travel Agency Co. Ltd. ("Huandao Int'l Travel") (Continued)

If the acquisition had occurred on 1 January 2015, the Group's turnover and profit after tax for the year ended 31 December 2015 would have been HK\$576,533,000 and HK\$76,699,000 respectively. This pro forma information is for illustrative purposes only and is not necessarily an indication of turnover and financial performance of the Group that actually would have been achieved had the acquisition been completed on 1 January 2015, nor is it intended to be a projection of future results.

For the year ended 31 December 2015, since the acquisition date, Huandao Int'l Travel has contributed turnover and profit after tax of HK\$12,000 and HK\$560,000 to the Group respectively.

(ii) Acquisition of Cuidao Hotspring Hotel

On 16 June 2015, the Group entered into an acquisition agreement with 中國寰島(集團)公司, a wholly-owned subsidiary of CCHG, to acquire (a) entire equity interest of Cuidao Hotspring Hotel and (b) the debts owed by Cuidao Hotspring Hotel to the vendor. The acquisition was completed on 16 September 2015 and the purchase consideration at the date of acquisition as per the acquisition agreement was amounted to approximately HK\$171,740,000. Following the acquisition, the Group owned the entire equity interest in Cuidao Hotspring Hotel and Cuidao Hotspring Hotel became a wholly-owned subsidiary of the Company. The acquisition of Cuidao Hotspring Hotel was made with the aim to diversify the Group's business into elderly healthcare business, which may bring synergistic effect to the travelling business of the Group in the PRC.

Pursuant to a supplemental agreement dated 17 September 2015, the loss of Cuidao Hotspring Hotel during the period from the valuation date (being 30 November 2013) up to the post agreement date of approximately HK\$5,459,000 would be borne by the vendor. The amount was settled by the vendor as at 31 December 2015. Such amount is considered as an adjustment to the purchase consideration.

43. 收購附屬公司(續)

截至二零一五年十二月三十一日止年度(續)

(i) 收購海南寰島國際旅行社有限公司(「寰島國旅」)(續)

倘收購在二零一五年一月一日發生，則本集團截至二零一五年十二月三十一日止年度除稅後的營業額及盈利將分別為港幣576,533,000元及港幣76,699,000元。該備考資料僅供說明之用，未必能作為倘收購於二零一五年一月一日完成，本集團將達致的營業額及財務狀況的指標，亦不擬用作推測未來業績。

截至二零一五年十二月三十一日止年度，自收購日期起，寰島國旅已向本集團貢獻的營業額及除稅後溢利分別為港幣12,000元及港幣560,000元。

(ii) 收購翠島溫泉酒店

於二零一五年六月十六日，本集團與誠通控股之全資附屬公司中國寰島(集團)公司訂立收購協議，以收購(a)翠島溫泉酒店的全部股權及(b)翠島溫泉酒店對賣方所欠的債務。收購於二零一五年九月十六日完成，而根據收購協議，於收購日期的購買代價約港幣171,740,000元。於收購後，本集團擁有翠島溫泉酒店的全部股權，翠島溫泉酒店則成為本公司全資附屬公司。收購翠島溫泉酒店的目的是拓展本集團業務至老人醫療業務，將可能為本集團於中國旅遊業務帶來協同效應。

根據日期為二零一五年九月十七日的補充協議，從評估日期起(即二零一三年十一月三十日)至後協議日期期間，翠島溫泉酒店港幣5,459,000元的虧損將由賣方承擔。該款項由賣方於二零一五年十二月三十一日結清。該款項被視為對購買代價的調整。

Notes to the Financial Statements

財務報表附註

43. ACQUISITION OF SUBSIDIARIES (Continued)

Year ended 31 December 2015 (Continued)

(ii) Acquisition of Cuidao Hotspring Hotel (Continued)

The fair values of the identifiable assets and liabilities of Cuidao Hotspring Hotel as at the date of acquisition are as follows:

		Fair value 公平值 HK\$'000 港幣千元
Net assets acquired:	購入淨資產：	
Property, plant and equipment	物業、廠房及設備	28,297
Prepaid land lease payments	預付土地租賃付款	171,244
Other receivables	其他應收款項	127
Bank balances and cash	銀行結存及現金	60
Trade and other payables	貿易及其他應付款項	(6,258)
Debts owed by Cuidao Hotspring to vendor	翠島溫泉酒店對賣方所欠的債務	(21,444)
Deferred tax liabilities	遞延稅項負債	(22,133)
		<u>149,893</u>
Net assets acquired	購入淨資產	149,893
		HK\$'000 港幣千元
Net cash outflow arising on acquisition:	因收購引起的現金淨流出：	
Cash consideration paid	已付現金代價	(171,740)
Bank balances and cash acquired	購入銀行結存及現金	60
		<u>(171,680)</u>
Net cash outflow from acquisition of subsidiary	購入附屬公司的現金淨流出	(171,680)
		HK\$'000 港幣千元
Purchase consideration as per the acquisition agreement	根據收購協議的購買代價	171,740
Debts owed by Cuidao Hotspring Hotel to vendor	翠島溫泉酒店對賣方所欠的債務	(21,444)
Amount received from the vendor in respect of the post agreement date results borne by the vendor	從賣方收取賣方承擔與協議日期業績後相關之款項	(5,459)
Fair value of net assets acquired	收購淨資產之公平值	<u>(149,893)</u>
Excess of interest in the net fair value of the net identifiable assets over the fair value of the total cost of acquisition of a subsidiary	可識別淨資產之公平淨值超逾收購一間附屬公司總成本公平值之利息差額	<u>(5,056)</u>

43. 收購附屬公司(續)

截至二零一五年十二月三十一日止年度(續)

(ii) 收購翠島溫泉酒店(續)

於收購日期，翠島溫泉酒店之可識別資產及負債公平值如下：

Notes to the Financial Statements 財務報表附註

43. ACQUISITION OF SUBSIDIARIES (Continued)

Year ended 31 December 2015 (Continued)

(ii) Acquisition of Cuidao Hotspring Hotel (Continued)

The fair value of other receivables amounted to HK\$127,000. The gross amount of these receivables is HK\$127,000. None of these receivables have been impaired and it is expected that the full contractual amounts can be collected.

Acquisition transaction costs of HK\$128,000 have been recognised in the profit or loss and included under administrative expenses in the consolidated income statement for the year ended 31 December 2015.

If the acquisition had occurred on 1 January 2015, the Group's turnover and profit after tax for the year ended 31 December 2015 would have been HK\$576,533,000 and HK\$72,229,000 respectively. This pro forma information is for illustrative purposes only and is not necessarily an indication of turnover and financial performance of the Group that actually would have been achieved had the acquisition been completed on 1 January 2015, nor is it intended to be a projection of future results.

For the year ended 31 December 2015, since the acquisition date, Cuidao Hotspring Hotel has contributed no turnover and loss after tax of HK\$2,006,000 to the Group.

43. 收購附屬公司(續)

截至二零一五年十二月三十一日止年度(續)

(ii) 收購翠島溫泉酒店(續)

其他應收款項之公平值為港幣127,000元。該應收款項總額為港幣127,000元。該等應收款項並無出現減值，並且預計可收齊全部合同款項。

港幣128,000元的收購交易成本於損益中確認，並計入截至二零一五年十二月三十一日止年度綜合損益表之行政費用內。

若收購已於二零一五年一月一日發生，本集團截至二零一五年十二月三十一日止年度稅後營業額及利潤則分別為港幣576,533,000元及港幣72,229,000元。該備考資料僅供說明用途，並不一定反映假設收購已於二零一五年一月一日完成之情況下本集團實際達到之營業額及財務狀況，亦不擬作為未來業績之預測。

截至二零一五年十二月三十一日止年度，自收購日期起，翠島溫泉酒店並無向本集團貢獻營業額，並錄得稅後虧損港幣2,006,000元。

Notes to the Financial Statements

財務報表附註

44. RELATED PARTY TRANSACTIONS

(a) Transactions and balances with related parties

Save as disclosed elsewhere in the financial statements, during the year, the Group had also entered into the following significant transactions with the following related parties:

Name of related parties 關連方名稱	Nature of transactions/ balances 交易性質/結餘	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
The wholly-owned subsidiaries of the ultimate holding company: 最終控股公司之全資附屬公司：			
Mosway Group Limited	Interest income in relation to consideration receivable for disposal of a subsidiary 出售一間附屬公司應收代價有關之 利息收入	-	7,159
中國寰島(集團)公司	Interest income 利息收入	3,367	6,448
China Chengtong (Hong Kong) Asset Management Company Limited 中國誠通(香港)資產管理有限公司	Consultancy service expenses 諮詢服務費用	200	200
Chengtong Finance (note 32) 誠通財務(附註32)	Deposits 存款	428,186	355,650
	Interest income 利息收入	1,680	40
Hainan Huandao Taide Hotel Property Management Co. Ltd. 海南寰島泰得酒店物業管理有限公司	Property management expenses 物業管理費用	559	-
Company held by close family members of a director of a subsidiary: 由一家附屬公司一名董事之近親家族成員 持有之公司：			
廣州市同正煤炭貿易有限公司 ("同正煤炭") (note)	Sale of coal 銷售煤炭收入	-	23,550

Note: The close family members of a director of a subsidiary have disposed of their equity interests in 同正煤炭 on 24 April 2015 and 同正煤炭 was no longer a related party of the Group from 24 April 2015 and thereafter.

Save as disclosed above, other balances with related parties at respective end of reporting dates are set out in the consolidated statement of financial position and notes 25, 26 and 34.

44. 關連方交易

(a) 與關連方之交易及結餘

除本財務報表其他部份所披露者外，年內，本集團已與下列關連方亦進行以下重大交易：

附註：一間附屬公司的董事之近親家族成員已於二零一五年四月二十四日出售彼等於同正煤炭的權益，因此同正煤炭自二零一五年四月二十四日起不再是本集團的關連方。

除上文所披露者外，於各報告期末與關連方之其他結餘載於綜合財務狀況表及附註25、26及34。

Notes to the Financial Statements

財務報表附註

44. RELATED PARTY TRANSACTIONS (Continued)

(b) Transactions and balances with other government-related entities

The Group itself is part of a larger group of companies controlled by CCHG (CCHG and its subsidiaries are referred to as the “**CCHG Group**”) which is a stated-owned enterprise under the direct supervision of the State Council of the PRC. The directors of the Company consider that the Company is ultimately controlled by the government of the PRC and the Group operates in an economic environment currently dominated by entities controlled, jointly controlled or significantly influenced by the PRC government (“**government-related entities**”).

Apart from transactions with CCHG Group, the Group has transactions with other government-related entities included but not limited to the finance leasing arrangements.

Details of the transactions and balances with relevant government-related entities are set out below:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Transactions with government-related entities:	與政府相關實體之交易：		
Interest income	利息收入	43,777	28,331
Consultancy service income from finance leasing arrangements	融資租賃安排產生的諮詢服務收入	7,726	5,849
		<u>51,503</u>	<u>34,180</u>

In addition, the Group has entered into various transactions, including other purchases and operating expenses with other government-related entities. In the opinion of the directors, except for the transactions and balances disclosed above, other transactions and balances are considered as individually and collectively insignificant to the operation of the Group for both years.

In addition, the Group has bank deposits, financial assets investments, entrusted loan arrangements, corporate bonds and other general banking facilities with certain banks and financial institutions which are government-related entities in its ordinary course of business. In view of the nature of those banking transactions, the directors of the Company are of the opinion that separate disclosure would not be material to the financial statements.

44. 關連方交易(續)

(b) 與其他政府相關實體之交易及結餘

本集團自身為中國國務院直接監管之國有企業誠通控股(誠通控股及其附屬公司合稱「**誠通控股集團**」)旗下一個大型公司集團之一部份。本公司董事認為，本公司受中國政府最終控制，而本集團目前營運所處的經濟環境受中國政府控制、聯合控制或有重大影響之實體(「**政府相關實體**」)主導。

除與誠通控股集團之交易外，本集團還與其他政府相關實體進行交易，包括但不限於融資租賃安排。

與相關政府相關實體之交易以及有關結餘之詳情載列如下：

此外，本集團亦與其他政府相關實體訂立多項交易，涉及其他採購及經營開支。董事認為，除上文披露的交易及結餘外，其他交易及結餘(個別及共同衡量)對兩年內本集團營運而言並不屬重大。

此外，本集團於日常業務過程中亦與屬政府相關實體之若干銀行及金融機構進行涉及銀行存款、金融資產投資、委託貸款安排、公司債券及其他一般銀行業務之交易。鑒於該等銀行交易的性質，本公司董事認為單獨披露對財務報表並無重大影響。

Notes to the Financial Statements

財務報表附註

44. RELATED PARTY TRANSACTIONS (Continued)

(c) Remuneration of key management personnel

The remunerations of key management personnel, which are the directors during the year, were as follows:

Short-term employee benefits	短期僱員福利
Bonus	獎金
Post-employment benefits	離職後福利

- (d) During the year ended 31 December 2016, the Group entered into a guarantee agreement with China Chengtong Coal Investment Limited (“**Chengtong Coal**”), a subsidiary of the ultimate holding company of the Company. Pursuant to the agreement, the Group has provided a guarantee by pledging its buildings with net book value of approximately HK\$50,928,000 as at 31 December 2016 and issuing a guarantee letter to the Supreme People’s Court of Guangxi Zhuang Autonomous Region to the extent of RMB53,540,000 (approximately HK\$59,965,000) for a period of three years (or such shorter period as maybe approved by the court). During the year, the Group also entered into a deed of counter-indemnity (“**Indemnity Deed**”) with China Chengtong Hong Kong Company Limited (“**CCHK**”), an intermediate holding company of the Company, pursuant to which CCHK agreed to indemnify the Group in full for its liabilities and loss, if any, which may arise from the above guarantee provided by the Group. Further details of the guarantee agreement and Indemnity Deed are disclosed in note 47(b).

Pursuant to the guarantee agreement, Chengtong Coal shall pay an annual arrangement fee of 1% over the guarantee amount to the Group. During the year ended 31 December 2016, the Group recognised guarantee income of HK\$361,000 to the profit or loss for the year, and received HK\$250,000 of guarantee income in advance from Chengtong Coal, which has been included in other payables as at 31 December 2016.

- (e) During the year ended 31 December 2015, the Group acquired 100% equity interest in Huandao Int’l Travel at a consideration of approximately HK\$9,207,000 and Cuidao Hotspring Hotel at a consideration of approximately HK\$171,740,000 from the indirectly wholly-owned subsidiary and a wholly-owned subsidiary of CCHG respectively. Regarding the acquisition of Cuidao Hotspring Hotel, the difference between the consideration and the fair value of the net identifiable assets being acquired of in the amount of HK\$5,056,000 had been dealt with in the profit or loss as the excess of fair value of the net identifiable assets over the cost of acquisition of a subsidiary (note 43(iii)).

44. 關連方交易(續)

(c) 年內主要管理人員之酬金

年內主要管理人員(即董事)之酬金如下:

2016 二零一六年 HK\$’000 港幣千元	2015 二零一五年 HK\$’000 港幣千元
---	-----------------------------------

5,611	4,337
718	1,001
536	258
6,865	5,596

- (d) 截至二零一六年十二月三十一日止年度，本集團與本公司最終控股公司的附屬公司中國誠通煤業投資有限公司(「**誠通煤業**」)訂立擔保協議。根據該協議，本集團透過質押其於二零一六年十二月三十一日賬面淨值約港幣50,928,000元的樓宇及向廣西壯族自治區最高人民法院開具以人民幣53,540,000元(約港幣59,965,000元)為限的擔保函以提供擔保，期限為三年(或法院可能批准的較短期限)。於該年度內，本集團亦與本公司中介控股公司中國誠通香港有限公司(「**誠通香港**」)訂立反擔保契據(「**反擔保契據**」)，據此，誠通香港同意全額彌償本集團可能因上述由本集團所提供的擔保而產生的負債及虧損(如有)。擔保協議及反擔保契據的進一步詳情於附註47(b)中披露。

根據擔保協議，誠通煤業須向本集團支付擔保金額為1%的年度安排費用。截至二零一六年十二月三十一日止年度，本集團於年內損益中確認港幣361,000元的擔保收入，並收取誠通煤業預付的擔保收入港幣250,000元，而有關款項已於二零一六年十二月三十一日計入其他應付款項。

- (e) 於截至二零一五年十二月三十一日止年度內，本集團分別以代價約港幣9,207,000元向誠通控股間接全資附屬公司收購了寰島國旅100%股權及以代價約港幣171,740,000元向誠通控股全資附屬公司收購了翠島溫泉酒店100%股權。就收購翠島溫泉酒店，收購可識別淨資產之代價及公平值之差額為港幣5,056,000元，作為可識別淨資產之公平值超過收購附屬公司成本之超額已計入損益(附註43(iii))。

Notes to the Financial Statements

財務報表附註

45. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The Group monitors capital on the basis on the total debt to total assets ratio. This ratio as calculated as total debt divided by total assets. Total debt is calculated as bank borrowings, unsecured other loan and corporate bonds disclosed in notes 35, 36 and 38 respectively.

The directors of the Company review the capital structure on a continuous basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

The total debt to total assets ratio at the end of reporting period was as follows:

45. 資本風險管理

本集團的資本管理旨在確保本集團內的所有實體均可持續經營，同時透過優化債務及股本結構為股東謀求最大回報。自上一年度起，本集團之整體戰略保持不變。

本集團利用債務總額與總資產之比率監察其資本。此比率按照債務總額除以總資產計算。債務總額分別為附註35、36及38披露的銀行借貸、無抵押其他貸款及公司債券。

本公司董事會按持續基準對資本架構進行檢討。檢討工作之一部份乃本公司董事對資本成本及各類資本的相關風險進行審議。根據本公司董事的推薦，本集團將透過支付股息、發行新股、購回股份以及發行新債券或贖回現有債券，使整體資本架構保持平衡。

於報告期末的債務總額與總資產之比率如下：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Current liabilities	流動負債		
Bank borrowings	銀行借貸	77,280	-
Unsecured other loans	無抵押其他貸款	600	600
Corporate bonds	公司債券	667,219	-
		745,099	600
Non-current liabilities	非流動負債		
Corporate bonds	公司債券	-	694,757
Total debt	債務總額	745,099	695,357
Total assets	總資產	3,846,900	3,837,057
Total debt to total assets ratio	債務總額與總資產之比率	19.4%	18.1%

Notes to the Financial Statements

財務報表附註

46. FINANCIAL INSTRUMENTS

Categories of financial instruments

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Financial assets	金融資產		
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	1,279	1,234
Available-for-sale financial assets	可供出售金融資產	513,130	410,136
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	2,189,401	2,199,717
Financial liabilities	金融負債		
At amortised costs	攤銷成本	872,683	796,508

Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, loans receivable, amount due from a non-controlling shareholder of a subsidiary, loan to a related party, available-for-sale financial assets, entrusted loan receivables, short-term investments, held-for-trading securities, structured bank deposits, pledged bank deposits, deposits in other financial institution, bank balances and cash, trade and other payables, bank borrowings, unsecured other loans and corporate bonds. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments including currency risk, price risk, interest rate risk, credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

As at 31 December 2016, except for the following, the Group did not have significant financial assets or financial liabilities denominated in currencies other than their functional currencies at the end of the reporting period.

The carrying amounts of the Group's financial assets denominated in currencies other than the functional currencies of the respective group companies as at 31 December 2016 and 2015 are as follows:

		Assets 資產	
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
USD	美元	264,844	464,119

46. 金融工具

金融工具分類

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Financial assets	金融資產		
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	1,279	1,234
Available-for-sale financial assets	可供出售金融資產	513,130	410,136
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	2,189,401	2,199,717
Financial liabilities	金融負債		
At amortised costs	攤銷成本	872,683	796,508

財務風險管理目標及政策

本集團的主要金融工具包括貿易及其他應收款項、應收貸款、應收一間附屬公司的一名非控股股東款項、向一名關連方提供之貸款、可供出售金融資產、應收委託貸款、短期投資、持作買賣證券、結構性銀行存款、已抵押銀行存款、其他金融機構存款、銀行結存及現金、貿易及其他應付款項、銀行貸款、無抵押其他貸款及公司債券。該等金融工具詳情於各附註披露。下文載列與該等金融工具有關的風險(包括貨幣風險、價格風險、利率風險、信貸風險及流動資金風險)及如何降低該等風險的政策。本集團管理層管理及監控該等風險，以確保及時和有效地採取適當的措施。

貨幣風險

於二零一六年十二月三十一日，除以下所述者外，本集團概無以彼等功能貨幣以外之貨幣計值之重大金融資產及金融負債。

於二零一六年及二零一五年十二月三十一日，本集團以各自集團公司功能貨幣以外貨幣計值之金融資產之賬面值載列如下：

Notes to the Financial Statements

財務報表附註

46. FINANCIAL INSTRUMENTS (Continued)

Categories of financial instruments (Continued)

Financial risk management objectives and policies (Continued)

Currency risk (Continued)

The Group currently does not have a foreign currency hedging policy but the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Sensitivity analysis

The functional currency of certain major group companies is RMB. The Group is mainly exposed to currency risk between RMB and USD.

The following table details the Group's sensitivity to a 5% increase and decrease in RMB against USD. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in the exchange rate between RMB and USD. The sensitivity analysis includes only outstanding USD denominated monetary items and adjusts their translation at the reporting date for a 5% change in exchange rates. The analysis illustrates the impact for a 5% strengthening of RMB against the USD and a positive number below indicates an increase in post-tax result while a negative number below indicates a decrease in post-tax result. For a 5% weakening of RMB against USD, there would be an equal and opposite impact on the post-tax result.

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Impact to the result for the year	對年內業績的影響	(11,057)	(19,377)

Price risk

The Group's held-for-trading securities and certain available-for-sale financial assets are listed securities and are measured at fair value at the end of each reporting date with reference to the quoted prices. Therefore, the Group is exposed to equity price risk and the management of the Group will monitor the price movements and take appropriate actions when is required. The directors considered the exposure to equity price risk is minimal and no sensitivity analysis is prepared.

46. 金融工具(續)

金融工具分類(續)

財務風險管理目標及政策(續)

貨幣風險(續)

本集團目前並無外幣對沖政策，但管理層密切監察外匯風險，並於有必要時將考慮對沖重大外匯風險。

敏感度分析

若干主要集團公司之功能貨幣為人民幣，本集團主要面臨人民幣與美元間的貨幣風險。

下表詳述本集團對人民幣兌美元增減5%之敏感度。5%是內部向主要管理人員呈報外幣風險時採用之敏感度，且代表管理層對合理可能變動之人民幣兌美元匯率之評估。敏感度分析只包括未兌現之美元計值貨幣項目，並於報告日期就5%之匯率變動調整折算。分析顯示人民幣兌美元升值5%之影響及下列正數顯示除稅後業績增加，而下列負數則顯示除稅後業績減少。倘人民幣兌美元貶值5%，稅後業績將受相同或相反影響。

價格風險

本集團於上市證券中的持作買賣證券及若干可供出售金融資產乃參照報價，並按各報告日期末之公平值計量。因此，本集團面臨股票價格風險，本集團管理層將監控價格波動並於需要時採取適當措施。董事認為本集團面臨之股票價格風險微乎其微，故並無呈列股票價格風險之敏感性分析。

Notes to the Financial Statements 財務報表附註

46. FINANCIAL INSTRUMENTS (Continued)

Categories of financial instruments (Continued)

Financial risk management objectives and policies (Continued)

Interest rate risk

The cash flow interest rate risk relates primarily to the Group's variable rate deposits and bank balances, deposits in other financial institution, loans receivable, certain available-for-sale financial assets, amount due from a non-controlling shareholder of a subsidiary, structured bank deposits and short-term bank loans. The fair value interest rate risk relates primarily to the Group's fixed rate entrusted loan receivables, loan to a related party, short-term investments and corporate bonds. The Group currently does not have an interest rate hedging policy. However, the management of the Group monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

The Group has exposure to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on deposits and bank balances, amount due from a non-controlling shareholder of a subsidiary, structured bank deposits, available-for-sale financial assets and loans receivable. The directors consider the Group's exposure of the short-term deposits and bank balances, amount due from a non-controlling shareholder of a subsidiary, structured bank deposits, available-for-sale financial assets and loans receivable with maturity within 1 year and their interest rate risk is not significant as these financial assets are within short maturity period and thus it is not included in sensitivity analysis.

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates after considering the impact of the interest expenses being capitalised as properties under development at the end of the reporting period. A 50 basis points (2015: 50 basis points) increase or decrease is used which represents management's assessment of the reasonably possible change in interest rates.

As at 31 December 2016, if interest rates on interest bearing loans and receivables with maturity over 1 year had been 50 basis points higher/lower and all of other variables were held constant, the post-tax result would increase/decrease by approximately HK\$281,000 (2015: HK\$1,726,000).

46. 金融工具(續)

金融工具分類(續)

財務風險管理目標及政策(續)

利率風險

現金流量利率風險主要與本集團浮動利率之按金及銀行結存、其他金融機構存款、應收貸款、若干可供出售金融資產、應收一間附屬公司一名非控股股東款項、結構性銀行存款及短期銀行貸款有關。公平值利率風險主要與本集團固定利率之應收委託貸款、給予一名關連方的貸款、短期投資及公司債券有關。本集團現時無利率對沖政策。然而，本集團管理層監察利率風險及考慮在必要時對沖重大利率風險。

因按金、銀行結存、應收一間附屬公司一名非控股股東款項、結構性銀行存款、可供出售金融資產及應收貸款之現行市場利率波動，本集團面臨現金流量利率風險。董事認為，本集團面臨短期按金及銀行結存、應收一間附屬公司一名非控股股東款項、結構性銀行存款及還款期一年以內的可供出售金融資產及應收貸款的風險，並由於該等金融資產屬短還款期，其利率風險不屬重大，因此並未將其納入敏感度分析。

敏感度分析

下列敏感度分析乃基於所面臨之利率風險，並已考慮報告期末利息支出资本化為發展中物業之影響。所採用之上下浮動50個基點(二零一五年：50個基點)代表管理層對利率之合理可能變動之評估。

於二零一六年十二月三十一日，倘計息貸款及到期日超過一年的應收款項之利率上下浮動50個基點，而所有其他變量保持不變，則除稅後業績將增加/減少約港幣281,000元(二零一五年：港幣1,726,000元)。

Notes to the Financial Statements 財務報表附註

46. FINANCIAL INSTRUMENTS (Continued)

Categories of financial instruments (Continued)

Financial risk management objectives and policies (Continued)

Credit risk

The Group's credit risk is primarily attributable to trade and other receivables, loans receivable, entrusted loan receivables, amount due from a non-controlling shareholder of a subsidiary, loan to a related party, available-for-sale financial assets, structured bank deposits, short-term investments, deposits in other financial institution and bank balances. In order to minimise the credit risk, the management of the Group has reviewed the recoverable amount of each individual trade and other receivables, loans receivable, entrusted loan receivables, amount due from a non-controlling shareholder of a subsidiary, loan to a related party, available-for-sale financial assets, structured bank deposits and short-term investments, deposits in other financial institution and bank balances at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

Before accepting any new lessee under sale and leaseback arrangement or entrusted loan borrower, the Group assesses the credit quality of each potential lessee or entrusted loan borrower and defined limits for each lessee or entrusted loan borrower. The Group also demands certain lessee and entrusted loan borrower to provide corporate guarantees from third parties or land and building as collateral to the Group at the time the sale and leaseback arrangement or entrusted loan agreement is entered into. In addition, the Group has reviewed the repayment history of sale and leaseback payments from each lessee with reference to the repayment schedule from the date of loans receivable and the Group has also assessed the financial ability of the entrusted loan borrowers to determine the recoverability of the loans receivable and entrusted loan receivables.

The credit risk on liquid funds is limited because the counterparties are mainly banks and other financial institution with high credit-rating or with good reputation.

46. 金融工具(續)

金融工具分類(續)

財務風險管理目標及政策(續)

信貸風險

本集團之信貸風險主要來自貿易及其他應收款項、應收貸款、應收委託貸款、應收一間附屬公司的一名非控股股東款項、給予一名關連方的貸款、可供出售金融資產、結構性銀行存款及短期投資、其他金融機構存款以及銀行結存。為儘量降低信貸風險，本集團管理層於報告期末檢討每宗個別貿易及其他應收款項、應收貸款、應收委託貸款、應收一間附屬公司的一名非控股股東款項、給予一名關連方的貸款、可供出售金融資產、結構性銀行存款、短期投資、其他金融機構存款及銀行結存之可收回金額，以確保就無法收回金額作出足夠之減值虧損撥備。就此而言，本集團管理層認為本集團之信貸風險大大降低。

在接納售後回租協議項下任何新的承租人或委託貸款借款人之前，本集團會評估各潛在承租人或委託貸款借款人之信用狀況，並界定各承租人或委託貸款借款人之限額。在訂立售後回租安排或委託貸款協議時，本集團亦要求某些承租人或委託貸款借款人向本集團提供第三方企業擔保或土地及建築物作為抵押品。此外，本集團已參照應收貸款日期起之還款時間表，檢討各承租人之後回租款項過往支付記錄，並對委託貸款借款人之財力作出評估，以確定應收貸款及應收委託貸款之可收回水平。

流動資金之信貸風險有限，因為交易對方主要是具備高信貸評級或享負盛名之銀行及其他金融機構。

Notes to the Financial Statements 財務報表附註

46. FINANCIAL INSTRUMENTS (Continued)

Categories of financial instruments (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

As at 31 December 2016, the Group has concentration of credit risk with (a) three (2015: four) customers from bulk commodity trade, with amount of trade receivables of HK\$62,976,000 (2015: HK\$46,936,000); (b) nine (2015: five) lessees from sale and leaseback arrangements, with amount of loans receivable of HK\$663,199,000 (2015: HK\$424,462,000) and (c) one (2015: one) entrusted loan receivables of HK\$7,840,000 (2015: HK\$59,140,000). To monitor the credit risk exposure, the management of the Group has reviewed the recoverability of each debtor periodically.

The Group carried out bulk commodity trade business involving purchase and sale transactions. Bulk commodity trade business involves various individual suppliers and customers. During the year ended 31 December 2016, 21% of turnover of bulk commodity trade (2015: 37% of turnover of bulk commodity trade) was attributable to a single customer. This concentration risk is addressed by individual counterparty analysis carried out by the management and is monitored on an ongoing basis.

As at 31 December 2016 and 2015, the Group has bank balances and cash, deposits, structured bank deposits, available-for-sale financial assets and short-term investments in certain corporations and banks in the PRC and Hong Kong. The credit risk on these deposits, available-for-sale financial assets and short-term investments is insignificant as the counterparties are banks with high credit-rating or with good reputation.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management of the Group monitors the utilisation of bank loans and ensures compliance with loan covenants.

Liquidity table

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be demanded for repayment. The table includes both interest and principal cash flows.

46. 金融工具(續)

金融工具分類(續)

財務風險管理目標及政策(續)

信貸風險(續)

於二零一六年十二月三十一日，本集團之信貸風險集中於：(a)與三名(二零一五年：四名)客戶之大宗商品貿易，貿易應收款項金額為港幣62,976,000元(二零一五年：港幣46,936,000元)；(b)與九名(二零一五年：五名)承租人之售後回租安排，應收貸款為港幣663,199,000元(二零一五年：港幣424,462,000元)及(c)一份(二零一五年：一份)應收委託貸款港幣7,840,000元(二零一五年：港幣59,140,000元)。為監控信貸風險，本集團之管理層已定期檢討各名債務人所欠債項之可收回水平。

本集團開展了涉及買賣交易的大宗商品貿易業務。大宗商品貿易業務涉及多名獨立供應商及客戶。於截至二零一六年十二月三十一日止年度，大宗商品貿易業務銷售額之21%(二零一五年：大宗商品貿易銷售額之37%)來自與一名客戶之交易。管理層進行個別對手方分析，以應對並持續監控這種集中性風險。

於二零一六年及二零一五年十二月三十一日，本集團於中國及香港若干公司及銀行擁有銀行結存及現金、存款、結構型銀行存款、可供出售金融資產及短期投資。該等存款、可供出售金融資產及短期投資相關之信貸風險不屬重大，因為交易對方主要是具備高信貸評級或享負盛名之銀行。

流動資金風險

就流動資金風險管理而言，本集團對現金及現金等價物進行監察及維持至本集團管理層均視為足以為本集團營運提供資金及減低現金流量波動所帶來影響的水平。本集團管理層監控銀行貸款的使用，確保符合貸款契約。

流動資金表

下表詳細載列本集團的非衍生金融負債根據議定還款期的餘下合約期。下表乃根據本集團於可被要求償還金融負債的最早日期的金融負債未貼現現金流編製。該表包括利息及本金現金流量。

Notes to the Financial Statements

財務報表附註

46. FINANCIAL INSTRUMENTS (Continued)

Categories of financial instruments (Continued)

Financial risk management objectives and policies (Continued)

Liquidity table (Continued)

At 31 December 2016

		Weighted average interest rate per annum 加權平均 年利率	Within 1 year or on demand 一年內或 按要求 HK\$'000 港幣千元	Total undiscounted cash flows 未貼現現金 流量總計 HK\$'000 港幣千元	Carrying amount 賬面值 HK\$'000 港幣千元
Trade and other payables	貿易及其他應付款項	-	127,584	127,584	127,584
Banking borrowings	銀行借款	4.35%	84,150	84,150	77,280
Unsecured other loans	無抵押其他貸款	-	600	600	600
Corporate bonds	公司債券	4.00%	676,651	676,651	667,219
			888,985	888,985	872,683
Financial guarantee issued	已出具之財務擔保				
Maximum amount guaranteed	已擔保最高金額		117,072	117,072	-

At 31 December 2015

		Weighted average interest rate per annum 加權平均 年利率	Within 1 year or on demand 一年內或 按要求 HK\$'000 港幣千元	1 to 3 years 一年至三年 HK\$'000 港幣千元	Total undiscounted cash flows 未貼現現金 流量總計 HK\$'000 港幣千元	Carrying amount 賬面值 HK\$'000 港幣千元
Trade and other payables	貿易及其他應付款項	-	101,151	-	101,151	101,151
Unsecured other loans	無抵押其他貸款	-	600	-	600	600
Corporate bonds	公司債券	4.00%	28,560	725,900	754,460	694,757
			130,311	725,900	856,211	796,508
Financial guarantee issued	已出具之財務擔保					
Maximum amount guaranteed	已擔保最高金額		157,478	-	157,478	-

於二零一五年十二月三十一日

Notes to the Financial Statements 財務報表附註

46. FINANCIAL INSTRUMENTS (Continued)

Categories of financial instruments (Continued)

Financial risk management objectives and policies (Continued)

Fair value

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets include available-for-sale financial assets measured at fair value and listed equity securities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market bid prices.

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the Group's financial statements approximate their fair values.

Fair value measurements recognised in the consolidated statement of financial position

An analysis of financial instruments that are measured subsequent to initial recognised at fair value, are classified as Level 1 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 market for identical assets.

At 31 December 2016, the available-for-sale financial assets measured at fair value and listed equity securities which grouped into Level 1 amounted to HK\$242,809,000 (2015: HK\$232,870,000).

There is no transfer/reclassification outside Level 1 in both years.

46. 金融工具(續)

金融工具分類(續)

財務風險管理目標及政策(續)

公平值

金融資產及金融負債的公平值按照如下原則確認：

- 具有標準條款及條件並存在活躍市場的金融資產(包括以公平值計量的可供出售金融資產及上市股本證券)的公平值參考其在活躍市場上的報價釐定。

董事認為以攤銷成本計入本集團的財務報表之金融資產及金融負債之賬面值與彼等之公平值相若。

於綜合財務狀況表確認之公平值計量

按公平值作初步確認後計量之金融工具之分析，根據觀察所得之公平值分類為第一級。

第一級公平值計量乃按相同資產於活躍市場的報價(未經調整)。

於二零一六年十二月三十一日，以公平值計量的可供出售金融資產及上市股本證券為港幣242,809,000元(二零一五年：港幣232,870,000元)。

兩個年度均無轉撥/重新分類至第一級外。

Notes to the Financial Statements

財務報表附註

46. FINANCIAL INSTRUMENTS (Continued)

Categories of financial instruments (Continued)

Financial risk management objectives and policies (Continued)

Fair value hierarchy

46. 金融工具(續)

金融工具分類(續)

財務風險管理目標及政策(續)

公平值等級

Fair value measurement as at 31 December 2016 於二零一六年十二月三十一日之公平值計量

		Level 1	Level 2	Level 3	Fair value as at 31 December 2016
					截至 二零一六年 十二月三十一日 之公平值計量
		第一級 HK\$'000 港幣千元	第二級 HK\$'000 港幣千元	第三級 HK\$'000 港幣千元	HK\$'000 港幣千元
Recurring fair value measurement	經常性公平值計量				
<i>Financial assets:</i>	<i>金融資產:</i>				
Available-for-sale financial assets	可供出售金融資產	241,530	-	-	241,530
Held-for-trading securities	持作買賣證券	1,279	-	-	1,279

Fair value measurement as at 31 December 2015 於二零一五年十二月三十一日之公平值計量

		Level 1	Level 2	Level 3	Fair value as at 31 December 2015
					截至 二零一五年 十二月三十一日 之公平值計量
		第一級 HK\$'000 港幣千元	第二級 HK\$'000 港幣千元	第三級 HK\$'000 港幣千元	HK\$'000 港幣千元
Recurring fair value measurement	經常性公平值計量				
<i>Financial assets:</i>	<i>金融資產:</i>				
Available-for-sale financial assets	可供出售金融資產	231,636	-	-	231,636
Held-for-trading securities	持作買賣證券	1,234	-	-	1,234

Notes to the Financial Statements 財務報表附註

47. CONTINGENT LIABILITIES

- (a) At 31 December 2016, the Group had contingent liabilities in relation to guarantees of approximately HK\$117,072,000 (2015: HK\$157,478,000) given to banks in respect of mortgage loans granted to purchasers of certain property units.

Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with any accrued interest and penalty owed by the defaulted purchasers to the banks, and the Group is entitled to take over the legal title and possession of the related properties. In the opinion of the directors of the Company, the financial impact arising from providing the above financial guarantees is insignificant and accordingly, they are not accounted for in these financial statements.

- (b) On 29 March 2016, the Group entered into a guarantee agreement with Chengtong Coal, a subsidiary of the ultimate holding company of the Company, pursuant to which the Group has provided a guarantee by pledging its buildings with net book value of approximately HK\$50,928,000 as at 31 December 2016 and issuing a guarantee letter to the Supreme People's Court of Guangxi Zhuang Autonomous Region to the extent of approximately RMB53,540,000 (approximately HK\$59,965,000) for a period of three years (or such shorter period as may be approved by the court). The guarantee was for the purpose of supporting a property preservation order on certain subject assets in a litigation between Chengtong Coal and its debtors.

On 29 March 2016, the Group also entered into the Indemnity Deed with CCHK pursuant to which CCHK agreed to indemnify the Group in full for its liabilities and loss, if any, which may arise from the above guarantee provided by the Group.

Details in relation to the guarantee agreement and the Indemnity Deed are set out in the Company's announcement dated 29 March 2016.

47. 或有負債

- (a) 於二零一六年十二月三十一日，本集團擁有與擔保相關的或有負債約港幣117,072,000元(二零一五年：港幣157,478,000元)，擔保是因銀行向若干物業單位買家授予按揭貸款而提供。

根據擔保條款，若該等買家拖欠按揭付款，本集團有責任向銀行償還違約買家未償還的按揭本金，連同所產生的利息和罰金，而本集團有權接管相關物業的法定業權及所有權。本公司董事認為，提供上述財務擔保產生的財務影響微不足道，故並未在財務報表中確認。

- (b) 於二零一六年三月二十九日，本集團與誠通煤業(本公司最終控股公司的附屬公司)訂立擔保協議，據此，本集團已透過質押其於二零一六年十二月三十一日賬面值約港幣50,928,000元的建築及向廣西壯族自治區高級人民法院出具金額約人民幣53,540,000元(約港幣59,965,000元)為限的保函以提供擔保，期限為三年(或法院可能批准的較短期限)。向誠通煤業提供的擔保用作支持就誠通煤業與其債務人的訴訟中若干主要資產的財產保全令。

於二零一六年三月二十九日，本集團亦與誠通香港訂立反擔保契據，據此，誠通香港同意彌償本集團可能因本集團提供上述擔保而產生負債及虧損(如有)的全額。

有關擔保協議及反擔保契據的詳情載於本公司日期為二零一六年三月二十九日的公告。

Notes to the Financial Statements

財務報表附註

47. CONTINGENT LIABILITIES (Continued)

(b) (Continued)

In the opinion of the directors of the Company, the financial impact arising from providing the above financial guarantees is insignificant and accordingly, they are not accounted for in these financial statements.

As at 31 December 2016 and 2015, the Group was not involved in any litigation or arbitration of material importance and there was no litigation or claim of material importance known to the directors of the Company to be pending or threatened against the Group.

47. 或有負債(續)

(b) (續)

本公司董事認為，提供上述財務擔保產生的財務影響微不足道，故並未在該等財務報告中列賬。

於二零一六年及二零一五年十二月三十一日，本集團概無涉及任何重大訴訟或仲裁，本公司董事也不知悉有任何尚未了結或將針對本集團而提出的重大訴訟或索償。

48. CAPITAL COMMITMENTS

48. 資本承擔

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Contracted but not provided for: Purchase of property, plant and equipment	5,309	5,912

已訂約但未撥備：
購買物業、廠房及設備

Notes to the Financial Statements

財務報表附註

49. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

49. 公司財務狀況表

	Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		116	134
Interests in subsidiaries		–	–
Amounts due from subsidiaries		173,039	481,538
		173,155	481,672
Current assets			
Other receivables, prepayments and deposits		3,921	3,162
Available-for-sale financial assets		241,530	231,636
Amounts due from subsidiaries		2,399,259	2,069,268
Bank balances and cash		39,138	52,303
		2,683,848	2,356,369
Current liabilities			
Other payables		6,419	15,731
Corporate bonds		667,219	–
		673,638	15,731
Net current assets		2,010,210	2,340,638
Total assets less current liabilities		2,183,365	2,822,310
Non-current liabilities			
Corporate bonds		–	694,757
Net assets		2,183,365	2,127,553
EQUITY			
Share capital	39	2,185,876	2,185,876
Reserves	41	(2,511)	(58,323)
Total equity		2,183,365	2,127,553

Approved and authorised for issue by the board of directors on 23 February 2017 and signed on its behalf by:

由董事會於二零一七年二月二十三日批准及授權發行並由其代表簽署：

Yuan Shaoli
袁紹理
Director
董事

Wang Hongxin
王洪信
Director
董事

Principal Properties 主要物業

At 31 December 2016
於二零一六年十二月三十一日

A. INVESTMENT PROPERTIES

A. 投資物業

Location	地點	Group's effective interest 本集團之實質權益	Approximate site area 概約地盤面積 (sq. m.) (平方米)	Approximate gross floor area 概約總樓面面積 (sq. m.) (平方米)	Usage 用途	Category of lease 土地租約類別
Phase I, Chengtong Xiang Li, No. 1 Mizhou West Road, Zhucheng City, Shandong Province, the PRC	中國山東省諸城市 密州西路一號 誠通香樹里第一期	100%	Note (a) 附註(a)	4,849	Commercial 商業	Medium-term lease 中期租約
Phase III, Chengtong Xiang Li, No. 1 Mizhou West Road, Zhucheng City, Shandong Province, the PRC	中國山東省諸城市 密州西路一號 誠通香樹里第三期	100%	Note (a) 附註(a)	2,715	Commercial 商業	Medium-term lease 中期租約

B. PROPERTIES HELD FOR DEVELOPMENT

B. 持作發展物業

Location	地點	Group's effective interest 本集團之實質權益	Approximate site area 概約地盤面積 (sq. m.) (平方米)	Usage 用途	Category of lease 土地租約類別
A piece of land situated at south of Shugang Highway, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市 疏港公路南側之 一幅土地	66.67%	549,600	Industrial 工業	Medium-term lease 中期租約
Lot No. 1, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市 大豐海洋經濟開發區 口岸服務區1號地塊	66.67%	84,648	Residential and commercial 住宅及商業	Commercial – Medium-term lease Residential – Long lease 商業 – 中期租約 住宅 – 長期租約
South Portion of Lot No. 2, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市 大豐海洋經濟開發區 口岸服務區2號 地塊南側	66.67%	28,956	Residential and commercial 住宅及商業	Commercial – Medium-term lease Residential – Long lease 商業 – 中期租約 住宅 – 長期租約
Lot No. 3, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市 大豐海洋經濟開發區 口岸服務區3號地塊	66.67%	244,248	Residential and commercial 住宅及商業	Commercial – Medium-term lease Residential – Long lease 商業 – 中期租約 住宅 – 長期租約

Principal Properties 主要物業

At 31 December 2016
於二零一六年十二月三十一日

C. PROPERTIES UNDER DEVELOPMENT

C. 發展中物業

Location	地點	Group's effective interest 本集團之實質權益	Approximate site area 概約地盤面積 (sq. m.) (平方米)	Usage 用途	Category of lease 土地租約類別	Stage of completion 完成階段	Expected completion date 預計完成日期
North Portion of Lot No. 2, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市大豐海洋經濟開發區口岸服務區2號地塊北側	66.67%	Note (b) 附註(b)	Residential and commercial 住宅及商業	Commercial – Medium-term lease Residential – Long lease 商業 – 中期租約 住宅 – 長期租約	Part of Section II work in progress 部份二標段工程進行中	Remaining Section II is expected to be completed in Year 2017 餘下二標段預計於二零一七年完成
A parcel of land designated as No. 01213003 and located on the northern side of Mizhou West Road Eastern Section, Zhucheng City, Shandong Province, the PRC	中國山東省諸城市密州西路東段北側之一幅土地(地段編號第01213003號)	100%	Note (a) 附註(a)	Residential 住宅	Long lease 長期租約	Phase III work in progress 三期工程進行中	Phase III is expected to be completed in Year 2018 to 2020 三期預計於二零一八年至二零二零年完成

D. PROPERTIES HELD FOR SALE

D. 持作銷售物業

Location	地點	Group's effective interest 本集團之實質權益	Approximate site area 概約地盤面積 (sq. m.) (平方米)	Approximate saleable gross floor area 概約可售總樓面面積 (sq. m.) (平方米)	Usage 用途	Category of lease 土地租約類別
North Portion of Lot No. 2, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市大豐海洋經濟開發區口岸服務區2號地塊北側	66.67%	Note (b) 附註(b)	20,562 (Section I and II) 20,562 (一標段及二標段)	Residential and commercial 住宅及商業	Commercial – Medium-term lease Residential – Long lease 商業 – 中期租約 住宅 – 長期租約
A parcel of land designated as No. 01213003 and located on the northern side of Mizhou West Road Eastern Section, Zhucheng City, Shandong Province, the PRC	中國山東省諸城市密州西路東段北側之一幅土地(地段編號第01213003號)	100%	Note (a) 附註(a)	22,194 (Phase I and II) 22,194 (一期及二期)	Residential 住宅	Long lease 長期租約

Note (a) : Part of a parcel of land designated as No. 01213003 and located on the northern side of Mizhou West Road Eastern Section, Zhucheng City, Shandong Province, the PRC, total site area is 146,006 sq.m.

Note (b) : Part of North Portion of Lot No. 2, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC, total site area is 118,974 sq.m.

附註(a) : 屬中國山東省諸城市密州西路東段北側之一幅土地(地段編號第01213003號)之一部份,總地盤面積為146,006平方米。

附註(b) : 屬中國江蘇省大豐市大豐海洋經濟開發區口岸服務區2號地塊北側之一部份,總地盤面積為118,974平方米。

Financial Summary

財務概要

A summary of the published results and of the assets and liabilities of the Group for the year ended 31 December 2016 and the last four financial years, as extracted from the audited financial statements and reclassified as appropriate, is set out below. The summary does not form part of the audited financial statements.

以下為本集團截至二零一六年十二月三十一日止年度及過往四個財政年度之已刊發業績及資產與負債之概要，乃摘錄自該等經審核財務報表並已作出適當之重新分類。此摘要並不構成該等經審核財務報告之一部份。

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	2014 二零一四年 HK\$'000 港幣千元	2013 二零一三年 HK\$'000 港幣千元	2012 二零一二年 HK\$'000 港幣千元
RESULTS	業績					
Turnover	營業額	716,559	576,533	3,224,100	15,500,313	8,626,661
Profit/(loss) attributable to owners of the Company	本公司擁有人應佔溢利/(虧損)	63,804	81,830	(51,417)	50,727	184,526
ASSETS AND LIABILITIES	資產及負債					
Non-current assets	非流動資產					
Property, plant and equipment	物業、廠房及設備	158,713	179,059	187,722	209,097	145,752
Prepaid land lease payments	預付土地租賃款	188,949	206,579	51,760	54,496	54,866
Investment properties	投資物業	58,934	58,468	58,086	187,760	175,558
Deposits paid	已付按金	37,027	39,341	29,181	358,144	338,850
Loans receivable	應收貸款	353,654	261,493	194,173	-	-
Current assets	流動資產					
Properties held for sale	持作銷售物業	159,716	242,917	287,498	111,641	162,371
Properties held for development	持作發展物業	276,450	293,728	311,006	313,968	303,601
Properties under development	發展中物業	241,042	169,581	160,469	283,996	218,295
Inventories	存貨	6,145	22,922	23,191	5,583	19,528
Trade and other receivables	貿易及其他應收款項	97,879	73,492	403,444	11,709,593	6,504,106
Loans receivable	應收貸款	309,545	162,969	85,538	-	12,552
Prepaid land lease payments	預付土地租賃款	5,287	5,414	2,007	2,026	1,960
Entrusted loan receivables	應收委託貸款	7,840	59,140	107,525	363,744	649,219
Available-for-sale financial assets	可供出售金融資產	513,130	410,136	-	-	-
Held-for-trading securities	持作買賣證券	1,279	1,234	1,703	2,108	1,101
Derivative financial instruments	衍生金融工具	-	-	-	-	2,521
Short-term investments	短期投資	13,440	16,660	594,720	2,814,314	104,550
Structured bank deposits	結構性銀行存款	-	167,790	662,760	-	-
Pledged bank deposits	已抵押銀行存款	1,640	1,737	1,774,816	676,073	355,895
Deposits in other financial institution	其他金融機構存款	428,186	355,650	-	-	-
Bank balances and cash	銀行結存及現金	929,903	1,048,218	728,127	2,557,297	1,973,076
Amount due from a non-controlling shareholder of a subsidiary	應收一間附屬公司一名非控股股東款項	21,318	21,641	21,686	20,488	18,450
Loan to a related party	給予一名關連方的貸款	36,823	38,888	54,454	50,880	-
Non-current assets classified as held for sale	列為持作銷售非流動資產	-	-	-	-	83,320
Total assets	總資產	3,846,900	3,837,057	5,739,866	19,721,208	11,125,571

Financial Summary

財務概要

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	2014 二零一四年 HK\$'000 港幣千元	2013 二零一三年 HK\$'000 港幣千元	2012 二零一二年 HK\$'000 港幣千元
Current liabilities	流動負債					
Trade and other payables	貿易及其他應付款項	(127,834)	(107,333)	(2,798,209)	(7,287,370)	(2,943,433)
Deposits received from sale of properties	出售物業之已收按金	(72,920)	(53,294)	(58,728)	(59,306)	(21,051)
Taxation payable	應付稅項	(3,148)	(2,218)	(26,029)	(62,515)	(21,474)
Bank borrowings	銀行借貸	(77,280)	-	(68,157)	(9,273,700)	(5,194,634)
Unsecured other loans	無抵押其他貸款	(600)	(600)	(600)	(600)	(600)
Deposit received from disposal of an investment property	出售投資物業之已收按金	-	-	-	-	(94,095)
Corporate bonds	公司債券	(667,219)	-	-	(761,528)	-
Non-current liabilities	非流動負債					
Deferred tax liabilities	遞延稅項負債	(73,088)	(74,608)	(52,584)	(58,569)	(47,327)
Corporate bonds	公司債券	-	(694,757)	(721,610)	-	(731,984)
Total liabilities	負債總額	(1,022,089)	(932,810)	(3,725,917)	(17,503,588)	(9,054,598)



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