



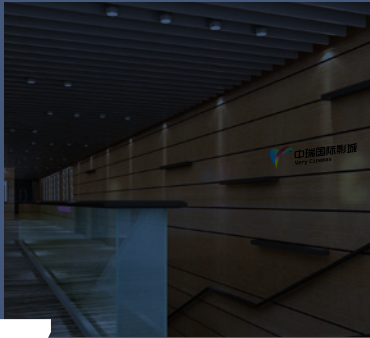
# 南海控股

NAN HAI CORPORATION LIMITED

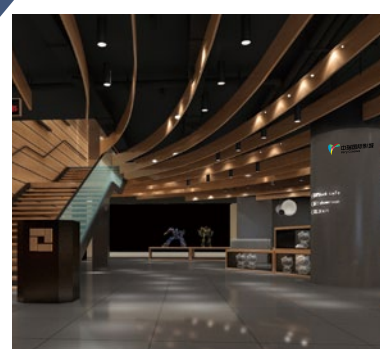
## NAN HAI CORPORATION LIMITED

### 南海控股有限公司

(Incorporated in Bermuda with limited liability) (於百慕達註冊成立之有限公司)  
(Stock Code 股份代碼: 680)



# 2017 ANNUAL REPORT



Crabtree & Evelyn  
LONDON



## Contents 目錄

About Nan Hai 關於南海	2
Corporate Information 公司資料	5
Chairman's Statement 主席報告	7
Management Discussion and Analysis 管理層討論及分析	12
Report of the Directors 董事會報告	33
Corporate Governance Report 企業管治報告	70
Environmental, Social and Governance Report 環境、社會及管治報告	90
Independent Auditor's Report 獨立核數師報告	117
Consolidated Income Statement 綜合收益表	124
Consolidated Statement of Comprehensive Income 綜合全面收益報表	125
Consolidated Statement of Financial Position 綜合財務狀況報表	126
Consolidated Statement of Cash Flows 綜合現金流量報表	128
Consolidated Statement of Changes in Equity 綜合權益變動表	131
Notes to the Financial Statements 財務報表附註	133
List of Properties 物業一覽表	291
Five-Year Financial Summary 五年財政摘要	292





About  
Nan Hai  
關於南海

## About Nan Hai

### 關於南海

Nan Hai Corporation Limited (“Nan Hai”) (the “Company”) is a corporation listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (stock code: 680). Given our confidence towards the continuous and steady long-term development of China’s economy, as well as our optimistic view on the consumption and industrial upgrade, the Company continued to engage in three main businesses, namely culture and media services, property development and enterprise cloud services, through Dadi Media (HK) Limited together with its subsidiaries, Dadi Cinema Investment Limited together with its subsidiaries, Oristar Technology (HK) Limited and its subsidiaries (collectively as “Dadi Media”), Nan Hai Development Limited together with its subsidiaries (collectively as “Nan Hai Development”) and Sino-i Technology Limited together with its subsidiaries (collectively as “Sino-i”, stock code: 250). After nearly a decade of hard work, the Group has attained splendid performance in these three industries. Alongside the in-depth development into the industries, certain business opportunities were identified and therefore gave rise to several businesses. The Group has also commenced businesses stably through Dadi News Media (HK) Limited together with its subsidiaries (collectively as “Internet Lifestyle Platform”) and Dadi Innovation (HK) Limited together with its subsidiaries (collectively as “Dadi Innovation”).

As for culture and media services, in the past ten years, with organic growth and acquisitions as the starting points, Dadi Media gradually extended to the upper reaches of the film industry based on its solid foundation of downstream platform. At present, the scale and ecological advantages of the entire industrial chain enterprise cluster have initially formed, and Dadi Media has become one of the prime leaders of the film industry. Currently, in terms of the numbers of cinemas and screens, admission of audiences and box office revenue, the Group’s cinema business has ranked the top two among the cinema investment management companies in China. As for property development, the sales income of Phase 3 of “The Peninsula”, Nan Hai Development’s flagship project, continued to be recognized during the year. As of 31 December 2017, accumulated sales amounted to RMB18.157 billion. Phase 4 of “The Peninsula” commenced construction in July 2015, and will be pre-sold in 2018. As for enterprise cloud services, in the past ten years, Sino-i was committed to the continuous advancement of the corporate digitalization and smart operation of small and medium-sized enterprises (“SMEs”) in China. With unremitting efforts, the Group has successfully established outstanding nationwide business and service network in the industry.

Nan Hai Corporation Limited (南海控股有限公司) (「南海」) (「本公司」) 為於香港聯合交易所有限公司 (「聯交所」) 上市之公司 (股份代號: 680)。本公司基於對中國經濟長期持續穩定發展的信心，以及對消費、產業升級的積極預判，透過旗下大地傳播(香港)有限公司及其附屬公司、大地影院投資有限公司及其附屬公司及辰星科技(香港)有限公司及其附屬公司(統稱「大地傳播」)，南海發展有限公司及其附屬公司(統稱「南海發展」)和中國數碼信息有限公司及其附屬公司(統稱「中國數碼」)，股份代號: 250) 持續深耕於文化與傳播服務、房地產開發及企業雲服務領域，經過近十年的努力，本集團在這三個領域均取得了不俗的成績。進行垂直深耕的同時，我們也發現了新的產業機會並孵化了若干相關業務，本集團在大地傳媒(香港)有限公司及其附屬公司(統稱「互聯網生活平台」)及大地創意商業(香港)有限公司及其附屬公司(統稱「大地創意商業」)業務中穩步佈局。

在文化與傳播服務領域，過去十年，大地傳播以自建及收購影院終端為切入點，在構建強大的下游平台的基礎上逐步向電影產業上游延伸，目前已經初步形成了全產業鏈企業集群的規模和生態優勢，成為電影產業的領軍企業之一。目前，本集團影院業務的影院數目、銀幕數目、觀影人次、票房收入已穩居全國影院投資管理公司前兩名。在房地產開發領域，南海發展的旗艦項目——「半島·城邦」第三期年內持續確認收入，截至2017年12月31日，累計銷售額達181.57億元人民幣。「半島·城邦」四期已於2015年7月份啟動工程建設，將於2018年對外預售。在企業雲服務領域，過去的十幾年裏，中國數碼始終堅持持續推進中國的中小企業的數字化智能經營的進程，通過長期不懈的努力，本集團已經成功建立了業內首屈一指的全國性的商務和服務網絡。

## About Nan Hai

### 關於南海

At the same time, the Group increased its investment in the Internet product technology for its businesses of culture and media services, enterprise cloud services, Internet lifestyle platform and innovative business, resulting in the rapid growth in the number of end users. In terms of raising capital, the Group has issued a total of US\$900 million of credit enhanced notes in May and July 2017 respectively, which demonstrated the investor's recognition on the Group's overall strength and widened the Company's financing channels.

In the coming year, the Group will continue to be committed to its three main businesses, i.e. culture and media services, property development and enterprise cloud services. With a focus on the needs of its users, the Group will continue to conduct in-depth business development through the internet, while adhering to its multi-core business strategies and facilitating resource sharing and strategic synergy in cross-business fields. In addition to creating greater value for its shareholders, the Group will determine and lay a foundation for sustainable development in the medium and long run.

同時，本集團在文化與傳播服務、企業雲服務、互聯網生活平台和創意商業業務中加強了互聯網產品技術的投入，實現了終端用戶數量的快速增長。在資本運作方面，本集團於2017年5月及7月先後合計發行了9億美元的信用增強票據，展示了投資人對集團整體能力的認可，並進一步拓寬了公司的融資渠道。

新的一年，本集團仍將堅持文化與傳播服務、房地產開發、企業雲服務三大產業方向，聚焦用戶，透過互聯網方式持續進行業務深耕，繼續實施多元核心的業務戰略，促進跨業務領域的資源共享和戰略協同，在為股東創造更大價值的同時，為本集團中長期的可持續發展釐清方向、奠定基礎。

## Corporate Information 公司資料

The information of the Company up to the date of this report was as follows:

截至本報告日期，本公司之資料如下：

### DIRECTORS

#### Executive

Mr. Yu Pun Hoi (*Chairman*)  
Ms. Liu Rong (*Chief Executive Officer*)  
Mr. Lung King Cheong

#### Non-executive

Mr. Lam Bing Kwan

#### Independent Non-executive

Mr. Lau Yip Leung  
Mr. Xiao Sui Ning  
Mr. Ho Yeung Nang

### COMPANY SECRETARY

Mr. Chiu Ming King

### AUDITOR

BDO Limited  
Certified Public Accountants  
Hong Kong

### BERMUDA LEGAL ADVISER

Appleby

### HONG KONG LEGAL ADVISER

Gerry K.C. Wai & Co., Solicitors

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

12/F., The Octagon  
No.6 Sha Tsui Road  
Tsuen Wan  
New Territories  
Hong Kong

### 董事

#### 執行董事

于品海先生(主席)  
劉榮女士(行政總裁)  
龍景昌先生

#### 非執行董事

林秉軍先生

#### 獨立非執行董事

劉業良先生  
肖遂寧先生  
何養能先生

### 公司秘書

趙明璟先生

### 核數師

香港立信德豪會計師事務所有限公司  
執業會計師  
香港

### 百慕達法律顧問

Appleby

### 香港法律顧問

韋智理律師行

### 香港主要營業地點

香港  
新界  
荃灣  
沙咀道6號  
嘉達環球中心12樓

## Corporate Information 公司資料

### REGISTERED OFFICE

Canon's Court  
22 Victoria Street  
Hamilton HM 12  
Bermuda

### PRINCIPAL REGISTRAR

MUFG Fund Services (Bermuda) Limited  
The Belvedere Building  
69 Pitts Bay Road  
Pembroke HM 08  
Bermuda

### HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

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

### STOCK CODE

680

### PRINCIPAL BANKERS

DBS Bank (Hong Kong) Limited  
The Hongkong and Shanghai Banking Corporation Limited  
China CITIC Bank International Limited  
Bank of Communications Co., Limited  
Luso International Banking Ltd.  
China Merchants Bank Co., Ltd

### WEBSITE

<http://www.nanhaicorp.com>

### 註冊辦事處

Canon's Court  
22 Victoria Street  
Hamilton HM 12  
Bermuda

### 主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited  
The Belvedere Building  
69 Pitts Bay Road  
Pembroke HM 08  
Bermuda

### 香港股份過戶登記處

卓佳雅柏勤有限公司  
香港  
皇后大道東 183 號  
合和中心 22 樓

### 股份代號

680

### 主要往來銀行

星展銀行(香港)有限公司  
香港上海滙豐銀行有限公司  
中信銀行(國際)有限公司  
交通銀行股份有限公司  
澳門國際銀行股份有限公司  
招商銀行股份有限公司

### 網站

<http://www.nanhaicorp.com>



# Chairman's Statement 主席報告





## Chairman's Statement 主席報告

On behalf of the board of directors (the "Board") of the Company, I present to our shareholders the annual report of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2017.

During 2008, out of strategic concerns, the Company has merged the culture and media business originally under Sino-i, and it has become one of the major businesses of the Company. Since then, the Group's three main businesses have been determined, which are culture and media services, corporate digitalization and smart operation, and property development. This strategic layout was attributable to our prolonged steadfast confidence towards the continuous and steady development of China's economy, as well as our optimistic view on the consumption and industrial upgrade that will result from the development. After nearly a decade of hard work, the Group has attained splendid performance in these three industries. Alongside the in-depth development into the industries, certain business opportunities were identified and therefore gave rise to several businesses. The Group's development framework has been set up for culture and media business as well as cloud services for corporate digitalization and smart operation, especially for motion picture industry where economics of scales and industry-wide dominance has taken shape through the building of enterprise clusters over the whole industrial chains. While in the meantime, we understood that China is rapidly moving into an unprecedented period where its economy is boosted by a more powerful innovation-driven development in high value-added industries. The Group's various businesses face both challenges and opportunities in such unprecedented period. With the steady development of three main businesses, we have commenced our comprehensive improvement in the capacity of the Group's headquarters in 2017. In the future, the headquarters will develop in synergy with its investee businesses and play predominant role in the building of corporate culture and values, synergy in strategic development, design of top-level management in the organization, strategic investment into new businesses.

本人謹代表本公司董事會（「董事會」）向本公司股東呈報本公司及其附屬公司（統稱「本集團」）截至2017年12月31日止年度之年度報告。

2008年時，出於戰略考慮，本公司將原置於中國數碼旗下之文化與傳播業務轉移置本公司旗下，並成為其一項主要的業務。從那時起確定了本集團的三大產業方向，即文化與傳播服務、企業數字化智能經營及房地產開發。支持這一戰略構想的是公司長期以來對中國經濟持續穩定發展的堅定信心，以及對於隨之而來的消費升級和產業升級的積極預判。經過近十年的努力，本集團在這三個領域均取得了不俗的成績，在進行垂直深耕的同時，我們也發現了一些產業機會並孵化了若干相關業務，在文化傳播和企業數字化智能經營的雲服務領域都搭建了企業集團的發展架構，尤其是在電影行業，初步形成了全產業鏈企業集群的規模和生態優勢。但我們清楚的看到，中國經濟正在快速進入更為迅猛的以創新帶動高附加值產業發展的歷史階段，而本集團所擁有的各項業務在這個新的發展階段也都面臨著巨大的挑戰和機遇。隨著三大板塊業務的健康發展，我們在2017年啟動了集團總部能力的全面建設，未來總部將和所投資業務體協同發展，在企業文化和企業價值的構建、戰略方向的協同、組織生態的頂層設計、戰略級新業務的投資等方面發揮決定性作用。

## Chairman's Statement 主席報告

Coupled with the industrial experience and market resources of Dadi Media accumulated in the motion picture industry for the past ten years, in 2017, the Group has formulated the development strategies for internet transformation of the entire culture and media business in the next five to ten years, after conducting substantial research and discussion. Meanwhile, in 2017, the Group's internet transformation of enterprise cloud service business conducted by Sino-i has begun to take shape, while the cloud computing services of 北京新網數碼信息技術有限公司 (Beijing Xinnet Cyber Information Company Limited) ("Xinnet") and the portal business of 中企動力科技股份有限公司 (CE Dongli Technology Company Limited) ("CE Dongli") have enjoyed steady development, which obviously enlarged the client base.

Globally speaking, internet development has reshaped human beings to an extent that neither individual nor enterprise could survive without it. An enterprise without any internet content will be quickly eliminated. Over the past ten years, as the Group has concentrated on the competition brought by China's consumption and industrial upgrade and has benefited by our correct strategy and the stringent implementation of strategies by our employees, our businesses have been able to prosper rapidly, which contributed to our current industrial position and scales. However, during that time we were thinking the following questions: What challenges would the internet bring forth to various industries in which we operate? How could our comparative advantages be leveraged during the internet era and the current phase of internet development? Internet 2.0 (互聯網下半場), new retailing and business-to-business internet were the three topics that were most heated in China's IT industry in 2017. Actually, these three topics entail a single notion that the era of profit-making throughout various industries just simply by internet business is gone and OMO (Online-Merge-Offline) is the most competitive business mode for future enterprises of internet 2.0. We see OMO as the business model that takes the management of clientele as its core and integrates both online and physical business. During the past ten years, the Group was committed to conduct in-depth development into its industries. Advantages brought forth by physical businesses (i.e. cinema business) and its corporate scale (i.e. CE Dongli's enormous commercial and localized service network) are our most powerful accumulated comparative advantages. Taking management of clientele (both individual and corporate users) as its core and making use of the internet on the back of their industries, we will leverage our comparative advantages to concentrate on our more "focused" in-depth development into the industries in the future. The word "focused" here refers not to business-focused, but to user-focused. It may seem that our development goals are more diversified, but actually our work are all about the size and quality of user base, which are the most essential benchmark for evaluating the capital value of a certain enterprise during the internet era.

2017年，結合大地傳播在電影行業近十年的產業經驗和市場資源，在充分調研和論證的基礎上，本集團確立了未來五到十年整個文化傳播業務進行互聯網轉型的發展戰略，同時，在2017年，本集團透過中國數碼所開展的企業雲服務業務互聯網化轉型也初見端倪，北京新網數碼信息技術有限公司(「新網」)的雲計算服務和中企動力科技股份有限公司(「中企動力」)的門戶業務穩定開展，對於用戶量的增長起到了明顯的推動作用。

從全球範圍看，互聯網浪潮正在席捲整個人類，沒有任何一個人或企業能夠生活在互聯網之外，一個沒有互聯網屬性的企業將被迅速淘汰，過去十年，本集團瞄準了中國消費升級和產業升級的風口，加上正確的戰略選擇和所有同事紮實的戰略執行，我們的業務得以迅速發展，擁有了今天的行業地位和企業規模。但在這個過程中我們一直在思考：互聯網會給我們所處的各個行業帶來什麼樣的衝擊？我們今天所擁有的比較優勢在互聯網時代和這一個互聯網發展階段意味著什麼？整個2017，中國互聯網業最熱的三個話題：互聯網下半場、新零售和企業互聯網服務，而這三個話題的實質是一個：以純粹的互聯網業務形式收割各行各業的時代已經過去了，OMO(線上線下融合)才是未來互聯網屬性企業最具有競爭力的發展道路。我們對OMO的解讀是：以用戶運營為核心，線上線下場景貫通的業務模式。而過去十年，本集團始終堅持產業深耕，線下的場景優勢(影院業務)和組織優勢(中企動力龐大的商務和本地化服務網絡)是我們積累到今天的最大相對優勢，未來，我們將以用戶(個人用戶和企業用戶)為核心，行業為依托，互聯網為手段，充分發揮比較優勢，進行更為聚焦的產業深耕。這裏所說的聚焦不是業務聚焦，而是用戶聚焦，也許從業務方向上看更為發散了，但都將圍繞用戶的數量和質量進行工作，用戶的數量和質量指標也是互聯網時代評價一個企業資本價值的最重要依據。

## Chairman's Statement 主席報告

The Group issued credit enhanced notes in aggregate amount of USD900 million in May and July 2017, respectively, which further diversified its financing channel, reduced its financing cost and optimized its liability structure, representing investors' recognition to the overall strength of the Company.

Steady development of our businesses contributed to sound financial performance. The Company's operating profit for the year continued to grow steadily. Revenue for the year increased by 75.7% to HK\$15,900.9 million (2016: HK\$9,050.9 million) as compared with last year. Net profit attributable to owners of the Company was HK\$1,708.0 million (2016: HK\$1,359.6 million). Year of 2017, despite marked as the second consecutive year that the Group successfully attained remarkable profit, it only represented our humble start. We believe that the Group's financial performance will keep growing for the next few years given our non-stop optimization on various businesses. Indeed, there is still room for the profitability of the Group's non-property development business to improve. Sino-i's business transformation began to take shape. Dadi Media consolidated its economies of scales in cinema terminal market through the acquisition of City Entertainment Corporation Limited ("OSGH"), however, it did not receive satisfactory operating profit returns during the year. The above mentioned will be improved in 2018 through our operation and integration of resources and the internet transformation of our businesses. On the other hand, all of our business indicators show that our "Internet Lifestyle Platform" (互聯網生活平台) and "Innovative Business" (創意商業), our two newly developed businesses, successfully accommodated market needs. Specifically, the advent of HK01 has made up for the lack of internet lifestyle platform business here in Hong Kong, which is seen as a good role model for developing similar business elsewhere. Both of the businesses are now prospering with promising future prospect. It is expected that they can bring in a new business mode through the launch of such businesses. Nonetheless, given that both businesses are still in the investment period where it can only have limited contribution of revenue to the Company in short run, we are willing to keep investing for its promising prospect. Holding its entrepreneurial ambition in mind, the Group is endeavored to strike a balance between the profitability of the Company and needs for sustainable development in the medium and long run, as well as to boldly explore into new business and conduct transformation for existing businesses so as to elevate its enterprise value.

2017年5月及7月，本集團先後合計發行了9億美元的信用增強票據，進一步拓寬了融資渠道，有利於集團降低融資成本，優化負債結構，體現了投資人對公司整體實力的認可。

業務的穩定發展帶來了財務上的穩健表現，本年度公司的經營性盈利繼續穩步增長。年度收益同比增長約為75.7%至15,900.9百萬港元(2016年：9,050.9百萬港元)；本公司擁有人應佔溢利淨額約為1,708.0百萬港元(2016年：1,359.6百萬港元)。2017年是繼2016年本集團成功實現高額盈利，保持連續盈利的第二年，但這只是我們的一小步，我們深信，透過各個板塊的持續優化，未來幾年，本集團的財務表現將會保持值得關注的持續改善。當然，本集團非地產業務的盈利能力還有待提高，中國數碼業務轉型初見端倪；通過收購橙天嘉禾影城有限公司(「橙天嘉禾」)，大地傳播鞏固了在影院終端市場的規模優勢，但並沒有在當期取得理想的營收回報，這些都將在2018年通過經營和資源整合以及業務的互聯網化得以提升；又及，雖然各個業務指標都表明我們孵化的「互聯網生活平台」及「創意商業」這兩個新業務符合市場需要，尤其是香港01的出現填補了本地區在互聯網生活平台業務上的空白，對於類似業務在別的地區的複製起到了非常好的示範作用，發展勢頭喜人，未來發展空間理想，更希望通過這一實踐形成全新的商業模式。這兩項業務現階段都處於投入期，短期內對公司收入的貢獻有限，但我們願意為更理想的前景持續投資，事實上，本集團將持續保持創業心態，不斷平衡公司盈利和中長期可持續發展的要求，從提升企業價值角度大膽進行新業務嘗試和既有業務轉型。

## Chairman's Statement 主席報告

In the coming year, the Group will continue to commit to its three main businesses, i.e. culture and media services, property development and enterprise cloud services. With a focus on individual and corporate users, the Group will continue to conduct in-depth business development through the internet, while adhering to its multi-core business strategies and facilitating resource sharing and strategic synergy in cross-business fields. In addition to creating greater value for its shareholders, the Group will determine and lay a foundation for sustainable development in the medium and long run.

Last but not least, I would like to express my gratitude to the shareholders for their concern and support, and also to the Board, executive committee and all staff of the Company for their dedication and contribution.

### **Yu Pun Hoi**

*Chairman*

Hong Kong, 28 March 2018

在新的一年裏，本集團仍將堅持文化與傳播、房地產開發、企業雲服務三大產業方向，聚焦個人用戶和企業用戶，透過互聯網方式持續進行業務深耕，繼續實施多元核心的業務戰略，促進跨業務領域的資源共享和戰略協同，在為股東創造更大價值的同時，為本集團中長期的可持續發展釐清方向、奠定基礎。

最後，感謝各位股東對本集團的關注與支持，感謝本公司董事會、執行委員會和全體員工的辛勤努力。

### **于品海**

*主席*

香港，2018年3月28日

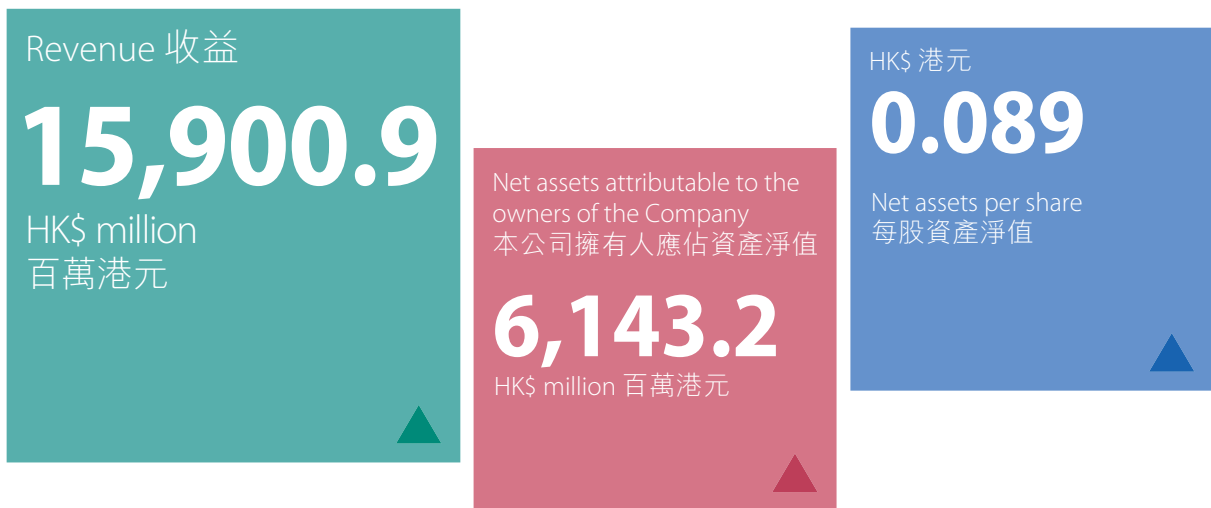


# Management Discussion & Analysis

## 管理層討論及分析

## Management Discussion and Analysis

### 管理層討論及分析



In 2017, the Company continued to operate in the areas of culture and media services, property development and enterprise cloud services. With the experience and market resources of Dadi Media in the film industry for the past ten years, the Group has established a development strategy regarding the Internet transformation for the entire culture and media business in the next five to ten years based on comprehensive research and demonstration. At the same time, the Group's enterprise cloud services business, which is operated by Sino-i, also began to undergo Internet transformation in 2017. The cloud computing services of Xinnet and the portal business of CE Dongli have also commenced stably, which has played a significant role in promoting the growth of the number of users. Although the two new businesses, namely "Internet Lifestyle Platform" and "Innovative Business", are still in the investment stage and have a limited contribution to the Company's revenue in the short term, their business nature is in line with the market demand, and therefore they will have a positive future development. The Group will continue to balance the Company's profitability and the requirements of sustainable development in the medium and long term; and to conduct new businesses and transform existing businesses from the perspective of enhancing corporate value. In terms of raising capital, the Group has issued a total of US\$900 million of credit enhanced notes in May and July 2017 respectively, further widening the Company's financing channels. The issuance is conducive to the Group's reducing the financing cost and optimizing the liability structure, which demonstrates the investors' recognition on the Company's overall strength.

During the year, revenue of the Group substantially increased by approximately 75.7% to HK\$15,900.9 million (2016: HK\$9,050.9 million). Net profit attributable to owners of the Company was approximately HK\$1,708.0 million (2016: HK\$1,359.6 million). The increase in profit was mainly attributable to the increase in revenue driven by the continuous recognition of the sales income of Phase 3 of "The Peninsula" property project of the Group during the year. Net assets attributable to owners of the Company were HK\$6,143.2 million (2016: HK\$4,051.8 million).

2017年度，本公司持續深耕於文化與傳播服務、房地產開發及企業雲服務三個領域。結合大地傳播在電影行業近十年的產業經驗和市場資源，在充分調研和論證的基礎上，本集團確立了未來五到十年整個文化傳播業務進行互聯網轉型的發展戰略，同時，在2017年，本集團透過中國數碼所開展的企業雲服務業務的互聯網化轉型也初見端倪，新網的雲計算服務和中企動力的門戶業務穩定開展，對於用戶量的增長起到了明顯的推動作用。本公司孵化的「互聯網生活平台」及「創意商業」這兩個新業務雖然都處於投入期，短期內對公司收入的貢獻有限，但其業務形態符合市場需求，未來發展空間理想。本集團將不斷平衡公司盈利和中長期可持續發展的要求，從提升企業價值角度大膽進行新業務嘗試和既有業務轉型。在資本運作方面，本集團於2017年5月及7月先後合計發行了9億美元的信用增強票據，進一步拓寬了本公司的融資渠道，有利於集團降低融資成本，優化負債結構，體現了投資人對本公司整體實力的認可。

年內，本集團之收益同比大幅度增長，幅度約75.7%至15,900.9百萬港元（2016年：9,050.9百萬港元），本公司擁有人應佔溢利淨額約1,708.0百萬港元（2016年：1,359.6百萬港元）。盈利提升的主要原因是，本集團旗下地產項目「半島·城邦」三年內持續確認售樓收入，拉動利潤顯著上漲。本公司擁有人應佔資產淨值約6,143.2百萬港元（2016年：4,051.8百萬港元）。



# Culture and Media Services 文化與傳播服務

## Management Discussion and Analysis 管理層討論及分析

### BUSINESS REVIEW

During the year, revenue of the culture and media services segment was approximately HK\$4,150.1 million (2016: HK\$3,224.7 million). Loss before income tax was approximately HK\$600.9 million (2016: profit before income tax of HK\$170.3 million).

In 2017, the scale of the cinema operations of Dadi Media continued to increase through organic growth and acquisition of OSGH, and the layout was evenly balanced. Both the box office and admission enjoyed rapid growth. Relying on the advantages of the scale of cinema operation, the investment in content is strengthened under the premise of controllable risks. Excluding the adverse effect of one-off loss due to closure, provision for impairment and adjustment of accounting policies, 廣東大地影院建設有限公司 (Guangdong Dadi Cinema Construction Limited) and its subsidiaries (collectively as "Dadi Cinema") recorded a profit of HK\$76.4 million while OSGH recorded a loss of HK\$69.3 million. In 2018, the Company will optimize the income structure of OSGH and adjust its organizational structure to strive for a turnaround.

### 業務回顧

年內，文化與傳播服務板塊之收益約為4,150.1百萬港元(2016年：3,224.7百萬港元)，所得稅前虧損約為600.9百萬港元(2016年：所得稅前溢利170.3百萬港元)。

2017年，大地傳播通過自建和對橙天嘉禾的收購，旗下影院終端規模持續加大，佈局更加均衡，票房和觀影人次依然快速增長。依托於影院終端的規模優勢，在風險可控的前提下加強對內容端的投資力度。刨除一次性關店損失，減值計提及會計估計調整的不利影響，廣東大地影院建設有限公司及其附屬公司(統稱「大地影院」)盈利76.4百萬港元，橙天嘉禾虧損69.3百萬港元。2018年本公司將對橙天嘉禾的收入結構進行優化，組織架構進行調整，力爭扭虧為盈。



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## Management Discussion and Analysis 管理層討論及分析

In 2017, the Group gradually shifted its focus on cinema business from scale development to both scale and profitability. At the end of the year, the Group reassessed cinemas with poor operating and financial performance, and closed certain cinemas with relatively long operating history or located in districts with irreversible changes. We have made a provision for impairment and adjusted the changes in the accounting estimates of the acquired OSGH, resulting in an one-off loss of HK\$470.5 million. However, such strategies will have a positive impact on brand positioning, meeting user demand and long-term profitability.

### Cinema Operation

In 2017, the national gross box office in China amounted to RMB52.38 billion (excluding service charges), representing a year-on-year increase of 15.1%. The annual admission of audiences was approximately 1,620 million, representing a year-on-year increase of 18.2% and became the second largest film market in the world after North America. The number of screens in China amounted to 52,670, and ranked the first in the world. In terms of admission, in 2017, the box office of first and second tier cities recorded a year-on-year growth of 11.15%, while the box office of third and fourth tier cities increased by 20.9% compared to the same period last year, demonstrating a year-on-year rising trend. In terms of movies, the box office of "Wolf Warriors 2" (《戰狼2》) has reached RMB5,680 million, being the highest gross box office film of all time in China. 《岡仁波齊》 and 《二十二》 have attracted market attentions and catered to a range of audiences.

During the year, the cinema business of the Company achieved a box office revenue (tax included) of RMB2,841 million (including box office from OSGH after completion), representing a significant growth of market share from 4.9% to 5.4%, ranking second among cinema investment and management companies throughout China. Its admission of audiences of 91.61 million marked another record high. As at 31 December 2017, the cinema business of the Company had an aggregate of 464 cinemas with 2,745 screens operating in 29 provinces and 177 cities in China. In addition, there are over 300 cinemas contracted but not yet in operation.

In 2017, the Company acquired OSGH and its cinema operation in the first and second tier cities has served as a solid complement to the market of Dadi Cinema which mainly targeted the second to fourth tier cities, thereby optimizing the market of the cinema operation of the Company in China, strengthening its core competitiveness and creating scale effect.

2017年，本集團將影院業務的重心從以規模拓展為導向，逐步轉移到規模和盈利能力並舉。年末，本集團對經營與財務表現不佳的影院重新評估審核，篩選出部分開業時間較久、所處商圈定位發生不可逆轉變化的影院進行了關閉處置和減值計提，同時對收購的橙天嘉禾的會計估計變更進行了調整，產生一次性虧損470.5百萬港元，但對於品牌定位，用戶群需求的滿足，以及長期盈利能力的提升均將產生積極影響。

### 影院終端

2017年中國全國電影總票房人民幣523.8億元(不含服務費)，同比增長15.1%；年度觀影人次約16.2億，同比增長18.2%，緊追北美成為全球第二大票倉。中國銀幕數達到52,670塊，躍居全球第一。從觀影結構看，2017年一二線城市票房票房同比增長11.15%；而三四線城市票房同比增長20.9%，並呈逐年上升趨勢。從影片來看，《戰狼2》以人民幣56.8億元票房成為中國影史票房冠軍；《岡仁波齊》、《二十二》等類型片引人關注，呈現觀眾對電影的多元化需求。

年內，本公司影院業務含稅票房達到28.41億元人民幣(含橙天嘉禾交割後票房)，市場份額大幅增長由4.9%提升至5.4%，穩居全國影院投資管理公司第二名；觀影人次達到9,161萬，再創歷史新高。截至2017年12月31日，本公司影院業務已在全國擁有影院464家，銀幕數達2,745塊，覆蓋全國29個省，177個城市，除此之外，已簽約未開業的影院數量超過300家。

2017年，本公司收購橙天嘉禾，其影院在一二線城市的佈局，與大地影院以三四線城市為主的市場佈局形成良好的補充。本次收購完善了本公司影院終端的全國市場佈局，提升了核心競爭力，更有利於其實現規模效應。

## Management Discussion and Analysis 管理層討論及分析

In 2017, the Company initially explored the combination of live music and cinema to bring a variety of entertainment and leisure experiences to the audience. By expanding its advertising business to other cinema media and developing innovative products, the brand's customer base and advertising revenue have been raised to a new level. In the future, the Company will continue to increase pilots and innovations in high-margin businesses such as music, dining, derivatives and advertising to achieve a deep integration of "Film + Innovative Culture" and optimize the income structure.

2017年，本公司初步嘗試了現場音樂與影院的結合，為觀眾帶來多樣化的娛樂休閒體驗。並通過將廣告業務拓展至其他影院媒體、產品創新等方式，將品牌客戶的積累和廣告收入都提升到了一個新台階。未來，公司會繼續加大在音樂、餐飲、衍生品、廣告等高毛利業務的試點和創新，實現「電影+創意文化」的深度結合及收入結構的優化。



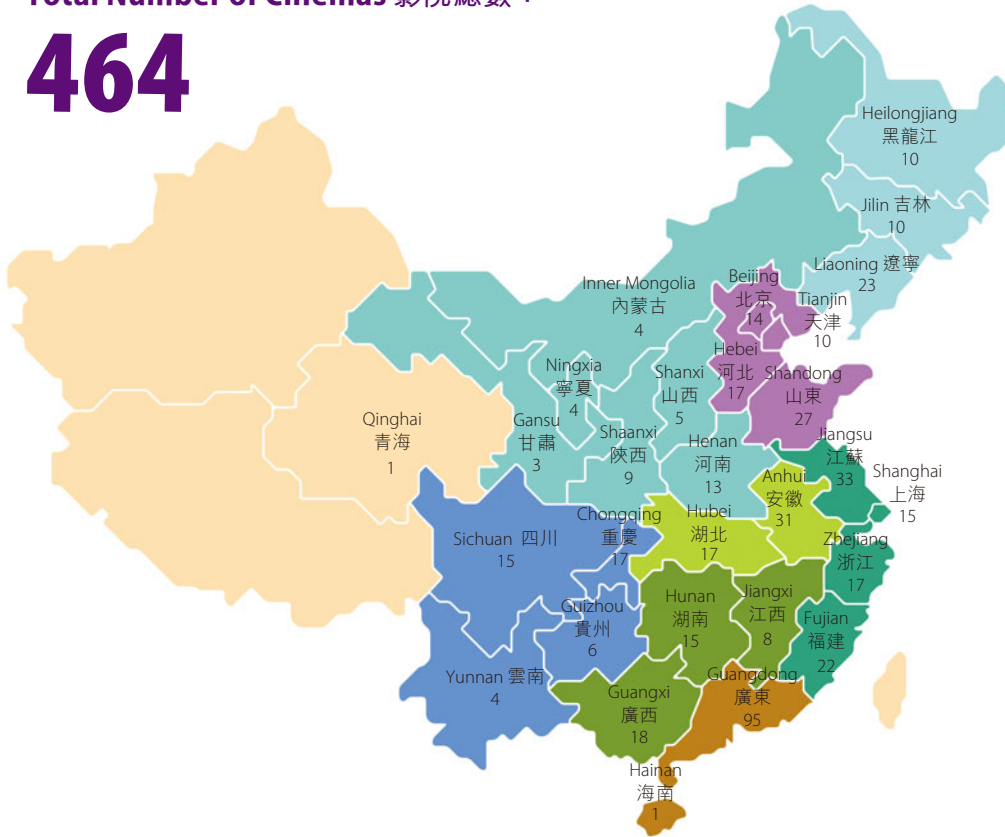
# Management Discussion and Analysis 管理層討論及分析

## GEOGRAPHICAL DISTRIBUTION OF CINEMA OPERATION OF THE GROUP AS AT 31 DECEMBER 2017

截至2017年12月31日本集團影院地區分佈圖

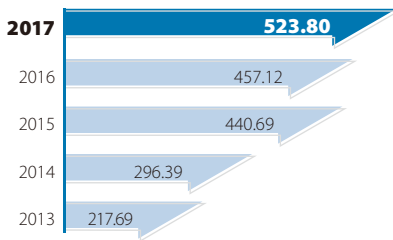
**Total Number of Cinemas 影院總數：**

# 464

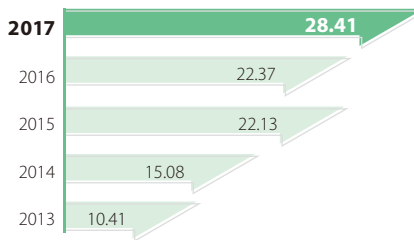


Heilongjiang	黑龍江	10
Jilin	吉林	10
Liaoning	遼寧	23
Beijing	北京	14
Hebei	河北	17
Shandong	山東	27
Tianjin	天津	10
Jiangsu	江蘇	33
Shanghai	上海	15
Zhejiang	浙江	17
Fujian	福建	22
Guangdong	廣東	95
Hainan	海南	1
Guangxi	廣西	18
Hunan	湖南	15
Jiangxi	江西	8
Anhui	安徽	31
Hubei	湖北	17
Henan	河南	13
Shanxi	山西	5
Shaanxi	陝西	9
Ningxia	寧夏	4
Inner Mongolia	內蒙古	4
Gansu	甘肅	3
Guizhou	貴州	6
Sichuan	四川	15
Yunnan	雲南	4
Chongqing	重慶	17
Qinghai	青海	1

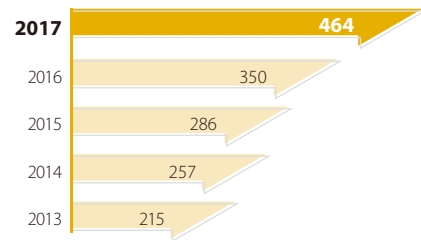
**National Gross Box Office (RMB hundred million)**  
全國票房總額 (人民幣億元)



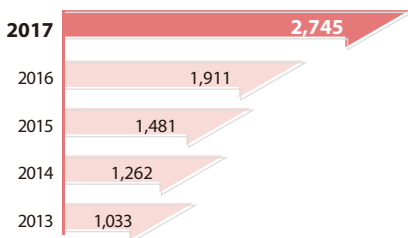
**Box Office of the Group's Cinemas (tax included) (RMB hundred million)**  
本集團影院含稅票房 (人民幣億元)



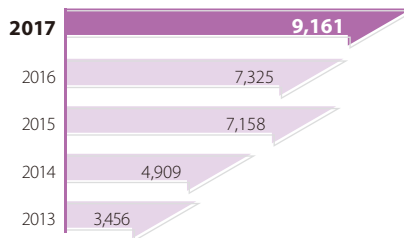
**Number of the Group's Cinemas (Number)**  
本集團影院數量 (家)



**Number of Screens in the Group's Cinemas (pieces)**  
本集團影院銀幕數量 (塊)



**Number of Audiences in the Group's Cinemas (ten thousands)**  
本集團影院觀影人次 (萬人)



## Management Discussion and Analysis

### 管理層討論及分析

#### Dadi Film

During the year, Dadi Media (HK) Limited and its subsidiaries (collectively as "Dadi Film") under Dadi Media continued to step up its efforts in three businesses, namely film contents, animation and distribution.

The Company's film content team obtained content reserves for specific types of films through various means, including self-development, copyright procurement, cooperation with external established creative teams and product bundling, so as to secure multi-channel copyright income from films, media platforms other than cinemas, derivatives and games as well as film distribution income in combination with its distribution business. During the year, the planning and development of various high-quality projects were initiated. It is expected that certain projects will gradually realize income from such rights in the coming years.

In animation contents industry, 驚奇大地(北京)科技有限公司 (Magical Kingdom Anime (Beijing) Technology Limited) ("Magical Kingdom Anime"), as the main operator, provides comics and animation contents and aims at two-dimensional and children's market by adopting various models including co-production, equity investments and obtaining exclusive distribution rights in specific markets, and focusing on the development and operation of IP (a type of intellectual property which mainly refers to the copyright of literary and artistic works). During the year, there were more than 20 original self-developed and co-produced works in the inventory, and the Chinese exclusive distribution rights of more than 20 overseas kids animated series with over 15,000 episodes have been acquired. During the year, Magical Kingdom Anime cooperated with various enterprises such as Sumitomo Corporation in respect of domestic and foreign IP development and operation.

As for distribution business, two models, namely buy-out distribution and agency distribution, were mainly used. During the year, Dadi Film distributed and promoted five films as lead distributor and jointly distributed and promoted six films as co-distributor.

#### 大地電影

年內，大地傳播旗下大地傳播(香港)有限公司及其附屬公司(統稱「大地電影」)繼續在電影內容、動漫以及發行三個業務方向上發力。

公司電影內容的團隊通過自主研發、版權採購、外部成熟創作團隊合作、捆綁等多種方式，獲取不同類型片的內容儲備，旨在獲取包括院線電影、非院線媒體平台、衍生品、遊戲等多渠道版權收入，並且與發行業務相結合，獲取電影發行收入。年內，啟動了眾多優質項目的策劃開發工作，預計以後年度將有多個項目陸續實現版權收入。

在動漫內容產業方面，由驚奇大地(北京)科技有限公司(「驚奇大地」)作為運營主體，以漫畫、動畫為內容，同時佈局二次元人群和少兒市場，採取包括聯合制作、股權投資、獲取特定地區獨家發行權等多種模式，進行IP(一種知識產權，主要特指文學藝術作品的版權等)開發和IP運營。年內，儲備了20多部原創自製和聯合開發的作品，獲取海外兒童動畫劇集的大陸獨家代理發行20多部，合15,000多集。年內，驚奇大地和日本住友商事株式會社等公司在國內外IP開發和運營方面展開了合作。

在發行業務方面，主要採用買斷發行和代理發行兩種模式。年內，完成了五部影片的主控發行及推廣，以及六部影片的聯合發行及推廣。

## Management Discussion and Analysis 管理層討論及分析

### Oristar

Oristar Technology (HK) Limited and its subsidiaries (collectively referred to as "Oristar") provide one-stop total solutions for cinemas, its products and services which covers over 30 provinces, autonomous regions and municipalities across the country with nearly 5,000 halls as of the end of 2017.

In order to meet the demand of cinema investors for high-quality projection solutions, Oristar continued to develop and produce its laser screening equipment. Oristar has established a strategic partnership with Christie, a world-famous cinema projector producer, and the newly-established laser R&D center has been put into operation, allowing more cinemas to enter the "laser screening" era and thus bringing ultimate viewing experience for audiences.

### PROSPECTS

In 2017, the national gross box office amounted to RMB52.38 billion (excluding service charges). A total of 90 films recorded box office over RMB100 million, of which 49 were domestic films. As the world's second largest movie market, China has become the main growth driver of the global movie market. Dadi Media has initially formed three complementary businesses for its screening, distribution and content products. Capitalizing on its existing advantages and channels, Dadi Media has continuously devoted its efforts to content industry to create integrated advantages with the Group.

As for the cinema operation business, in 2018, we will regard users as our core to conduct various operations, continuously optimizing the user experiences. Leveraging on OMO transformation, integrating online and offline membership data, offering more membership benefits through alliance with different industries and implementing precision marketing based on big data, we aim at achieving effective cooperation with cinema-related industries and sharing passenger flow.

As for the content, we will continue to develop strategic partnerships with creative personnel, and carry out market research and marketing strategy research as well as market analysis, audience analysis, marketing strategy analysis based on the data obtained, so as to guide the Company's content investment strategy. By enhancing the development of high-quality creative content and expanding the distribution network, multi-dimensional content can be achieved and realized.

As for the cinema screening services, Oristar, being an "all-rounded cinema solution expert", will pay more attention to the viewing experience and quality services, thereby bringing positive forces to facilitate the progress of refinement and Internet transformation in the cinema industry.

### 辰星科技

截至2017年末，為影院提供一站式整體解決方案的辰星科技(香港)有限公司及其附屬公司(統稱「辰星科技」)的產品及服務範圍已覆蓋全國30多個省、自治區和直轄市，產品服務覆蓋影廳近5,000個。

為滿足影院投資人對高品質放映解決方案的需求，辰星科技繼續深耕於激光放映設備的研發和生產，與全球著名的電影放映機廠商—科視公司確立了戰略合作關係，新設立的激光研發中心已投入使用，助力更多影院步入「激光放映」時代，為觀影者帶來更佳的觀影體驗。

### 展望

2017年，中國電影總票房到達人民幣523.8億元(不含服務費)，票房過人民幣億元影片90部，其中中國產電影49部。作為世界第二大電影市場，中國已然成為全球電影市場增長的主引擎。大地傳播已初步形成放映、發行和內容產品三個相輔相成的產業佈局，在利用既有優勢渠道基礎上，不斷發力內容產業，以形成集團化綜合優勢。

在影院終端業務上，2018年我們將以用戶為核心開展多元化經營，不斷優化用戶體驗，通過OMO轉型，打通線上線下會員數據，利用異業聯合的方式增加會員權益，依據大數據實現精準營銷，實現影院關聯業態的有效聯動及客流資源共享。

在內容端方面，我們將繼續開發和創意人的戰略合作關係，開展市場調研與營銷策略研究，運用各類數據進行市場分析、觀眾分析、營銷策略分析等，指導公司的內容投資策略，加強優質主控內容的開發，通過拓展發行網絡，實現內容的多維度變現。

在影院放映服務方面，立足於「影院整體解決方案專家」的定位，辰星科技會更加注重觀影體驗和高品質服務，為推動影院行業的高品質和互聯網化進程帶來積極力量。



# Property Development 房地產開發



## Management Discussion and Analysis 管理層討論及分析

### BUSINESS REVIEW

During the year, revenue of this business segment was approximately HK\$9,958.1 million (2016: HK\$4,524.9 million) and profit before income tax was approximately HK\$5,820.4 million (2016: HK\$2,695.4 million). Profit for the year was mainly attributable to the continuous recognition of the sales income of Phase 3 of “The Peninsula” property project of the Group during the year.

During the year, although control policies have been increasingly tightened, all real estate projects of Nan Hai Development continued to develop and sell at a good pace and achieved excellent returns during the year leveraging on their good reputation, outstanding quality and positioning.

#### “The Peninsula” Project in Shenzhen

“The Peninsula” project of Nan Hai Development adheres to provide quality products with exquisite decorations. Adjacent to Shekou-Qianhai Free Trade Zone, the project has fully enhanced the living amenities and the waterfront environment. Leveraging on its good reputation over the years, “The Peninsula” enjoys a good brand effect. There are a total of five phases in “The Peninsula” project, and the sale of Phase 3 was launched on 9 April 2016 in Shekou, Shenzhen. In 2017, large-sized units were the sales focus of Phase 3, generating sales of RMB6.9 billion with 232 units being sold. As of 31 December 2017, accumulated sales amounted to RMB18.157 billion, with a cumulative sales of 1,000 units and a sales area of approximately 164,200 sq.m.. Phase 4 of “The Peninsula” commenced construction in July 2015, which includes residential area of approximately 79,000 sq.m. and commercial area of approximately 55,800 sq.m.. The residential part has been capped during the year and will be pre-sold in 2018. The commercial part, which will be self-owned by the Company, is expected to commence the operation of various businesses such as smart hotel, smart enterprise and shared office in 2019.

### 業務回顧

年內，此業務部門之收益約9,958.1百萬港元，(2016年：4,524.9百萬港元)，所得稅前溢利約5,820.4百萬港元(2016年：2,695.4百萬港元)，年內溢利的主要因為本集團房地產項目「半島·城邦」三期年內持續確認銷售收入。

年內，雖然政策調控不斷加碼，南海發展旗下地產項目均持續良性的滾動開發銷售，憑藉良好的口碑、優良的品質、精準的定位，在年內取得卓越的收益。

#### 深圳「半島·城邦」項目

南海發展旗下項目「半島·城邦」，堅持以質量為核心，精益求精地打造高標準精裝修產品。毗鄰蛇口—前海自貿區，生活配套及濱海環境全面提升，多年經營累積的良好口碑，使得「半島·城邦」具有良好的品牌效應。「半島·城邦」總計五期，三期已於2016年4月9日在深圳蛇口開盤銷售。2017年，三期銷售以大戶型為主，銷售232套，銷售額達69億元人民幣；截至2017年12月31日，累計銷售額達181.57億元人民幣，累計銷售1,000套，銷售面積約16.42萬平方米。「半島·城邦」四期已於2015年7月份啓動工程建設，該項目包含約7.90萬平方米住宅和約5.58萬平方米商業，住宅部份年內已封頂，將於2018年對外預售，商業部份將由公司自持並在2019年開業，預計將運營智能酒店、智能商業、共享辦公等多個業態。



## Management Discussion and Analysis

### 管理層討論及分析

#### “Free Man Garden” Project in Guangzhou

“Free Man Garden” project of Nan Hai Development in Guangzhou is located at the junction of Baiyun District and Huadu District, which not only enjoys the comprehensive ancillary facilities in Baiyun District, but also the favorable factors brought by the airport economic area. There are a total of eight phases in “Free Man Garden” project, of which Phase 4 and Phase 7 were major pre-sale targets for 2017. Among them, all units in Phase 4 had been pre-sold as of 31 December 2017, recording a total sales of approximately RMB2.439 billion with a total sales area of approximately 181,600 sq.m.. Phase 7 was opened for pre-sale in March 2017 and all units had been pre-sold as of 31 December 2017, recording a sales of approximately RMB1.628 billion with a total sales area of approximately 97,600 sq.m.. The remaining Phase 5, 6 and 8 will be saleable, while Phase 3 will be self-owned for commercial use. Among them, the saleable residential area of Phase 5 and 6 is approximately 223,200 sq.m., which is expected to commence pre-selling in 2018.

#### PROSPECTS

Since 2017, the government has continuously tightened its control policies, and the restrictions on purchases, loans, sales and prices have gradually escalated. Despite of the insignificant volatility of the real estate market, an overall momentum of stable development in terms of record high transaction volume and price of land as well as steady growth of investment in real estate and new development projects was maintained. Although the commodity housing experienced a slackened growth in sales volume, the increase in prices was basically stable, resulting in notable level of sale.

In this context, the Company will try to strengthen its land reserve. In 2018, we will actively expand our residential and commercial real estate projects in Shenzhen, Guangzhou and other first and second tier cities. At the same time, the Group will make good use of its advantages in the cultural and communication industry to realize the linkage between culture and real estate, and explore new models for real estate development and operation. By upholding the business philosophy of “user-friendly designs, high quality and building humanity community”, the Group will integrate its resources to achieve business model innovation, which will be the future focus of the real estate sector.

#### 廣州「自由人花園」項目

南海發展旗下項目廣州「自由人花園」處於白雲區和花都區的交界，不僅享有白雲區的成熟配套，而且可以享受空港經濟區帶來的區域利好。廣州「自由人花園」總計八期，2017年度主要預售四期和七期。其中，截至2017年12月31日，四期已售罄，銷售總額約24.39億元人民幣，銷售總面積約18.16萬平方米；七期於2017年3月開盤預售，截至2017年12月31日已售罄，銷售額約16.28億元人民幣，銷售總面積約9.76萬平方米。剩餘五、六期和八期為可售部分，三期為商業自持部份。其中，五、六期住宅項目可售面積約22.32萬平方米，預計在2018年開始預售。

#### 展望

2017年以來，政府調控政策不斷加碼，限購限貸限售限價逐步升級，房地產行業雖然出現小幅度波動，但總體上延續了平穩發展的態勢：土地成交量價齊升，並創新高，房產投資額和新開工量增幅總體穩定，商品房銷售增幅雖然放緩，但價格增幅也基本平穩，庫存量去化明顯。

在此背景下，本公司將在土地拓展和儲備方向發力。2018年度，將在深圳、廣州地區及其他一、二線城市積極拓展住宅商業地產項目，同時，利用本集團文化與傳播產業的優勢，實現文化與地產之間的聯動，探索地產開發與經營的新模式。繼續秉持「人性化居住環境設計、高質量人文小區構建」的經營理念，整合集團資源，實現商業模式的創新，將是地產板塊未來的著眼點。



# Enterprise Cloud Services 企業雲服務



# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW

By virtue of the comprehensive cloud computing infrastructure services, e-commerce and total "Internet+" solutions offered for corporate clients in the PRC, this segment remained confident about the development of digitalization and smart operation. Leveraging on its unremitting efforts, this segment has successfully established an outstanding national business and localized service network in the industry, so as to effectively address "the last kilometer" problems from service providers to corporate clients. In the meantime, in respect of product development, after prolonged exploration and promotion, this segment began to undergo Internet transformation, and launched a series of leading cloud services corporate digitalization and smart operation in the industry in 2017. Xinnet's cloud computing services and CE Dongli's portal business have also commenced stably, which played a significant role in promoting the growth of the number of users.

During the year, with key subsidiaries CE Dongli and Xinnet as its main business entities, more efforts were continuously made in the development of cloud services for corporate digitalization and smart operation by providing comprehensive IaaS (Infrastructure as a Service), cloud application, corporate e-commerce services, total "Internet+" solutions and big data-based business intelligence service to SMEs and individual clients in the PRC. During the year, revenue of this segment was approximately HK\$829.3 million (2016: HK\$818.1 million), representing an increase of approximately 1.4% over the corresponding period last year. Loss before income tax was approximately HK\$66.4 million (2016: HK\$18.9 million).

### CE Dongli

With 18 years' experience of being a services provider for enterprises in the PRC, CE Dongli has successfully established a corporate "Internet+" product operating system as well as an extensive business and localized service network, providing one-stop corporate digitalization and smart operation solutions. During the year, CE Dongli continued to strengthen the management of its direct branch offices and further enhances its localized service capacity through the establishment of customer care divisions in various branches across the country. In particular, the enhancement in service capacity of the "the last kilometer", which is crucial to SMEs, would make such services closer to user needs. In the meantime, in respect of research and development of new products, more emphasis was put into the needs of different industries and clients under different stages so as to provide customized products and industry solutions to meet the needs of enterprises or certain specific industries.

### 業務回顧

本業務部門在向中國的企業客戶提供全方位的雲計算基礎設施服務、電子商務和互聯網+整體解決方案的基礎上，持續推進其數字化智能經營進程，通過長期不懈的努力，已經成功建立了業內首屈一指的全國性的商務和本地化服務網絡，有效解決了服務商到企業客戶的「最後一公里」的問題。同時，在產品發展上，本業務部門也進行了長期的探索和推進，在2017年互聯網化轉型初見端倪，並成功推出了一系列業內領先的賦能企業數字化智能經營的雲服務，其中新網的雲計算服務和中企動力的門戶業務穩定開展，對於用戶量的增長起到了明顯的推動作用。

年內，本業務部門致力於企業數字化智能經營雲服務的發展，以旗下核心企業中企動力及新網為經營主體，主要面向中國的中小企業及個人客戶提供全方位的IaaS（基礎設施即服務）、雲應用、企業電子商務服務、「互聯網+」整體解決方案以及基於大數據的商業智能服務。年內，本業務部門之收益約為829.3百萬港元（2016年：818.1百萬港元），同比增長約1.4%；所得稅前虧損約為66.4百萬港元（2016年：18.9百萬港元）。

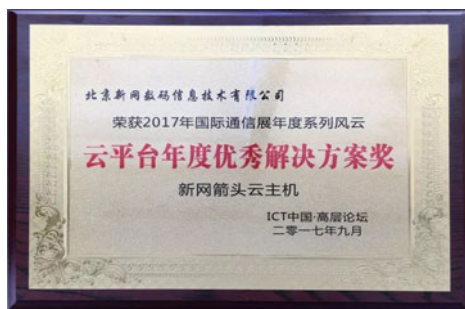
### 中企動力

中企動力基於為中國企業服務18年的經驗，為其搭建運營級的企業「互聯網+」產品體系，建立了龐大的商務和本地化服務網絡，為其提供一站式企業數字化智能經營解決方案。年內，中企動力持續加強全國各地的直屬分支機構管理，並通過在全國各分支機構建立客戶管家部進一步提升其本地化的服務能力，尤其是對中小企業來說至為關鍵的「最後一公里」的服務能力，以期提供更貼近用戶的服務。與此同時，中企動力在新產品的研發方面，更加偏重了對不同行業、不同階段客戶需求的考慮，力爭在企業經營或某些細分的行業領域中，為其提供可以滿足其需求的特定產品和行業解決方案。

## Management Discussion and Analysis 管理層討論及分析

### Xinnet

During the year, Xinnet continued its cloud services such as IaaS, domain name registration and synergistic communication, and actively developed various cloud application and value-added services for SMEs through online direct sales and distributor channels established across the PRC. In January 2017, Xinnet officially launched "Arrow Cloud (箭頭雲)", its self-developed new generation cloud computing product, and enhanced the overall technical capacity and product experience and gained recognition from the market and its client. On this basis, Xinnet will establish a direct sales team in core first-tier cities to provide local SMEs with targeted cloud computing solutions in a localized service model.



### 新網

年內，新網繼續通過在線直銷與遍佈全國的代理商渠道，面向全國中小企業開展IaaS、域名註冊、協同通訊等雲服務，並積極拓展各類雲應用及增值服務。2017年1月正式推出自主獨立開發的新一代雲計算產品「箭頭雲」，在技術能力、產品體驗等方面得到全面提升，獲得市場及客戶的認可。在此基礎上，新網在核心一線城市建立直銷隊伍，以本地化的服務模式為當地中小企業提供針對性的雲計算解決方案。

### PROSPECTS

The management of this segment considers that enterprises in the PRC will continue to increase its investment in digitalization and transformation. Meanwhile, with the further development of artificial intelligence ("AI") technology and Internet of Things technology, business intelligence services based on big data will be developed, and large and medium enterprises with first-party data will take the lead in adoption. Although it still takes some time for market ramp-up and promotion, cloud services for corporate digitalization and smart operation and industrial solutions will enjoy enormous room for development. Looking forward, this segment will continue to improve its ground services capability by regarding users as its core, relying on the industry and making full use of Internet, which allows it to quickly respond to the needs of enterprises and provide timely solutions to issues. Meanwhile, this segment will enhance its overall operational capability and online services capability. Parallel operation of online services and localized services made this segment's services closer to the needs of enterprises. In respect of product research and development, with an in-depth understanding of the industry's business scenarios, the Group will quickly respond to the needs of business scenarios in different industries based on the cloud product model, open platform and big data technology. Furthermore, this segment will also increase its capital investment in data centre, cloud computing technology, automatic operation and maintenance technology, big data technology, AI technology and application, and enhance its overall technical core competence to further develop and optimize its products and services for the enterprise's digital intelligent business scenario.

### 展望

本業務部門管理層認為，中國企業會持續加大數字化轉型的投入，同時隨著人工智能和物聯網技術的進一步成熟，基於大數據的商業智能服務將會得到發展並為擁有第一方數據的中大企業率先採用。雖然仍需一定的市場培育和推廣時間，但面向企業數字化智能經營的雲服務和行業解決方案會擁有廣闊的市場空間。未來，本業務部門將以用戶為核心，以行業為依托，充分利用互聯網手段，繼續不斷提升自己的地面服務能力，對企業的需求、問題進行快速響應，及時解決，同時全面提升運營支撐能力和在線服務能力。通過在線服務和本地化服務雙軌運行，使本業務部門的服務更加貼近企業的需求。在產品研發方面，在深度理解行業商業場景的基礎上，以雲產品模型、開放平台、大數據技術做支撐，快速響應不同行業的商業場景需求。此外，本業務部門會持續加大對數據中心、雲計算技術、自動化運維技術、大數據技術、人工智能技術與應用的資本投入，全面提升核心技術能力，進一步研發和優化面向企業數字化智能經營商業場景的產品和服務。



# Internet Lifestyle Platform and Innovative Business 互聯網生活平台 與創意商業

## Management Discussion and Analysis 管理層討論及分析

### INTERNET LIFESTYLE PLATFORM BUSINESS REVIEW

There are two business divisions under the Internet lifestyle platform, namely “HK01” and “Duowei Media”. During the year, total revenue of the Internet lifestyle platform was approximately HK\$246.3 million (2016: HK\$173.1 million), of which approximately HK\$225.0 million (2016: HK\$147.0 million) was the advertising income from other segments within the Group. Loss before income tax was approximately HK\$322.5 million (2016: HK\$253.5 million).

Focusing on news and lifestyle media, “HK01” has gradually transformed itself into a media-driven IT enterprise with over 670 employees in Hong Kong. “HK01” aims to build a localized Internet lifestyle platform in Hong Kong and attract traffic with media content. In the future, its commercial value will be realized through advertising, local lifestyle services and other means, so as to make up for the lack of local Internet lifestyle platform. “HK01” reformed its organizational structure in response to the transformation of the Internet in 2017, and further investment has been made in products and technology systems to improve the development of products that meet the needs of users. A series of transformations have achieved initial success. In 2017, the number of monthly active users of the website and APP achieved rapid growth, laying a good foundation for realizing future traffic. “Duowei Media” includes two major media, namely Duowei monthly magazine and Duowei website. Duowei monthly magazine are sold in different places in the Asia-Pacific region with relatively stable circulation.

### PROSPECTS

For our promising prospect, we will continue to invest resources in the future to develop innovative new products and fully explore user value. Meanwhile, we plan to integrate the businesses of “HK01” and “Duowei Media” with a view to using resources more effectively and enhancing synergies.

### 互聯網生活平台 業務回顧

互聯網生活平台下包括「香港01」和「多維傳媒」兩個分部。年內，互聯網生活平台總收益約為246.3百萬港元(2016年：173.1百萬港元)，其中來自本集團內部其他分部的廣告收入約為225.0百萬港元(2016年：147.0百萬港元)，所得稅前虧損約為322.5百萬港元(2016年：253.5百萬港元)。

「香港01」立足於香港，以新聞及生活媒體為切入點，並逐漸轉型成為一個以媒體為主要驅動的互聯網企業，團隊已擴展到670人。其以構建香港本地化的互聯網生活平台為發展目標，以媒體內容吸引流量，未來將通過廣告、本地生活服務等方式實現商業價值的變現，填補了當地在互聯網生活平台中的空白。「香港01」在2017年配合互聯網轉型進行組織架構重組，增大產品與技術體系投入力度，以便更好的開發滿足用戶需求的產品。一系列的轉型效果已初見端倪，2017年網站及APP月活數量實現快速增長，為日後流量變現打下良好基礎。「多維傳媒」包括多維月刊和多維網站兩個主要媒體，多維月刊在亞太多個地區均有發售，發行量較為穩定。

### 展望

我們將為了更理想的前景，在未來持續投入資源，拓展有創意的產品，充分挖掘用戶價值。同時，我們計劃整合「香港01」與「多維傳媒」的業務，以期更有效地利用資源，增強協同效應。

# Management Discussion and Analysis

## 管理層討論及分析

### INNOVATIVE BUSINESS BUSINESS REVIEW

During the year, revenue of Innovative business was approximately HK\$878.7 million (2016: HK\$411.1 million) and loss before income tax was approximately HK\$528.6 million (2016: HK\$87.3 million).

2017 was a year in which Crabtree & Evelyn rejuvenated and implemented a series of restructuring initiatives such as brand positioning, sales strategies, product planning and development of new products, among which the change in sales strategies are mainly aimed at eliminating the abuse of sales discounts, resulting in a decline in sales and gross profit in the short term. However, this move has played a positive role in rebuilding brand image over the longer term with gradually strengthened customer loyalty and steady growth in gross profit margin. In addition, the development pace of new products has gradually accelerated since the acquisition of Crabtree & Evelyn, and the development of the daily natural care products is progressing steadily and is expected to be launched to market gradually in 2018. Besides, Crabtree & Evelyn has successively increased investment in informatization, optimization of supply chain and team building which is expected to gradually show results after 2018. Temporary inputs and losses are expected to lay a solid foundation for long-term development.

### PROSPECTS

In addition to the further implementation of the above restructuring initiatives, Crabtree & Evelyn will fully enter the PRC market in 2018 and the development of e-commerce platform and membership system will be its business focus for 2018, thereby creating synergy with the e-commerce and membership strategies of the Group's cinema operations, which would be beneficial to the long-term development of the Group.

### 創意商業 業務回顧

年內，創意商業收益約為878.7百萬港元（2016年：411.1百萬港元），所得稅前虧損約為528.6百萬港元（2016年：87.3百萬港元）。

2017年，是瑰珀翠(Crabtree & Evelyn)發力重整的一年，對其品牌定位、銷售策略、產品規劃與新產品開發等方面實施了一系列變革，其中，銷售策略的改變，主要是對銷售折扣濫用的杜絕，使得短期內銷售額和毛利額下跌，但從長期來講，對品牌形象的重塑具有積極作用，客戶忠實度逐步增強，毛利率穩步提升。另外，新產品的開發節奏，自收購之後已逐步加快，每日自然養護系列產品的開發穩步進行，預計將在2018年度陸續投入市場。此外，瑰珀翠在信息化建設、供應鏈優化、團隊建設等方面也相繼加大了投入，該投入預計在2018年之後逐步顯現出效果。暫時的投入和虧損，預計會對長遠發展奠定堅實的基礎。

### 展望

2018年，在深化上述改革的基礎上，瑰珀翠將全面進入中國大陸市場，並將電商建設和會員建設列為2018年的業務重點。這將與本集團旗下影院終端的電商及會員策略形成協同效應，有助於本集團的長遠發展。

## Management Discussion and Analysis 管理層討論及分析

### FINANCIAL RESOURCES AND LIQUIDITY

The Group continued to adopt prudent funding and treasury policies. As at 31 December 2017, net assets attributable to the owners of the Company amounted to approximately HK\$6,143.2 million (31 December 2016: approximately HK\$4,051.8 million), including cash and bank balances of approximately HK\$13,069.8 million (31 December 2016: approximately HK\$8,171.4 million) which were mainly denominated in US dollars, Renminbi and Hong Kong dollars. As at 31 December 2017, the Group's aggregate borrowings were approximately HK\$24,156.0 million (31 December 2016: approximately HK\$15,467.4 million), of which approximately HK\$12,705.3 million (31 December 2016: approximately HK\$8,781.9 million) were bearing interest at fixed rates while approximately HK\$11,450.7 million (31 December 2016: approximately HK\$6,685.5 million) were at floating rates. The Group currently has not taken any interest rate hedge.

As at 31 December 2017, the gearing ratio of the Group, which is calculated as the net debt divided by the adjusted capital plus net debt was approximately 60.64% as at 31 December 2017 (31 December 2016: approximately 58.36%).

As at 31 December 2017, the capital commitment of the Group was approximately HK\$3,104.6 million (31 December 2016: approximately HK\$3,416.0 million), of which approximately HK\$57.2 million would be used for the renovation of the headquarters of enterprise cloud services, approximately HK\$186.8 million would be used as capital expenditures for the expansion of its cinema business, approximately HK\$2,840.4 million would be used for property development, and approximately HK\$20.2 million would be used for other business.

As at 31 December 2017, the Group's contingent liabilities were approximately HK\$19.5 million in connection with the guarantees given to secure credit facilities (31 December 2016: approximately HK\$18.6 million).

As at 31 December 2017, certain interests in leasehold land, buildings, other property, plant and equipment, properties under development and completed properties held for sale, investment properties and bank deposits with a total net carrying value of approximately HK\$12,025.6 million were pledged to secure the credit facilities granted to the Group (31 December 2016: approximately HK\$10,160.5 million). In addition, trading securities with a carrying value of approximately HK\$0.3 million and certain shares of several subsidiaries were pledged and bank accounts were charged for securing the Group's credit facilities (31 December 2016: approximately HK\$0.2 million).

Details of the bank and other borrowings and financing of the Group are set out in notes 29, 30 and 31 to the financial statements.

### 財務資源及流動資金

本集團繼續採取審慎之資金及財務政策。於2017年12月31日，本公司擁有人應佔資產淨值約為6,143.2百萬港元(2016年12月31日：約4,051.8百萬港元)，包括現金及銀行結存約為13,069.8百萬港元(2016年12月31日：約8,171.4百萬港元)，主要以美元、人民幣及港元為單位。於2017年12月31日，本集團之借貸總額約為24,156.0百萬港元(2016年12月31日：約15,467.4百萬港元)，其中約12,705.3百萬港元(2016年12月31日：約8,781.9百萬港元)乃按固定利率計息，而約11,450.7百萬港元(2016年12月31日：約6,685.5百萬港元)則按浮動利率計息。本集團目前並無實行任何利率對沖。

於2017年12月31日，本集團之資本負債比率，即負債淨額除以已調整之資本加以負債淨額約為60.64%(2016年12月31日：約58.36%)。

於2017年12月31日，本集團之資本承擔約為3,104.6百萬港元(2016年12月31日：約3,416.0百萬港元)，其中約57.2百萬港元用作企業雲服務總部之翻新工程費用，約186.8百萬港元將用作為擴展影院業務之資本開支，約2,840.4百萬港元將用作房地產開發，及約20.2百萬港元將用於其他業務。

於2017年12月31日，本集團之或然負債約為19.5百萬港元，乃就信貸融資提供之擔保所致(2016年12月31日：約18.6百萬港元)。

於2017年12月31日，本集團之信貸融資是以賬面淨值總額約為12,025.6百萬港元之若干租賃土地權益、樓宇、其他物業、廠房及設備、待發展及已落成待售物業、投資性物業及銀行存款作為抵押(2016年12月31日：約10,160.5百萬港元)。此外，本集團已質押賬面值約為300,000港元之交易證券、數間附屬公司之若干股份、及銀行賬戶作為本集團信貸融資之抵押(2016年12月31日：約200,000港元)。

本集團的銀行及其他借貸及融資詳情載於財務報表附註29、30及31。

## Management Discussion and Analysis 管理層討論及分析

### EXPOSURE TO FLUCTUATION IN EXCHANGE RATES

The majority of the Group's borrowings and transactions were primarily denominated in US dollars, Renminbi and Hong Kong dollars. Both the operating expenses and revenue were primarily denominated in Renminbi and Hong Kong dollars. Uncertainties in global economic development are expected to warrant a fluctuation in Renminbi. The Group's reported assets, liabilities and results may be affected by the Renminbi exchange rates. During the year under review, fluctuation in Renminbi exchange rates affected the assets and liabilities translation from Renminbi to Hong Kong dollar in financial reporting of the Group, and the Group will keep on reviewing and monitoring the fluctuation in exchange rate between Renminbi and Hong Kong dollar. For the funding in US dollar, as Hong Kong dollar is adopted as the reporting currency of the Group, the management of the Group considers the exposure to exchange risk is insignificant owing to the linked exchange rate system that pegs Hong Kong dollar to US dollar. The Group proactively seeks management measures to minimize the impact arising from risks and uncertainties as far as practicable, and considers using foreign exchange hedging instruments (if appropriate) from time to time, to minimize the risk exposure arising from changes in Renminbi exchange rates. It will also proactively select the currency of assets and liabilities according to the Group's pre-judgment of currency movements where possible. As at the date of this report, the Group has not used any foreign exchange hedging instruments.

### EMPLOYEE AND REMUNERATION POLICY

The Company employs and remunerates its employees based on their qualifications, experience and performance. In addition to basic salary payments, other benefits include housing, contributions to mandatory provident fund, group medical insurance, group personal accident insurance and examination leave. Employees are eligible to be granted share options under the Company's share option scheme at the discretion of the Board of the Group. In general, salary review is conducted annually. As at 31 December 2017, the Group had approximately 20,813 employees (2016: 17,741 employees). The salaries of and allowances for employees for the year ended 31 December 2017 were about HK\$2,042.2 million (2016: HK\$1,358.9 million). The Group focuses on providing skill and quality training for various levels of staff, and provides on-the-job capability training to its staff; in respect of staff quality, corresponding trainings on personal work attitude and work habits are also provided.

### 匯率波動風險

本集團大部份借貸及交易主要以美元、人民幣及港元為單位。經營開支及收入主要為人民幣及港元，預期全球經濟發展的不確定性導致人民幣匯率會有波動。本集團所錄之資產、負債以及業績可能亦會受人民幣匯率影響。於回顧年內，人民幣匯率波動影響了本集團財務報告中由人民幣匯兌至港元的資產及負債，本集團仍會繼續審視及監察人民幣及港元的匯率波動。至於美元融資方面，本集團以港元為彙報貨幣，基於港元跟美元有聯繫匯率關係，本集團管理層認為匯率波動風險不大。本集團尋求積極的管理方法，力求在可行的情況下，減輕風險及不確定因素帶來的影響，將不時考慮利用外匯對沖工具（如適合），降低人民幣匯率變化帶來的風險，亦會在可能的情況下，根據集團對貨幣走勢的預判，主動選擇資產和負債的貨幣種類。於本報告日期，本集團並無使用任何外匯對沖工具。

### 僱員及薪酬政策

本公司員工的聘用及薪酬均以員工之學歷、經驗和工作表現為基礎。除基本薪金外，其他福利包括住房、強制性公積金供款、團體醫療保險、團體個人意外保險及考試休假等。員工可根據本公司購股權計劃並按本公司董事會之酌情決定獲授購股權。一般而言，每年均會進行薪金檢討。於2017年12月31日，本集團約有20,813名員工（2016年：17,741名員工）。截至2017年12月31日止年度，員工之薪金及津貼共約2,042.2百萬港元（2016年：1,358.9百萬港元）。本集團注重對員工技能和素質的培訓，針對不同崗位的需求，對員工進行崗位能力的培訓；在員工素質方面，對個人工作態度及工作習慣等方面也進行相應的培訓。



## Management Discussion and Analysis 管理層討論及分析

### MATERIAL ACQUISITION OF SUBSIDIARIES

On 25 January 2017, the Group announced the acquisition of Orange Sky Golden Harvest Cinemas (China) Company Limited\* (橙天嘉禾影城(中國)有限公司) through the acquisition of the entire issued share capital of OSGH. The acquisition was completed on 28 July 2017. OSGH and its subsidiaries are principally engaged in cinema operation in Mainland China. Through the acquisition, the Group is able to increase the number of cinemas and screens significantly that the Group operates and manages in the PRC, and further strengthen its position of second in ranking among cinema investment and management companies throughout China.

### 有關附屬公司之重大收購

於2017年1月25日，本集團宣佈透過收購橙天嘉禾全部已發行股本收購橙天嘉禾影城(中國)有限公司，該等收購事項已於2017年7月28日成功完成交割。橙天嘉禾及其附屬公司主要於中國內地從事影院經營。本集團透過此項收購大幅增加本集團於中國經營及管理的影院及銀幕數目，進一步鞏固其全國影院投資管理公司第二名的市場排名。

# Report of the Directors

## 董事會報告

The Board herein present their report and the audited financial statements of the Group for the year ended 31 December 2017.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. During the year, the Group was principally engaged in culture and media services, property development, enterprise cloud services, and also tapped into Internet lifestyle platform and innovative business.

### SEGMENT INFORMATION

Particulars of the Group's revenue and segment information for the year are set out in notes 5 and 6 to the financial statements respectively.

### BUSINESS REVIEW

The description of principal risks and uncertainties that the Group may be facing is provided in the Risk Management and Internal Control section on pages 84 to 89 of this annual report and a fair review of the Group's business during the year, and the probable future business development of each segment of the Company are provided in the Management Discussion and Analysis section on pages 12 to 32 of this annual report. Also, the financial risk management objectives and policies of the Group can be found in note 50 to the consolidated financial statements. Particulars of important events affecting the Group that have occurred since the end of the financial year ended 31 December 2017 are provided in the Management Discussion and Analysis section. An analysis of the Group's performance during the year using financial key performance indicators is provided in the Five-Year Financial Summary on page 292 of this annual report. In addition, discussions on the Group's environmental policies, relationships with its consumers and employees and compliance with relevant laws and regulations which have a significant impact on the Group are all contained in the Environmental, Social and Governance Report on pages 90 to 116 of this annual report.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 124.

The Board has recommended a final dividend of 0.23 HK cents per ordinary share for the year ended 31 December 2017 (for the year ended 31 December 2016: 0.20 HK cents per ordinary share). The proposed dividend is subject to the approval of the shareholders at the forthcoming annual general meeting.

董事會謹此提呈本集團截至2017年12月31日止年度之董事會報告及經審核財務報表。

### 主要業務

本公司之主要業務為投資控股。年內，本集團主要從事文化與傳播服務、房地產開發及企業雲服務，並進軍互聯網生活平台及創意商業領域。

### 分部資料

本集團於本年度之收益及分部資料分別載於財務報表附註5及6。

### 業務回顧

有關本集團可能面對之主要風險及不確定因素之描述載於本年報第84頁至第89頁之風險管理及內部監控一節；有關本集團年內業務之中肯審視及本公司各分部之可能日後業務發展載於本年報第12至32頁之管理層討論與分析一節。此外，本集團財務風險管理目標及政策可於綜合財務報表附註50閱覽。自2017年12月31日止財政年度結束以來所發生影響本集團之重要事件詳情載於管理層討論與分析一節。應用財務關鍵表現指標之本集團年內表現分析載於本年報第292頁之五年財政摘要。此外，有關本集團環境政策、與其消費者及僱員之關係以及遵守對本集團有重要影響之相關法例及規例之討論，全部載於本年報第90至116頁之環境、社會及管治報告。

### 業績及利潤分配

本集團於本年度之業績載於第124頁之綜合收益表。

董事會建議就截至2017年12月31日止年度派付末期股息每股普通股0.23港仙(截至2016年12月31日止年度：每股普通股0.20港仙)。建議股息須待股東於應屆股東周年大會批准後方可作實。

## Report of the Directors 董事會報告

### FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 292.

### PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year are set out in note 13 to the financial statements.

### SUBSIDIARIES AND ASSOCIATES

Particulars of the Company's principal subsidiaries and associates as at 31 December 2017 are set out in notes 16 and 17 to the financial statements respectively.

### BANK AND OTHER BORROWINGS AND FINANCING

Details of the bank and other borrowings and financing of the Group as at 31 December 2017 are set out in notes 29, 30 and 31 to the financial statements respectively.

### SHARE CAPITAL

During the year, details of the movements in share capital of the Company are set out in note 36 to the financial statements.

### RESERVES

During the year, details of the movements in the reserves of the Company and the Group are set out in note 38 to the financial statements.

### DISTRIBUTABLE RESERVES

As at 31 December 2017, the amount of the Company's reserves available for distribution was approximately HK\$286.9 million. In addition, the Company's share premium account with a balance of HK\$965.9 million may be distributed in the form of fully paid bonus shares.

### MAJOR CUSTOMERS AND SUPPLIERS

The Group's sales to the five largest customers for the year ended 31 December 2017 accounted for less than 30.00% of the Group's total turnover.

For the year ended 31 December 2017, the percentage of purchase attributable to the Group's five largest suppliers was 37.49% with the largest supplier accounted for 18.38%.

### 五年財政摘要

本集團過去五個財政年度之業績、資產及負債之摘要載於第 292 頁。

### 物業、廠房及設備

年內，本集團之物業、廠房及設備之變動詳情載於財務報表附註 13。

### 附屬公司及聯營公司

本公司於 2017 年 12 月 31 日之主要附屬及聯營公司之詳情分別載於財務報表附註 16 及 17。

### 銀行及其他借貸及融資

本集團於 2017 年 12 月 31 日之銀行及其他借貸及融資之詳情分別載於財務報表附註 29、30 及 31。

### 股本

年內，本公司股本之變動詳情載於財務報表附註 36。

### 儲備

年內，本公司及本集團儲備之變動詳情載於財務報表附註 38。

### 可供分派儲備

本公司於 2017 年 12 月 31 日可供分派之儲備約為 286.9 百萬港元。此外，本公司股份溢價賬內 965.9 百萬港元，可作已繳足紅股之方式派發。

### 主要客戶及供應商

本集團五大客戶截至 2017 年 12 月 31 日止年度之銷售百分比，佔本集團總營業額少於 30.00%。

截至 2017 年 12 月 31 日止年度，本集團五大供應商應佔購貨額百分比為 37.49%，而最大供應商佔 18.38%。

## Report of the Directors 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS (Continued)

Other than Ms. Liu Rong, a director of the Company, who controls GD Cinema Circuit (廣東大地電影院線股份有限公司) (previously known as 廣東大地電影院線有限公司) which is one of the five largest suppliers of the Group in 2017, at no time during the year have the directors, their close associates or any shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) had any interest in the Group's five largest suppliers or customers.

### DONATIONS

For the year ended 31 December 2017, the Company made charitable donations and other donations amounting to approximately HK\$180,000.

### DIRECTORS' EMOLUMENTS

Details of directors' emoluments are set out in note 44 to the financial statements.

### DIRECTORS' INTEREST IN COMPETING BUSINESS

The director below is deemed to be interested in the business which competes or is likely to compete either directly or indirectly, with business of the Group and is required to make disclosure of interests pursuant to Rule 8.10(2) of the Listing Rules.

Ms. Liu Rong, an executive Director of the Company, is a director and ultimate shareholder of GD Cinema Circuit. GD Cinema Circuit is engaged in cinema investment and therefore is deemed to compete with the cinema investment business of the Group. However, the Board believes that the competition does not pose any material threat to the Group's business prospects due to the fact that the target geographic markets of cinemas operated by the Group and the cinemas operated by the above director who is interested in the competing business are different.

In 2017, the cinema investment businesses of GD Cinema Circuit are managed by the cinema management company controlled by Dadi Cinema by way of entrusted management. We will make disclosure of such connected transactions according to the requirements under Chapter 14A of the Listing Rules when necessary.

In order to further safeguard the interest of the Group, those directors not interested in the competing business review on a regular basis the businesses and operations of the Group to ensure that its businesses are run on the basis that they are independent of, and at arm's length from, GD Cinema Circuit.

### 主要客戶及供應商(續)

除本公司董事劉榮女士(彼控制本集團於2017年之五大供應商之一廣東大地電影院線股份有限公司(「大地院線」,前稱廣東大地電影院線有限公司))外,於年內任何時間,概無董事、彼等之緊密聯繫人或本公司任何股東(據董事所知,擁有本公司股本超過5%)於本集團五大供應商或客戶中擁有任何權益。

### 捐款

截至2017年12月31日止年度,本公司作出之慈善捐款及其他捐款約為180,000港元。

### 董事酬金

董事酬金之詳情載於財務報表附註44。

### 董事於競爭業務之權益

以下董事乃被視為於以下與本集團之業務構成或可能構成(不論直接或間接)競爭之業務中擁有權益,須根據上市規則第8.10(2)條作出披露:

本公司執行董事劉榮女士為大地院線之董事兼最終股東。大地院線參投影院業務,故被視為與本集團之影院投資業務構成競爭。然而董事會相信該競爭不會對本集團業務前景帶來重大威脅,因為由本集團所經營之影院與上述存有競爭利益之董事所參投之影院各自以不同地域市場為目標。

在2017年,大地院線參投的影院均以委託管理的方式由大地影院控制的影院管理公司進行管理,對於此項關連交易,必要時我們會依據上市規則第14A章規定進行披露。

為了進一步保障本集團之利益,該等並無競爭業務權益之董事乃定期審閱本集團之業務及運作,以確保其業務與大地院線能在獨立及公平之基礎下經營。

## Report of the Directors 董事會報告

### PENSION SCHEME

Details of retirement benefit plans in respect of the year are set out in note 43 to the financial statements.

### DIRECTORS

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

Mr. Yu Pun Hoi (*Chairman*)  
Ms. Liu Rong (*Chief Executive Officer*)  
Mr. Lung King Cheong  
Ms. Chen Dan (*resigned with effect from 31 March 2017*)  
Mr. Lam Bing Kwan<sup>#</sup>  
Mr. Lau Yip Leung\*  
Mr. Xiao Sui Ning\*  
Mr. Ho Yeung Nang\*

<sup>#</sup> Non-executive directors  
\* Independent non-executive directors

The Company has received annual confirmation from each of the existing independent non-executive directors of the Company confirming his independence to the Company pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") and the Company considers that such directors are independent to the Company.

In accordance with Bye-law 99 of the Company's Bye-Laws ("Bye-Laws"), Mr. Yu Pun Hoi, Mr. Lam Bing Kwan and Mr. Xiao Sui Ning shall retire at the forthcoming annual general meeting ("AGM"). All of the above retiring directors, being eligible, will offer themselves for re-election.

### 退休金計劃

本年度退休福利計劃之詳情載於財務報表附註43。

### 董事

於年內及截至本報告日期，本公司之董事如下：

于品海先生(*主席*)  
劉榮女士(*行政總裁*)  
龍景昌先生  
陳丹女士(*自2017年3月31日起辭任*)  
林秉軍先生<sup>#</sup>  
劉業良先生\*  
肖遂寧先生\*  
何養能先生\*

<sup>#</sup> 非執行董事  
\* 獨立非執行董事

本公司已接獲本公司各現任獨立非執行董事作出之年度確認書，確認其根據聯交所證券上市規則（「上市規則」）第3.13條於本公司之獨立性，而本公司認為該等董事獨立於本公司。

根據本公司的公司細則（「細則」）第99條，于品海先生、林秉軍先生及肖遂寧先生將於應屆之股東周年大會（「股東周年大會」）上輪值退任。所有上述退任董事都符合資格並願意膺選連任。

## Report of the Directors 董事會報告

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of directors and senior management of the Company as at the date of this report were as follows:

#### Biographical Details of Directors

##### *Executive Directors*

**Mr. Yu Pun Hoi**, aged 59, holding a degree of Doctor of Philosophy conferred by Peking University, joined the Board in September 2000. Mr. Yu is the chairman of the Board, the chairman of executive committee and nomination committee of the Company, and a controlling shareholder of the Company.

Mr. Yu Pun Hoi is also an executive director and a member of nomination committee of Sino-i, and a director of a number of subsidiaries of the Company. He served as the chairman of the board and the chairman of nomination committee of Sino-i from January 1997 to January 2018 and from March 2012 to January 2018, respectively.

**Ms. Liu Rong**, aged 46, graduated from the Law School of Anhui University with a Bachelor degree in Laws, and got a Master of Laws conferred by the Law Institute of Chinese Academy of Social Science, and is also a qualified lawyer in the PRC. In addition, Ms. Liu graduated from the International MBA School of National School of Development of Peking University in 2013. Prior to joining the Group, Ms. Liu worked in Chinese government departments and law firms.

Ms. Liu joined Sino-i group in April 2002 and has been appointed as an executive director and a member of executive committee of the Company in March 2009, a member of nomination committee in March 2017, and the chief executive officer of the Company in February 2018. Ms. Liu is responsible for the businesses in culture and media services of the Group.

Ms. Liu is also the chairlady of the board of director and the chairlady of nomination committee of Sino-i, and a director and/or general manager of a number of subsidiaries of the Company.

### 董事及高級管理人員履歷詳情

截至本報告日期的本公司董事及高級管理人員履歷詳情如下：

#### 董事履歷詳情

##### *執行董事*

**于品海先生**，59歲，持有北京大學哲學博士學位，於2000年9月加入董事會，現擔任本公司董事會主席、執行委員會主席、提名委員會主席及控股股東。

于先生同時為中國數碼之執行董事及提名委員會成員，以及為若干本公司附屬公司之董事。於1997年1月至2018年1月期間，彼曾擔任中國數碼之董事會主席，以及於2012年3月至2018年1月期間擔任中國數碼之提名委員會主席。

**劉榮女士**，46歲，持有安徽大學法學學士學位、中國社會科學院法學碩士學位及中國律師資格，並於2013年畢業於北京大學國家發展研究院國際MBA學院。加入本集團前，劉女士曾在中國政府部門及律師事務所工作。

劉女士於2002年4月加入中國數碼集團，於2009年3月出任本公司執行董事及執行委員會成員，於2017年3月出任提名委員會成員，並於2018年2月出任本公司行政總裁。劉女士負責本集團之文化與傳播服務業務。

劉女士同時為中國數碼之董事會主席及提名委員會主席，以及為若干本公司附屬公司之董事及／或總經理。

## Report of the Directors

### 董事會報告

**Mr. Lung King Cheong**, aged 64, joined the Group in 2015 as a director of Dadi News Media (HK) Limited (a wholly-owned subsidiary of the Company). He currently also serves as a director of each of Duowei Media (HK) Limited, HK01 Company Limited and WeMedia01 (HK) Limited (all of which are wholly-owned subsidiaries of the Company). Mr. Lung is responsible for all news media business of the Group in Hong Kong, Beijing and the USA. Mr. Lung is primarily responsible for the operations of "HK01", a multi-platformed news media which publishes a weekly newspaper and operates a 24 hours' news portal in Hong Kong. Mr. Lung is also responsible for the publication of Duowei monthly magazine in Hong Kong, Singapore, Malaysia and North America; as well as the overall editorial work and general management of the "HK01" editorial team.

Mr. Lung is an active member of the Hong Kong news media and has extensive publishing and editorial experience. Prior to joining the Group and starting from the 1980s, Mr. Lung had served as the deputy publisher and general manager of Hong Kong Daily News, the chief editor and publisher of Hong Kong Today, the editorial director and member of the executive committee of One Media Group Limited. Mr. Lung had also been the editor-in-chief of Ming Pao Weekly for 20 years. Mr. Lung is very familiar with the Hong Kong media industry and is one of the most experienced media people in Hong Kong.

Mr. Lung joined the Board in September 2016, and is also a director of a number of subsidiaries of the Company.

#### *Non-executive Director*

**Mr. Lam Bing Kwan**, aged 68, graduated from the University of Oregon in the United States of America with a Bachelor degree in Business Administration in 1974. Prior to joining the Group, Mr. Lam had been in senior management positions in the banking and financial industry for more than 10 years.

Mr. Lam joined the Board in September 2000, and was re-designated as a non-executive director in April 2002. Mr. Lam is also a non-executive director of Sino-i, and an independent non-executive director of Lai Sun Development Company Limited, Lai Sun Garment (International) Limited, Lai Fung Holdings Limited and eForce Holdings Limited. The securities of the above mentioned companies are listed on the Stock Exchange.

**龍景昌先生**，64歲，於2015年加入本集團擔任本公司全資附屬公司大地傳媒(香港)有限公司之董事。彼現在亦於本公司之全資附屬公司多維傳媒(香港)有限公司、香港01有限公司及香港零一媒體有限公司擔任董事。龍先生負責本集團在香港、北京及美國之所有新聞媒體業務。龍先生主要負責「香港01」之營運事宜，「香港01」為多平台新聞媒體，於香港出版一份周報及經營24小時新聞網站。龍先生亦負責在香港、星馬及北美出版《多維月刊》，以及負責「香港01」編輯團隊之整體編輯工作及一般管理事務。

龍先生活躍於香港新聞界，在出版及編輯領域均擁有豐富經驗。龍先生加盟本集團前及自1980年代以來曾擔任香港《新報》副社長及總經理、《現代日報》總編輯及出版人、萬華媒體集團有限公司編務總監及執行委員會成員。龍先生亦曾擔任《明報周刊》總編輯達二十年。龍先生對香港傳媒業非常熟悉，是經驗最豐富的香港傳媒人之一。

龍先生於2016年9月加入董事會，並擔任若干本公司附屬公司之董事。

#### *非執行董事*

**林秉軍先生**，68歲，於1974年畢業於美國俄立岡大學，持有工商管理學士學位。加入本集團前，林先生於銀行及金融界任職高級管理階層逾十年。

林先生於2000年9月加入董事會，於2002年4月被調任為非執行董事。林先生同時為中國數碼之非執行董事，以及為麗新發展有限公司、麗新製衣國際有限公司、麗豐控股有限公司及意科控股有限公司之獨立非執行董事。上述公司之證券於聯交所上市。

## Report of the Directors 董事會報告

### *Independent Non-executive Directors*

**Mr. Lau Yip Leung**, aged 57, graduated from the City University of Hong Kong and awarded an honours degree of Bachelor of Arts in Accountancy in 1991, and also holds an MBA conferred by the University of Hull, UK. Mr. Lau is a fellow member of The Association of Chartered Certified Accountants, a fellow member of The Institute of Chartered Accountants in England and Wales, and a fellow practising member of the Hong Kong Institute of Certified Public Accountants. Mr. Lau started his public practice business in 1998, and has been a partner of Messrs. Fung Lau & Company, Certified Public Accountants, since October 2000.

Mr. Lau joined the Board in May 2006 and is also a member of audit committee and remuneration committee of the Company. In March 2012, Mr. Lau has been appointed as a member of nomination committee of the Company. Mr. Lau is appointed as the chairman of audit committee of the Company in September 2013.

**Mr. Xiao Sui Ning**, aged 70, graduated from Yunnan Finance and Management College (雲南經濟管理幹部學院) majoring in corporate management. Mr. Xiao is recognised as a senior economist by Bank of Communications. Mr. Xiao is currently a consultant of Ping An Bank Co., Ltd., an independent director of Beijing SPC Environment Protection Tech Co., Ltd., an independent director of Zhongrun Resources Investment Corporation and an independent non-executive director of Haitong Securities Co., Ltd..

Mr. Xiao joined the Board in April 2016 and has been appointed as the chairman of remuneration committee, and a member of audit committee and nomination committee of the Company. Mr. Xiao is also an independent non-executive director, the chairman of remuneration committee, and a member of audit committee and nomination committee of Sino-i.

**Mr. Ho Yeung Nang**, aged 68, has been in the position of chief operating officer of a private company engaged in coal mining and iron sand mining businesses in Indonesia and the Philippines respectively since he left the Group in July 2009. Mr. Ho holds a Bachelor's Degree in Arts from The University of Hong Kong and a Master's Degree in Business Administration from The Chinese University of Hong Kong. Mr. Ho served in different managerial positions in banking industry both in Hong Kong and China during the period from about 1973 to 1988. During the period from about 1989 to 1991, Mr. Ho was in Canada running his own business. In about 1992, Mr. Ho joined the Group and worked as a general manager of the property division of the Group, who left the Group in July 2009.

Mr. Ho joined the Board in September 2016 and has been appointed as a member of audit committee, remuneration committee and nomination of the Company.

### *獨立非執行董事*

**劉業良先生**，57歲，於1991年畢業於香港城市大學，持有會計學榮譽文學學士學位及英國赫爾大學工商管理碩士學位。劉先生為英國特許公認會計師公會資深會員、英格蘭及威爾斯特許會計師公會會員及香港會計師公會的執業會計師。劉先生於1998年開始執業，並於2000年10月起為馮劉會計師公司(執業會計師)的合夥人。

劉先生於2006年5月加入董事會，並出任為本公司審核委員會及薪酬委員會成員，於2012年3月出任為本公司提名委員會成員。於2013年9月，劉先生獲委任為本公司審核委員會主席。

**肖遂寧先生**，70歲，畢業於雲南經濟管理幹部學院，主修企業管理。肖先生獲交通銀行認可為高級經濟師，現任平安銀行股份有限公司之顧問、北京清新環境技術股份有限公司之獨立董事，中潤資源投資股份有限公司之獨立董事及海通證券股份有限公司之獨立非執行董事。

肖先生於2016年4月加入董事會，並出任為本公司薪酬委員會主席兼審核委員會及提名委員會成員。肖先生同時為中國數碼之獨立非執行董事、薪酬委員會主席兼審核委員會及提名委員會成員。

**何養能先生**，68歲，自2009年7月離開本集團以來一直擔任一間私人公司之營運總監，該公司分別於印尼及菲律賓從事採煤及鐵砂開採業務。何先生持有香港大學文學士學位及香港中文大學工商管理碩士學位。何先生約於1973至1988年期間曾在香港及中國銀行業擔任不同管理職位。約於1989年至1991年期間，何先生於加拿大自行經營業務。何先生約於1992年加盟本集團，擔任本集團地產部總經理，並於2009年7月離開本集團。

何先生於2016年9月加入董事會，並出任為本公司審核委員會、薪酬委員會及提名委員會成員。



## Report of the Directors 董事會報告

### Biographical Details of Senior Management

**Mr. Xue Bo Ying** (aged 49)  
*General Manager*  
Nan Hai Development Limited

*General Manager*  
深圳半島城邦房地產開發有限公司 (The Peninsula Shenzhen Property Development Co., Ltd.)

Mr. Xue graduated from Huazhong University and obtained a Master degree in architecture from Tsinghua University, and is a certified first-level architect and a certified town planner in the PRC. Prior to joining the Group, Mr. Xue worked in such senior positions as deputy general manager, senior architect and architectural design director in a number of corporations, and also worked in Guangzhou City Construction Commission.

Mr. Xue joined the Group in January 2006 as an architectural design director, responsible for overall architectural design of various property projects of the Group in the PRC. In February 2009, Mr. Xue was appointed as an executive deputy general manager of Nan Hai Development Limited, a wholly-owned subsidiary of the Company, and was promoted to general manager in July 2010 and appointed as a general manager of 深圳半島城邦房地產開發有限公司 (The Peninsula Shenzhen Property Development Co., Ltd.).

Mr. Xue is also a member of executive committee of the Company, and a director of a number of subsidiaries of the Company.

**Ms. Yu Xin** (aged 41)  
*General Manager*  
廣東大地影院建設有限公司 (Guangdong Dadi Cinema Construction Limited)

Ms. Yu has over 10 years' experience in financial management in addition to her in-depth experience and knowledge in media and culture services sector. Prior to joining the Group, Ms. Yu was a director of China region of Emile Woolf International Limited.

Ms. Yu joined the Company in January 2011 in the position of controller in fund management department. Ms. Yu was transferred to 廣東大地影院建設有限公司 (Guangdong Dadi Cinema Construction Limited) ("Dadi Construction"), a subsidiary of the Company, in August 2011 in the position of deputy general manager, and was then promoted to executive deputy general manager in December 2013, and further promoted to general manager in February 2015, responsible for daily operation management of Dadi Construction.

Ms. Yu is also a member of executive committee of the Company, and a director of a number of subsidiaries of the Company.

### 高級管理人員履歷詳情

**薛伯英先生** (49歲)  
*總經理*  
南海發展有限公司

*總經理*  
深圳半島城邦房地產開發有限公司

薛先生畢業於華中科技大學，持有清華大學建築學碩士學位、國家一級註冊建築師與國家註冊城市規劃師資格。加入本集團前，薛先生曾在多家企業出任副總經理、高級建築師及建築設計總監等要職，並曾於廣州市建設委員會工作。

薛先生於2006年1月加入本集團，出任為設計總監，負責本集團在中國房地產項目的總體建築設計工作。於2009年2月出任為本公司全資附屬公司南海發展有限公司常務副總經理，於2010年7月晉升為總經理，並兼任深圳半島城邦房地產開發有限公司總經理。

薛先生亦為本公司執行委員會成員及若干本公司附屬公司之董事。

**于欣女士** (41歲)  
*總經理*  
廣東大地影院建設有限公司

于女士從事財務管理逾十年，並在文化與傳播服務領域具有豐富的經驗和專業積累。加入本集團前，于女士曾擔任Emile Woolf International Limited中國區總監。

于女士於2011年1月加入本公司，出任資金管理部總監，2011年8月調任本公司附屬公司廣東大地影院建設有限公司(「大地建設」)副總經理，於2013年12月晉升為常務副總經理，並於2015年2月晉升為總經理，負責大地建設的日常經營管理工作。

于女士亦為本公司執行委員會成員及若干本公司附屬公司之董事。

## Report of the Directors 董事會報告

### **Mr. Chen Ming Fei** (aged 41)

*General Manager*

中企動力科技股份有限公司 (CE Dongli Technology Company Limited)

*General Manager*

北京新網數碼信息技術有限公司 (Beijing Xinnet Cyber Information Company Limited)

Mr. Chen has more than 10 years' sales, and possesses with acute insight in IT business, and has extensive and professional experiences in product creation, business strategy planning and business management. Prior to joining Sino-i group, Mr. Chen worked in Vorwerk of Co. KG, a German company.

In 2000, Mr. Chen joined CE Dongli, and was appointed as a national commercial director, sales deputy general manager, executive deputy general manager and business general manager. In January 2012, Mr. Chen was promoted to a general manager, responsible for operation management of CE Dongli. Mr. Chen was also the general manager of Xinnet, responsible for operation management of Xinnet. Mr. Chen is also an executive director and a general manager of Sino-i, and a director and/or general manager of a number of subsidiaries of Sino-i. In January 2018, Mr. Chen was appointed as the chief executive officer of Sino-i.

Mr. Chen is also a member of executive committee of the Company.

### **Ms. Zhao Lei** (aged 38)

Ms. Zhao, with the bachelor degree in Economics from University of International Business and Economics, the master degree in Finance from University of York, and the accountant qualification of Association of Chartered Certified Accountants (ACCA).

Ms. Zhao had acted as the director of Accounting Department and Financial Department of the Company since December 2012, and was promoted as vice general manager in February 2015.

Ms. Zhao is also a member of executive committee of the Company, and a director of a number of subsidiaries of the Company.

### **陳鳴飛先生** (41 歲)

*總經理*

中企動力科技股份有限公司

*總經理*

北京新網數碼信息技術有限公司

陳先生從事銷售工作逾十年，對於IT行業有著敏銳的市場洞察力，在產品創意、商務策略規劃與商務管理方面具有豐富的實戰經驗和專業積累。加入中國數碼集團前，陳先生曾在德國福維克公司工作。

陳先生於2000年加入中企動力，歷任全國商務總監、銷售副總經理、常務副總經理及業務總經理，於2012年1月晉升為總經理，負責中企動力的經營管理工作。陳先生亦曾擔任新網總經理，負責新網的經營管理工作。陳先生亦為中國數碼之執行董事兼總經理以及為若干中國數碼附屬公司之董事及／或總經理。於2018年1月，陳先生獲委任為中國數碼行政總裁。

陳先生亦為本公司執行委員會成員。

### **趙蕾女士** (38 歲)

趙女士持有對外經濟貿易大學經濟學學士學位、英國約克大學金融學碩士學位及英國特許公認會計師公會 (ACCA) 會計師資格。

趙女士於2012年12月加入本公司，歷任本公司會計部總監、財務部總監，並於2015年2月晉升為副總經理。

趙女士亦為本公司執行委員會成員及若干本公司附屬公司之董事。

## Report of the Directors 董事會報告

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2017, the interests and short positions of the directors and chief executive of the Company in shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") 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 for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

#### The Company

Long and short positions in shares in issue

### 董事於股份及相關股份之權益及淡倉

於2017年12月31日，本公司董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，擁有須記錄於根據證券及期貨條例第352條存置之登記冊中或已根據上市規則附錄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」）或以其他方式知會本公司及聯交所之權益及淡倉如下：

#### 本公司

於已發行股份之好倉及淡倉

Name of Director 董事姓名	Capacity/ Nature of interest 身份／權益性質	Number of shares held 所持股份數目	Approximate percentage holding 持股概約 百分比	Notes 附註
Yu Pun Hoi ("Mr. Yu") 于品海（「于先生」）	Corporate interest 公司權益	40,596,627,261(L) 7,893,091,482(S)	59.14% 11.50%	1 2

Notes:

- These 40,596,627,261 shares were collectively held by Rosewood Assets Ltd., Pippen Limited, Staverley Assets Limited, First Best Assets Limited and Unicorn Assets Group Limited companies indirectly wholly owned by Mr. Yu through Dadi Holdings Limited, a company wholly owned by Mr. Yu.
- These 7,893,091,482 shares were charged by Pippen Limited, a company indirectly wholly owned by Mr. Yu through Dadi Holdings Limited, a company wholly owned by Mr. Yu.
- (L) denotes long position and (S) denotes short position.

附註：

- 該等40,596,627,261股股份分別由于先生透過其全資擁有的公司大地控股有限公司持有的Rosewood Assets Ltd.、Pippen Limited、Staverley Assets Limited、First Best Assets Limited及Unicorn Assets Group Limited間接合共持有。
- 該等7,893,091,482股股份由于先生透過其全資擁有的公司大地控股有限公司間接全資擁有的Pippen Limited抵押。
- (L)指好倉，而(S)指淡倉。

## Report of the Directors

### 董事會報告

#### Associated Corporations

As disclosed above, Mr. Yu is entitled to control the exercise of more than one-third of the voting power at general meetings of the Company. As such, Mr. Yu is taken to be interested in the shares of the associated corporations of the Company within the meaning of Part XV of the SFO. Sino-i is a company whose shares are listed on the Stock Exchange, and is an associated corporation of the Company within the meaning of Part XV of the SFO. As at 31 December 2017, the interests of the directors of the Company in shares and underlying shares of Sino-i were as follows:

#### Sino-i

Long position in shares in issue

Name of Director	Capacity/Nature of interest	Number of shares held	Approximate percentage holding	Note
董事姓名	身份／權益性質	所持股份數目	持股概約百分比	附註
Mr. Yu 于先生	Corporate interest 公司權益	12,835,105,316	64.45%	1
Lung King Cheong 龍景昌	Personal interest 個人權益	150,000	0.00075%	

Note:

- These 12,835,105,316 shares were collectively held by Goalrise Investments Limited, View Power Investments Limited and Wise Advance Investments Limited, all of which are wholly-owned subsidiaries of the Company. Mr. Yu was taken to be interested in these shares by virtue of his controlling interests in shares of the Company.

Save as disclosed above, as at 31 December 2017, none of the directors nor chief executive of the Company had any interests or short positions in shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) 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 as set out in Appendix 10 to the Listing Rules.

#### 相聯法團

如上述所披露，于先生於本公司股東大會上可控制行使超過三分之一之投票權。因此，于先生被視為於本公司相聯法團（定義見證券及期貨條例第XV部）之股份中佔有權益，中國數碼股份於聯交所上市，根據證券及期貨條例第XV部，被視為本公司之相聯法團。於2017年12月31日，本公司董事於中國數碼擁有之股份及相關股份之權益如下：

#### 中國數碼

於已發行股份之好倉

附註：

- 該等 12,835,105,316 股股份分別由本公司之全資附屬公司 Goalrise Investments Limited、View Power Investments Limited 及 Wise Advance Investments Limited 合共持有。于先生因於本公司股份持有控股權益而被視為於該等股份中擁有權益。

除上文所披露者外，於2017年12月31日，本公司董事及主要行政人員概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中擁有須記錄於根據證券及期貨條例第352條存置之登記冊中，或已根據上市規則附錄10所載之標準守則或以其他方式知會本公司及聯交所之權益或淡倉。

## Report of the Directors 董事會報告

### SHARE OPTION SCHEME

On 28 May 2012, the Company adopted a share option scheme (the "Scheme"). Under the Scheme, share options may be granted to directors, employees of the Group and those who have contributed or will contribute to the Group at any time within ten years after its adoption at the discretion of the Board.

Since the adoption of the Scheme and during the year ended 31 December 2017, no share options have been granted under the Scheme by the Company. No share options were granted, exercised, cancelled or lapsed by the Company under the Scheme during the year ended 31 December 2017 and there were no outstanding share options under the Scheme as at 31 December 2017 and up to the date of this report.

A summary of the Scheme is as follows:

#### (1) Purpose

The purpose of the Scheme is to provide incentives or rewards to participants for their contribution or would-be contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any entity in which any member of the Group holds any equity interests (the "Invested Entity").

#### (2) Participants

The participants include:

- a. any employee (whether full time or part time employee, including any executive directors but not any non-executive director) of the Company, its subsidiaries and any Invested Entity;
- b. any non-executive director (including independent non-executive director) of the Company, any of its subsidiaries or any Invested Entity;
- c. any supplier 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 technological support or other services to the Group or any Invested Entity;

### 購股權計劃

於2012年5月28日，本公司採納一項購股權計劃（「該計劃」）。根據該計劃，於採納後十年內，董事會可隨時酌情授出購股權予本集團之董事、僱員以及曾為或將為本集團作出貢獻之人士。

自採納該計劃以來及截至2017年12月31日止年度，本公司並無根據該計劃授出購股權。於截至2017年12月31日止年度，本公司概無根據該計劃已授出、獲行使、已註銷或已失效之購股權，而於2017年12月31日及截至本報告日期，於該計劃項下概無任何尚未行使購股權。

該計劃之概要如下：

#### (1) 目的

該計劃旨在提供鼓勵或獎賞參與者對本集團作出之貢獻或可能作出之貢獻及／或協助本集團聘請及留任能幹僱員及吸納對本集團與本集團任何成員公司持有其任何股本權益之公司（「所投資公司」）有價值之人才。

#### (2) 可參與之人士

可參與之人士包括：

- a. 本公司、其附屬公司及任何所投資公司之任何僱員（不論全職或兼職僱員，包括任何執行董事但不包括任何非執行董事）；
- b. 本公司、其任何附屬公司或任何所投資公司之任何非執行董事（包括獨立非執行董事）；
- c. 向本集團任何成員公司或任何所投資公司提供貨物或服務之任何供應商；
- d. 本集團或任何所投資公司之任何客戶；
- e. 向本集團或任何所投資公司提供研究、開發或技術支援或其他服務之任何人士或公司；

## Report of the Directors

### 董事會報告

- f. any shareholder or any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; and
- g. any ex-employee who has contributed or may contribute to the development and growth of the Group and any Invested Entity.

#### (3) Maximum number of shares

The total number of shares which may be issued upon exercise of all share options to be granted under the Scheme must not in aggregate exceed 10% of the relevant class of shares of the Company in issue as at the date of approval of the Scheme and the limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes must not exceed 30% of the relevant class of shares of the Company in issue from time to time. No share options may be granted under the Scheme and any other schemes of the Company if this will result in such limit exceeded. As at the date of this report, the number of shares available for issue in respect thereof is 6,864,553,579 shares representing approximately 10% of the total number of shares of the Company in issue.

#### (4) Maximum entitlement of each participant

The total number of shares issued and to be issued upon exercise of the share options granted to each participant under the Scheme and any other schemes (including both exercised and outstanding options) in any 12-month period must not exceed 1 per cent. of the relevant class of shares of the Company in issue. Any further grant of share options above this limit shall be subject to certain requirements as stipulated in the rules of the Scheme and to the relevant rules under the Listing Rules.

#### (5) The period within which the shares must be taken up under a share option

The period within which the shares must be taken up a share option shall be determined by the Board in its absolute discretion at the time of grant, but such period must not exceed 10 years from the date of grant of the relevant share option.

- f. 本集團或任何所投資公司之任何股東或任何成員公司，或本集團或任何所投資公司之任何成員公司所發行任何證券之任何持有人；及
- g. 對於本集團及任何所投資公司之發展及增長作出貢獻或可能作出貢獻之任何前僱員。

#### (3) 股份最高數目

根據該計劃授出之購股權在悉數行使時可予發行之股份總數，不得超過該計劃獲採納之日時本公司已發行相關類別股份之10%及因悉數行使根據該計劃及其他計劃已授出但尚未行使之購股權而可予發行之股份數目限額，不得超過本公司不時已發行相關類別股份之30%。不得根據該計劃及本公司任何其他購股權計劃授出可能會導致超出此等限額之購股權。於本報告日期，購股權可予發行之股份數目最多為6,864,553,579股，相當於本公司已發行股份總數約10%。

#### (4) 各參與者可獲授權益之上限

每名參與者在任何12個月內獲授根據該計劃及任何其他購股權計劃授出之購股權(包括已行使及尚未行使之購股權)予以行使時所發行及將發行之股份總數，不得超過本公司已發行相關類別股份之1%。任何進一步授出超過該限額之購股權將須受該計劃之規則及上市規則項下相關規則所訂明之若干規定所規限。

#### (5) 購股權項下股份必須接納之期限

購股權涉及的股份必須接納的期限由董事會在授出購股權時全權決定，但該期限不得超過有關購股權授出之日起計十年。

## Report of the Directors

### 董事會報告

#### (6) Minimum period for exercising a share option

The Board may at its discretion determine the minimum period for which a share option must be held before it can be exercised.

#### (7) Acceptance and payment on acceptance

The share option shall be deemed to have been accepted when the duplicate letter duly signed by the grantee, together with a remittance of HK\$1.00 in favour of the Company by way of consideration for the grant thereof, is received by the Company. To the extent that the offer is not accepted within 28 days in the manner aforesaid, it will be deemed to have been irrevocable declined and lapsed automatically.

#### (8) Basis of determining the subscription price

The subscription price for shares under the Scheme shall be a price determined by the directors, but it must not be at least the higher of (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant; and (iii) the nominal value of the share.

#### (9) Remaining life of the scheme

The Scheme will remain in force for a period of 10 years commencing on 29 May 2012 up to 28 May 2022.

### ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Except for the Scheme disclosed above, at no time during the year was the Company, or any of its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company.

### DIRECTORS' SERVICE CONTRACTS

None of the Directors has entered into any service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than the statutory compensation.

#### (6) 行使購股權之最短期限

董事會可酌情釐定購股權在可被行使前必須持有之最短期限。

#### (7) 接納購股權及接納時所付款項

當本公司接獲由承授人簽署接納購股權之函件副本及向本公司繳付1.00港元之代價後，該購股權將被視為已獲承授人接納。倘要約並未以上述方式於28天內獲接納，該要約將被視為已不可撤回地拒絕及自動失效。

#### (8) 釐定認購價之基準

該計劃項下之股份認購價由董事釐定，惟不得低於下列三者中的最高者：(i) 股份於授予購股權授出當日（須為交易日）的收市價（以聯交所日報表所載者為準）；(ii) 股份於授予購股權授出日期前五個交易日的平均收市價（以聯交所日報表所載者為準）；及(iii) 股份面值。

#### (9) 該計劃尚餘之有效期

該計劃之有效期為10年，由2012年5月29日起計，直至2022年5月28日止。

### 購買股份或債券之安排

除上述該計劃所披露外，年內，本公司或其附屬公司從未參與任何安排，致使本公司各董事藉收購本公司之股份或債券而獲益。

### 董事服務合約

概無董事與本公司簽訂本公司不可於一年內免賠償（法定賠償除外）而終止之服務合約。

## Report of the Directors 董事會報告

### MANAGEMENT CONTRACTS

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

### DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in the paragraph "Continuing Connected Transactions" and "Related Party Transactions" below, no contract of significance in relation to the Group's business to which the Company or its subsidiaries was a party, and in which any directors of the Company had a material interest, whether directly or indirectly, subsisted during or at the end of the year.

### DIRECTORS' INDEMNITIES

Pursuant to the Company's Bye-Laws, save and except so far as the provisions of the Bye-Laws shall be avoided by any provisions of the statutes, the directors, managing directors, alternate directors, auditors, secretary and other officers for the time being of the Company and the trustees (if any) for the time being acting in relation to any of the affairs of the Company, and their respective executors or administrators, shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through their own wilful neglect or default, fraud and dishonesty respectively, and none of them shall be answerable for the acts, receipts, neglects or defaults of any other of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or effects of the Company shall be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of the Company shall be placed out or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, except as the same shall happen by or through their own wilful neglect or default, fraud and dishonesty respectively.

### 管理合約

年內，概無訂立或存在任何有關本公司之全部或任何主要部分業務之管理及行政合約。

### 董事在合約中之權益

除下文「持續關連交易」及「關聯方交易」各段所披露者外，本公司或其附屬公司於年終或年內任何時間並無簽訂任何有關本集團業務，而令本公司董事在其中直接或間接佔有重大利益之重要合約。

### 董事彌償

根據本公司細則，除非法規之條款免除本條公司細則之規定，否則本公司現屆董事、董事總經理、替任董事、核數師、秘書及其他高級職員和現時辦理本公司任何事務之信託人(如有)及彼等各方之遺產執行人與遺產管理人，如因應各自之職務或信託責任而在執行職責或據稱職責時作出、贊同或遺漏作出任何行為，以致彼等任何一方或其任何遺產執行人或遺產管理人蒙受或招致任何訴訟、費用、收費、損失、損害及開支，本公司將動用其資產作出彌償並確保彼等免責，惟彼等自身蓄意疏忽或失責、詐騙及不誠實招致或引起之訴訟、費用、收費、損失、損害及開支(如有)不在此限。彼等概毋須就下列事項承擔責任：彼等當中其他人作出之行為、出具之收據、疏忽或失責，或因依循規定而聯同出具收據，或負責持管或保管本公司任何款項或物品之銀行或其他人等，或本公司放貸或投資任何金錢之抵押不足或欠妥，或彼等執行各自職務或信託責任期間可能出現之任何其他損失、不幸事件或損害或相關事宜，惟本賠償規定概不引伸至上述任何人士所涉及蓄意疏忽或失責、詐騙及不誠實之任何相關事項。



## Report of the Directors 董事會報告

The Bermuda Companies Act permits a company to exempt and indemnify its directors and officers from liability in the following terms:

- A company may in its bye-laws or in any contract or arrangement between the company and any officer, or any person employed by the company as auditor, exempt such officer or person from, or indemnify him in respect of, any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of any duty or breach of trust of which the officer or person may be guilty in relation to the company or any subsidiary thereof.
- Any provision, whether contained in the bye-laws of a company or in any contract or arrangement between the company and any officer, or any person employed by the company as auditor, exempting such officer or person from, or indemnifying him against any liability which by virtue of any rule of law would otherwise attach to him in respect of any fraud or dishonesty of which he may be guilty in relation to the company shall be void.

This indemnification may also cover any liabilities which the officer incurs in defending any proceedings (criminal or civil) where relief is granted to him, where he is acquitted, or where judgement is given in his favour. A company may advance money to an officer for the costs of defending proceedings, on the condition that the advance shall be repaid if any allegation of fraud or dishonesty is proven.

The Company has arranged appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group.

### CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as disclosed in this annual report, there was no contract of significance to which the Company or its holding company or any of its subsidiaries was a party and in which any controlling shareholder had a material interest subsisted during the year ended 31 December 2017.

### CONTRACTS WITH CONTROLLING SHAREHOLDERS

Save as disclosed in this annual report, no contract of significance has been entered into among the Company or any of its subsidiaries and the controlling shareholders or any of their subsidiaries during the year ended 31 December 2017.

百慕達公司法批准公司於以下條款豁免及彌償其董事及高級職員之責任：

- 公司可於其細則或公司與任何高級職員，或任何受公司僱用為核數師之任何人士訂立之任何合約或安排中，豁免有關高級職員或人士，或彌償其有關因任何疏忽、失責、違反任何職責或違反誠信（當中該高級職員或人士可能涉及公司或其任何附屬公司之罪行）而導致之任何損失或其所附帶之責任。
- 任何條款（不論載於公司細則抑或公司與任何高級職員、或受公司僱用為核數師之任何人士訂立之任何合約或安排），豁免有關高級職員或人士，或彌償其就任何詐騙及不實誠（當中可能涉及公司之罪行）因而任何法律法規附帶於彼之任何責任，將為無效。

在獲授救濟、無罪釋放或判決對其有利之情況下，本彌償亦涵蓋高級職員於抗辯任何司法程序（刑事或民事）時產生之任何責任。公司可就抗辯司法程序之費用向高級職員墊款，條件為倘證實任何欺詐或不誠實之指控，須償還有關墊款。

本公司已為本集團董事及高級職員安排適當董事及高級職員之責任保險。

### 控股股東之合約權益

除本年報披露者外，於截至2017年12月31日止年度，本公司或其控股公司或其任何附屬公司概無訂立任何控股股東於當中擁有重大權益的任何重大合約。

### 與控股股東之合約

除本年報披露者外，於截至2017年12月31日止年度，本公司或其任何附屬公司並無與控股股東或彼等任何附屬公司訂立任何重大合約。

## Report of the Directors 董事會報告

### CHANGE IN THE BOARD OF DIRECTORS

There was no change in the Board since the date of the Company's 2017 interim report and up to the date of this report.

### CHANGES IN INFORMATION IN RESPECT OF DIRECTORS

During the year ended 31 December 2017, there was no change to information which is required to be disclosed and has been disclosed by the directors pursuant to rules 13.51(2) of the Listing Rules.

### REMUNERATION POLICY

The Company remunerates its employees based on their qualifications, experience and performance. In addition to basic salary payments, other benefits include housing, contributions to mandatory provident fund, group medical insurance, group personal accident insurance and examination leave and etc. Employees are eligible to be granted share options under the Company's share option scheme at the discretion of the Board. In general, salary review is conducted annually.

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules ("Model Code").

Specific enquiries have been made to all the directors and the directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2017.

### 董事會變動

自本公司2017年中期報告日期以來直至本報告日期，概無董事會變動。

### 有關董事資料之變動

於截至2017年12月31日止年度，概無根據上市規則第13.51(2)條須予披露及已由董事披露之資料之變動。

### 薪酬政策

本公司員工的薪酬均以員工之學歷、經驗和工作表現為基礎。除基本薪金外，其他福利包括住房、強制性公積金供款、團體醫療保險及團體個人意外保險及考試休假等。員工可根據本公司購股權計劃並按董事會之酌情決定獲授購股權。一般而言，每年均會進行薪金檢討。

### 證券交易之標準守則

本公司已採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則（「標準守則」）。

本公司已向所有董事作出特定查詢，董事們確認，彼等於截至2017年12月31日止年度內一直遵守標準守則。

## Report of the Directors 董事會報告

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS

As at 31 December 2017, those persons (other than directors and chief executive of the Company) who had interests and short positions in shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

### 主要股東之權益及淡倉

於2017年12月31日，根據本公司按照證券及期貨條例第336條存置之登記冊所記錄，以下人士(本公司董事及最高行政人員除外)於本公司之股份或相關股份中擁有權益及淡倉：

Name of person holding an interest in shares which has been disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO 持有根據證券及期貨條例第XV部第2及3分部已向本公司披露股份權益之人士名稱/姓名	Nature of interest 權益性質	Number of shares held 所持股份數目	Approximate percentage of issued share capital of the Company 佔本公司已發行股本之概約百分比	Notes 附註
Dadi Holdings Limited 大地控股有限公司	Corporate interest 公司權益	40,596,627,261 (L) 7,893,091,482 (S)	59.14% 11.50%	1 4
Rosewood Assets Ltd.	Beneficial interest 實益權益	7,964,600,210 (L)	11.60%	1
Pippen Limited	Beneficial interest 實益權益	14,830,245,497 (L) 7,893,091,482 (S)	21.60% 11.50%	1
Staverley Assets Limited	Beneficial interest 實益權益	4,893,197,974 (L)	7.12%	1
First Best Assets Limited	Beneficial interest 實益權益	9,544,736,998 (L)	13.90%	1
Kung Ai Ming 龔愛明	Corporate interest 公司權益	6,530,443,498 (L)	9.51%	2 & 5
Yu Ben Hei 于本熙	Corporate interest 公司權益	6,461,043,498 (L)	9.41%	2 & 5
Macro Resources Ltd.	Beneficial interest 實益權益	4,361,043,498 (L)	6.35%	2 & 5
Lim Siew Choon 林小春	Corporate interest 公司權益	5,514,986,997 (L)	8.03%	3
Empire Gate Industrial Limited	Beneficial interest 實益權益	5,514,986,997 (L)	8.03%	3
Central Huijin Investment Ltd.	Security interest 抵押權益	5,220,000,000 (L)	7.60%	6
	Corporate interest 公司權益	63,091,482 (L)	0.09%	6
China Construction Bank Corporation	Security interest 抵押權益	5,220,000,000 (L)	7.60%	6
	Corporate interest 公司權益	63,091,482 (L)	0.09%	6

# Report of the Directors

## 董事會報告

### Notes:

- Rosewood Assets Ltd., Pippen Limited, Staverley Assets Limited, First Best Assets Limited and Unicorn Assets Group Limited are companies indirectly wholly owned by Mr. Yu through Dadi Holdings Limited, a company wholly owned by Mr. Yu. Their interests in shares are disclosed as the corporate interests of Mr. Yu above.
- Macro Resources Ltd. and K Resources Group Limited are held as to 50% each by Ms. Kung Ai Ming and Mr. Yu Ben Hei, the son of Mr. Yu. Their respective interest in 4,361,043,498 and 2,100,000,000 shares were included as interest held by Ms. Kung Ai Ming and Mr. Yu Ben Hei. Ms. Kung Ai Ming owns interest of 69,400,000 shares through Redmap Resources Limited, her wholly owned company.
- Empire Gate Industrial Limited is wholly owned by Mr. Lim Siew Choon. Its interest in shares was included as interest held by Mr. Lim Siew Choon.
- These 7,893,091,482 shares were charged by Pippen Limited, a company indirectly wholly owned by Mr. Yu through Dadi Holdings Limited, a company wholly owned by Mr. Yu.
- Pursuant to Part XV of the SFO, if certain conditions are met, the shareholders of the Company are required to submit a disclosure of interest notice. In the event of changes in the shareholding of the shareholders in the Company, the shareholders will not be required to notify the Company and the Hong Kong Stock Exchange unless certain conditions are met. Therefore, the latest shareholding of the shareholders in the Company may be different from the shareholding submitted to the Hong Kong Stock Exchange.
- These 5,283,091,482 shares were indirectly held by Central Huijin Investment Ltd. through China Construction Bank Corporation, CCB International Group Holdings Limited, CCB Financial Holdings Limited, CCB International (Holdings) Limited and CCB International Overseas Limited.
- (L) denotes long position and (S) denotes short position.

Save as disclosed above, as at 31 December 2017, no person (other than directors and chief executive of the Company) had notified to the Company any interests or short positions in shares or underlying shares of the Company which was required to be recorded in the register kept by the Company under Section 336 of the SFO.

### 附註：

- Rosewood Assets Ltd.、Pippen Limited、Staverley Assets Limited、First Best Assets Limited 及 Unicorn Assets Group Limited 為于先生間接全資擁有之公司，透過彼全資擁有之大地控股有限公司持控，該等公司之股份權益於上文披露納入為于先生之公司權益。
- 龔愛明女士及于先生之兒子于本熙先生各自持有 Macro Resources Ltd. 及 K Resources Group Limited 50% 權益。該等公司分別於 4,361,043,498 及 2,100,000,000 股股份之權益納入為龔愛明女士及于本熙先生所持有之權益。龔愛明女士透過其全資擁有之公司 Redmap Resources Limited 擁有 69,400,000 股股份之權益。
- Empire Gate Industrial Limited 為林小春先生之全資擁有公司。該公司擁有之股份權益納入為林小春先生所持有之權益。
- 該等 7,893,091,482 股股份由于先生透過其全資擁有的公司大地控股有限公司間接全資擁有的 Pippen Limited 抵押。
- 根據證券及期貨條例第 XV 部，倘若若干條件達成，則本公司股東須呈交披露權益表格。倘股東於本公司的持股量變更，除非若干條件已達成，否則股東毋須知會本公司及香港聯交所，故股東於本公司之最新持股量可能與呈交予香港聯交所的持股量不同。
- 該等 5,283,091,482 股股份由 Central Huijin Investment Ltd. 透過 China Construction Bank Corporation, CCB International Group Holdings Limited, CCB Financial Holdings Limited, CCB International (Holdings) Limited 及 CCB International Overseas Limited 間接持有。
- (L) 指好倉，而 (S) 指淡倉。

除上文所披露者外，於 2017 年 12 月 31 日，概無人士（本公司董事及最高行政人員除外）知會本公司，其於本公司之股份或相關股份中擁有須記錄於本公司按照證券及期貨條例第 336 條存置之登記冊之權益或淡倉。

## Report of the Directors 董事會報告

### RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group are set out in note 49 to the financial statements.

Save for the transactions mentioned in the below section headed “Connected Transaction” and the section headed “Continuing Connected Transactions” which are subject to the disclosure and annual review requirements under Chapter 14A of the Listing Rules and are subject to all connected transaction requirements when any of the relevant the agreements is renewed or its terms are varied pursuant to Rule 14A.60 of the Listing Rules, certain transactions mentioned under the note also constituted connected transactions or continuing connecting transactions as defined in Chapter 14A of the Listing Rules but are exempt from the disclosure requirements under Chapter 14A of the Listing Rules.

### CONNECTED TRANSACTION

On 11 May 2017, Nan Hai Zhichen Investment Consultancy (Beijing) Company Limited (an indirect wholly-owned subsidiary of the Company) as lender, China CITIC Bank Corporation Limited as lending agent and Dadi Century Culture Media (Beijing) Company Limited (“Dadi Century Beijing”) as borrower, entered into entrusted loan contract, pursuant to which Nan Hai Zhichen Investment Consultancy (Beijing) Company Limited entrusted China CITIC Bank Corporation Limited to grant the entrusted loan in the principal amount of RMB200,000,000 to Dadi Century Beijing, with a term of three years.

On 11 May 2017, Ms. Liu Rong, an executive Director of the Company, owns 80% of Dadi Century Beijing. In addition, Mr. Yu Cheung Hoi, an associate of Mr. Yu Pun Hoi (an executive Director of the Company), owns 20% of Dadi Century Beijing. Given the foregoing, Dadi Century Beijing is a connected person of the Company and the transactions under the entrusted loan contract therefore constitutes connected transactions of the Company. For details please refer to the announcement of the Company dated 11 May 2017.

### 關聯方交易

本集團之關聯方交易詳情載於財務報表附註49。

除下文「關連交易」一節及「持續關連交易」一節所述交易須遵守上市規則第14A章項下的披露及年度審閱規定及於任何相關協議根據上市規則第14A.60條重續或其條款予以更改而須遵守所有關連交易規定外，附註項下所述若干交易亦構成關連交易或持續關連交易（定義見上市規則第14A章），惟豁免上市規則第14A章項下之披露規定。

### 關連交易

於2017年5月11日，本公司之間接全資附屬公司南海智辰投資顧問(北京)有限公司(作為貸方)、中信銀行股份有限公司(作為貸款代理)與大地時代文化傳播(北京)有限公司(「大地時代北京」)(作為借方)訂立委託貸款合約，據此，南海智辰投資顧問(北京)有限公司委託中信銀行股份有限公司向大地時代北京授出本金金額為人民幣200,000,000元之委託貸款，為期三年。

於2017年5月11日，本公司執行董事劉榮女士擁有大地時代北京80%權益。此外，本公司執行董事于品海先生之聯繫人士于常海先生擁有大地時代北京20%權益。有鑑於此，大地時代北京為本公司之關連人士，因此，委託貸款合約項下交易構成本公司之關連交易。詳情請參閱本公司日期為2017年5月11日之公告。

# Report of the Directors

## 董事會報告

### CONTINUING CONNECTED TRANSACTIONS

During the financial year under review, certain subsidiaries of the Company entered into certain continuing connected transactions (particulars of which have been disclosed in the announcement dated 19 August 2015 (the "Announcement") issued by the Company). As per the Listing Rules, all such continuing connected transactions are required to be disclosed in the annual report of the Company (all capitalized terms used hereinbelow shall have the same meanings used in the Announcement unless otherwise the contexts hereinbelow specify):

- On 1 January 2009, Dadi Cinema entered into a cooperation agreement with GD Cinema Circuit, pursuant to which GD Cinema Circuit shall supply Dadi Cinema various motion pictures and license Dadi Cinema to project such motion pictures in its digital cinemas in the PRC for a fixed term of five (5) years, having a provision of automatic extension of one (1) year upon the end of the fixed term, i.e. a total period of six (6) years, from 1 January 2009 to 31 December 2014. Upon expiration of the extended term under the cooperation agreement on 31 December 2014, Dadi Cinema and GD Cinema Circuit entered into the Dadi Cinema Cooperation Agreement on 1 January 2015, for a fixed term of five (5) years, having a provision of automatic extension of one (1) year upon the end of the fixed term, i.e. a total period of six (6) years, from 1 January 2015 to 31 December 2020.

- Major terms: (1) Provision of motion pictures and advisory services
- GD Cinema Circuit shall supply various motion pictures to Dadi Cinema from time to time and license Dadi Cinema to project such motion pictures in digital cinemas operated by Dadi Cinema in the PRC during the Term; and
  - GD Cinema Circuit shall provide advisory services in respect of interior design and operations of each digital cinema operated by Dadi Cinema.

### 持續關連交易

於回顧財政年內，本公司若干附屬公司訂立若干持續關連交易（有關詳情載於本公司所刊發日期為2015年8月19日之公告（「該公告」））。根據上市規則，所有該等持續關連交易均須於本公司年報中披露（除下文另有所指外，本報告所用所有詞彙與該公告所界定者具有相同涵義）：

- 於2009年1月1日，大地影院與大地院線訂立合作協議，據此大地院線須向大地影院供應各類影片及許可大地影院在中國的數字影院放映該影片，固定期限為五(5)年，於固定期限結束時可自動延期一(1)年，即合共為期六(6)年，自2009年1月1日起至2014年12月31日止。合作協議的延長期限於2014年12月31日屆滿後，大地影院及大地院線於2015年1月1日訂立大地影院合作協議，固定期限為五(5)年，於固定期限結束時可自動延期一(1)年，即合共為期六(6)年，自2015年1月1日起至2020年12月31日止。

主要條款： (1) 提供影片及顧問服務

- 大地院線須不斷向大地影院供應各類影片及許可大地影院於期限內在大地影院於中國經營的數字影院放映該影片；及
- 大地院線須提供有關大地影院所經營各數字影院的室內設計及營運的顧問服務。

## Report of the Directors 董事會報告

### (2) Sharing of Net Box Office

(a) During the period from 1 January 2015 to 30 June 2015:

(i) Licensed Motion Picture: the Net Box Office of each Licensed Motion Picture shall be distributed in the following sequences:

(aa) pay all license fees payable to the distributor for obtaining a license to sub-license the Licensed Motion Picture to Dadi Cinema for projection of the Licensed Motion Picture in its cinemas; and

(bb) the whole portion of the Net Box Office after deduction of the amount in (aa) shall belong to Dadi Cinema, i.e. the GD Cinema Circuit shall not be entitled to share the Net Box Office of the Licensed Motion Picture; and

(ii) Fixed-Term Motion Picture: the sharing ratio of the Net Box Office of all Fixed Term Motion Pictures between GD Cinema Circuit and Dadi Cinema is 1:1, i.e. the Net Box Office is equally shared between GD Cinema Circuit and Dadi Cinema (however, GD Cinema Circuit shall be solely responsible for all costs and expenses incurred in obtaining a fixed-term license to sub-license each Fixed-Term Motion Picture to Dadi Cinema for projection in its cinemas).

### (2) 分享淨票房

(a) 自2015年1月1日至2015年6月30日止期間：

(i) 非買斷影片：每部非買斷影片的淨票房須按以下次序分派：

(aa) 向發行人支付取得許可向大地影院分銷非買斷影片於其影院放映非買斷影片的所有許可費用；及

(bb) 經扣除(aa)所述款項的淨票房全額須歸於大地影院，即大地院線不分享影片的淨票房；及

(ii) 買斷影片：所有買斷影片的淨票房在大地院線與大地影院之間的分享比率是1:1，即淨票房在大地院線與大地影院之間平分(然而，大地院線須全權負責獲得固定期限許可，並允許各部買斷影片在大地影院的影院放映所產生的全部成本及開支)。

## Report of the Directors

### 董事會報告

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| <p>(b) During the period from 1 July 2015 till the end of the Term:</p> <p>(i) Licensed Motion Picture: the Net Box Office of each Licensed Motion Picture shall be distributed in the following sequences:</p> <p>(aa) pay all license fees payable to the distributor for obtaining license to sub-license the Licensed Motion Picture to Dadi Cinema for projection of the License Motion Picture in its cinemas;</p> <p>(bb) pay 1% of the Net Box Office of the Licensed Motion Picture to GD Cinema Circuit for supplying and licensing the Licensed Motion Picture and providing advisory services and analyses; and</p> <p>(cc) the whole portion of the Net Box Office of the Licensed Motion Picture after deduction of the amounts in (aa) and (bb) shall belong to Dadi Cinema; and</p> <p>(ii) Fixed-Term Motion Picture: the sharing ratio of the Net Box Office of all Fixed-Term Motion Pictures between GD Cinema Circuit and Dadi Cinema is 1:1, i.e. the Net Box Office is equally shared between GD Cinema Circuit and Dadi Cinema (however, GD Cinema Circuit shall be solely responsible for all costs and expenses incurred in obtaining a fixed-term license to sub-license each Fixed-Term Motion Picture to Dadi Cinema for projection in its cinemas).</p> | <p>(b) 自2015年7月1日至期限結束止：</p> <p>(i) 非買斷影片：每部非買斷影片的淨票房須按以下次序分派：</p> <p>(aa) 向發行人支付取得許可向大地影院分銷非買斷影片於其影院放映非買斷影片的所有許可費用；</p> <p>(bb) 就供應非買斷影片及提供顧問服務及分析向大地院線支付該影片1%的淨票房；及</p> <p>(cc) 經扣除(aa)及(bb)所述款項的非買斷影片淨票房全額須歸於大地影院；及</p> <p>(ii) 買斷影片：所有買斷影片的淨票房在大地院線與大地影院之間的分享比率是1:1，即淨票房在大地院線與大地影院之間平分(然而，大地院線須全權負責獲得固定期限許可，並允許各部買斷影片在大地影院的影院放映所產生的全部成本及開支)。</p> |
|---|--|

In addition to the main terms as mentioned above, Dadi Cinema shall give priority to GD Cinema Circuit in respect of publication of advertisements in the cinemas of Dadi Cinema (i.e. it will be an income for Dadi Cinema) on the condition that the terms and conditions offered by GD Cinema Circuit are at least the same as those offered by other clients of Dadi Cinema.

除上述主要條款外，在大地院線提供的條款及條件至少與大地影院客戶所提供者相同的情況下，大地影院優先與大地院線於大地影院進行廣告合作(即將為大地影院的收入)。



## Report of the Directors

### 董事會報告

2. On 4 February 2009, Dadi Development entered into a cooperation agreement with GD Cinema Circuit, pursuant to which GD Cinema Circuit shall supply Dadi Development various motion pictures and license Dadi Development to project such motion pictures in its digital cinemas in the PRC for a fixed term to 31 December 2013, having a provision of automatic extension of one (1) year upon the end of the fixed term, i.e. from 4 February 2009 to 31 December 2014. Upon expiration of the extended term under the cooperation agreement on 31 December 2014, Dadi Development and GD Cinema Circuit entered into the Dadi Development Cooperation Agreement on 1 January 2015, for a fixed term of five (5) years, having a provision of automatic extension of one (1) year upon the end of the fixed term, i.e. a total period of six (6) years, from 1 January 2015 to 31 December 2020.

Major terms: (1) Provision of motion pictures and advisory services

(a) GD Cinema Circuit shall supply various motion pictures to Dadi Development from time to time and license Dadi Development to project such motion pictures in digital cinemas operated by Dadi Development in the PRC during the Term; and

(b) GD Cinema Circuit shall provide advisory services in respect of interior design and operations of each digital cinema operated by Dadi Development.

(2) Sharing of Net Box Office

(a) During the period from 1 January 2015 to 30 June 2015:

(i) Licensed Motion Picture: the Net Box Office of each Licensed Motion Picture shall be distributed in the following sequences:

(aa) pay all license fees payable to the distributor for obtaining a license to sub-license the Licensed Motion Picture to Dadi Development for projection of the Licensed Motion Picture in its cinemas; and

2. 於2009年2月4日，大地影院發展與大地院線訂立合作協議，據此大地院線須向大地影院發展供應各類影片及許可大地影院發展在中國的數字影院放映該影片，固定期限為截至2013年12月31日，於固定期限結束時可自動延期一(1)年，即自2009年2月4日起至2014年12月31日止。合作協議的延長期限於2014年12月31日屆滿後，大地影院發展及大地院線於2015年1月1日訂立大地影院發展合作協議，固定期限為五(5)年，於固定期限結束時可自動延期一(1)年，即合共為期六(6)年，自2015年1月1日起至2020年12月31日止。

主要條款： (1) 提供影片及顧問服務

(a) 大地院線須不斷向大地影院發展供應各類影片及許可大地影院發展於期限內在大地影院發展於中國經營的數字影院放映該影片；及

(b) 大地院線須提供有關大地影院發展所經營各數字影院的室內設計及營運的顧問服務。

(2) 分享淨票房

(a) 自2015年1月1日至2015年6月30日止期間：

(i) 非買斷影片：每部非買斷影片的淨票房須按以下次序分派：

(aa) 向發行人支付取得許可向大地影院發展分銷非買斷影片於其影院放映非買斷影片的所有許可費用；及

## Report of the Directors

### 董事會報告

- (bb) the whole portion of the Net Box Office after deduction of the amount in (aa) shall belong to Dadi Development, i.e. the GD Cinema Circuit shall not be entitled to share the Net Box Office of the Licensed Motion Picture; and
- (ii) Fixed-Term Motion Picture: the sharing ratio of the Net Box Office of all Fixed Term Motion Pictures between GD Cinema Circuit and Dadi Development is 1:1, i.e. the Net Box Office is equally shared between GD Cinema Circuit and Dadi Development (however, GD Cinema Circuit shall be solely responsible for all costs and expenses incurred in obtaining a fixed-term license to sub-license each Fixed-Term Motion Picture to Dadi Development for projection in its cinemas).
- (b) During the period from 1 July 2015 till the end of the Term:
- (i) Licensed Motion Picture: the Net Box Office of each Licensed Motion Picture shall be distributed in the following sequences:
- (aa) pay all license fees payable to the distributor for obtaining license to sub-license the Licensed Motion Picture to Dadi Development for projection of the License Motion Picture in its cinemas;
- (bb) pay 1% of the Net Box Office of the Licensed Motion Picture to GD Cinema Circuit for supplying and licensing the Licensed Motion Picture and providing advisory services and analyses; and
- (bb) 經扣除 (aa) 所述款項的淨票房全額須歸於大地影院發展，即大地院線不分享影片的淨票房；及
- (ii) 買斷影片：所有買斷影片的淨票房在大地院線與大地影院發展之間的分享比率是 1:1，即淨票房在大地院線與大地影院發展之間平分（然而，大地院線須全權負責獲得固定期限許可，並允許各部買斷影片在大地影院發展的影院放映所產生的全部成本及開支）。
- (b) 自 2015 年 7 月 1 日至期限結束止：
- (i) 非買斷影片：每部非買斷影片的淨票房須按以下次序分派：
- (aa) 向發行人支付取得許可向大地影院分銷非買斷影片於其影院放映非買斷影片的所有許可費用；
- (bb) 就供應非買斷影片及提供顧問服務及分析向大地院線支付該影片 1% 的淨票房；及

## Report of the Directors

### 董事會報告

- (cc) the whole portion of the Net Box Office of the Licensed Motion Picture after deduction of the amounts in (aa) and (bb) shall belong to Dadi Development; and
- (ii) Fixed-Term Motion Picture: the sharing ratio of the Net Box Office of all Fixed-Term Motion Pictures between GD Cinema Circuit and Dadi Development is 1:1, i.e. the Net Box Office is equally shared between GD Cinema Circuit and Dadi Development (however, GD Cinema Circuit shall be solely responsible for all costs and expenses incurred in obtaining a fixed-term license to sub-license each Fixed-Term Motion Picture to Dadi Development for projection in its cinemas).
- (cc) 經扣除(aa)及(bb)所述款項的非買斷影片淨票房全額須歸於大地影院發展；及
- (ii) 買斷影片：所有買斷影片的淨票房在大地院線與大地影院發展之間的分享比率是1:1，即淨票房在大地院線與大地影院發展之間平分（然而，大地院線須全權負責獲得固定期限許可，並允許各部買斷影片在大地影院發展的影院放映所產生的全部成本及開支）。

In addition to the main terms as mentioned above, Dadi Development shall give priority to GD Cinema Circuit in respect of publication of advertisements in the cinemas of Dadi Development (i.e. it will be an income for Dadi Development) on the condition that the terms and conditions offered by GD Cinema Circuit are at least the same as those offered by other clients of Dadi Development.

除上述主要條款外，在大地院線提供的條款及條件至少與大地影院發展客戶所提供者相同的情況下，大地影院發展優先與大地院線於大地影院發展進行廣告合作（即將為大地影院發展的收入）。

3. On 1 January 2014, Digicine Oristar Technology Development (Beijing) Company Limited ("Oristar Technology") entered into the Oristar Technology Cooperation Agreement with GD Cinema Circuit, pursuant to which Oristar Technology shall use its reasonable endeavours to sale the Projection Equipment (or any part of it) (including installation and training) to GD Cinema Circuit upon fulfillment of certain conditions for coping with its business development during a fixed term of six (6) years, from 1 January 2014 to 31 December 2019.
3. 於2014年1月1日，數碼辰星科技發展(北京)有限公司(「數碼辰星」)與大地院線訂立數碼辰星合作協議，據此數碼辰星須合理地盡力根據大地院線的若干要求向其銷售放映設備(或其任何部分)(包括安裝及培訓)，從而確保配合其業務發展，固定期限為六(6)年，自2014年1月1日起至2019年12月31日止。

Major terms: (1) Undertakings of Oristar Technology

主要條款：(1) 數碼辰星的承諾

Oristar Technology shall use its reasonable endeavours to provide the Projection Equipment (or any part of it) (including appropriate installation and training) for GD Cinema Circuit within a reasonable period of time for the purpose of coping with GD Cinema Circuit's business development.

數碼辰星須用其合理努力於合理期間內為大地院線提供放映設備(或其任何部分)(包括適當的安裝及培訓)，以便應對大地院線的業務發展。

## Report of the Directors

### 董事會報告

#### (2) Undertakings of GD Cinema

GD Cinema Circuit shall purchase the Projection Equipment (or any part of it) from Oristar Technology on the conditions that (a) the selling price of the Projection Equipment (or any part of it) quoted by Oristar Technology shall not be higher than the selling price of (i) such Projection Equipment (or any part of it) or (ii) any other compatible equipment, apparatus or system, quoted by other suppliers obtained by GD Cinema Circuit; and (b) the quality of the Projection Equipment (or any part of it) (including but not limited to functionality and operation) and after-sales service (including but not limited to maintenance and repair) quoted by Oristar Technology shall not be lower and less than those quoted by other suppliers obtained by GD Cinema Circuit.

On 19 August 2015, Ms. Liu, a director of the Company, who is a connected person of the Company under Rule 14A.07 of the Listing Rules, (1) acquired 80% of Dadi Century Beijing (the remaining 20% has been owned by Mr. YCH, an associate of Mr. YPH, who is a connected person of the Company under Rule 14A.07 of the Listing Rules) which directly owns 85% equity interest of GD Cinema Circuit; and (2) gained an effective control of 15% equity interest of GD Cinema Circuit through 北京大地傳奇投資合伙企业 (Beijing Dadi Legend Investment Partnership) ("Dadi Legend") which is an associate of Ms. Liu. Given the foregoing, Ms. Liu has gained control in GD Cinema Circuit, and each of Dadi Century Beijing and GD Cinema Circuit has become an associate of Ms. Liu pursuant to Rule 14A.12 of the Listing Rules. As a result, the continuing transactions contemplated under the Dadi Cinema Cooperation Agreement, the Dadi Development Cooperation Agreement and the Oristar Technology Cooperation Agreement have become continuing connected transactions effect from 19 August 2015.

The annual cap under Rule 14A.53 shall not be applied for the continuing connected transactions contemplated under the Dadi Cinema Cooperation Agreement, the Dadi Development Cooperation Agreement and the Oristar Technology Cooperation Agreement as such transactions have already been taken place since 1 January 2009, 4 February 2009 and 1 January 2014 under the Dadi Cinema Cooperation Agreement, the Dadi Development Cooperation Agreement and the Oristar Technology Cooperation Agreement respectively, i.e. before such transactions become connected transactions upon the gaining control in GD Cinema Circuit by Ms. Liu on 19 August 2015.

#### (2) 大地院線的承諾

大地院線須自數碼辰星購買放映設備(或其任何部分), 條件是(a)數碼辰星所報放映設備(或其任何一部分)的售價不得高於大地院線所取得的任何其他供應商所報有關(i)該放映設備(或其任何部分)或(ii)任何兼容設備、裝置或系統的售價; 及(b)數碼辰星所報放映設備(或其任何部分)(包括但不限於功能及運行情況)及售後服務(包括但不限於保養及維修)的質量不得低於及少於大地院線取得的其他供應商所報者。

於2015年8月19日, 本公司董事劉女士(按上市規則第14A.07條為本公司關連人士)(1)收購大地時代北京80%權益(餘下20%已由品海先生的聯繫人士于常海先生持有, 根據上市規則第14A.07條, 彼是本公司關連人士), 大地時代北京直接持有大地院線85%股權; 及(2)透過北京大地傳奇投資合伙企业(「大地傳奇」)(其為劉女士的聯繫人士)有效控制大地院線的15%股權。鑒於前述情況, 劉女士獲得大地院線的控制權, 而大地時代北京及大地院線各自根據上市規則第14A.12條已成為劉女士的聯繫人士。因此, 大地影院合作協議、大地影院發展合作協議及數碼辰星合作協議項下擬進行的持續交易自2015年8月19日起成為持續關連交易。

第14A.53條項下的年度上限將不適用於大地影院合作協議、大地影院發展合作協議及數碼辰星合作協議項下擬進行的持續關連交易, 原因為該等交易自2009年1月1日、2009年2月4日及2014年1月1日已分別根據大地影院合作協議、大地影院發展合作協議及數碼辰星合作協議進行, 即劉女士於2015年8月19日取得大地院線控制權前該等交易已成為關連交易。

## Report of the Directors 董事會報告

On 30 November 2017, the Company entered into the Business Cooperation Framework Agreement with GD Cinema Circuit for a fixed term from 1 December 2017 to 30 November 2020, pursuant to which GD Cinema Circuit shall supply the Group with motion pictures and license the Group to project such motion pictures in its cinemas. Upon commencement of the Term, the Dadi Cinema Cooperation Agreement and the Dadi Development Cooperation Agreement shall be terminated and cease to take effect. As at the date of the Business Cooperation Framework Agreement, Ms. Liu Rong, an executive Director, owns 80% of Dadi Century Beijing, which directly owns 82.49% equity interest of GD Cinema Circuit. Ms. Liu Rong also has an effective control of 12.95% equity interest of GD Cinema Circuit through Dadi Legend, which is an associate of Ms. Liu Rong. In addition, Mr. Yu Cheung Hoi, an associate of Mr. Yu Pun Hoi (an executive Director), owns 20% of Dadi Century Beijing. Given the foregoing, GD Cinema Circuit is a connected person of the Company.

The fee payable for the motion pictures procured through the GD Cinema Circuit will either be paid as a Fixed Fee Motion Picture or a Box Sharing Motion Picture, both of which are explained below.

### (a) Fixed Fee Motion Pictures

The Group shall pay monthly, a fixed licensing fee to the GD Cinema Circuit for licensing each Fixed Fee Motion Picture from the GD Cinema Circuit during the motion picture projection period and such fixed licensing fee shall be in accordance with the same terms offered by GD Cinema Circuit to its other cinema operators. GD Cinema Circuit shall not be entitled to sharing of the Net Box Office of the Fixed Fee Motion Pictures.

### (b) Box Sharing Motion Pictures

The Net Box Office of each Box Sharing Motion Picture shall be distributed in the following manner:

- (i) a sum equivalent to all fees payable to the distributor (from whom GD Cinema Circuit obtained its right to permit the Group to project such motion pictures in its cinemas) (the "Distributor Fees") shall be paid to the GD Cinema Circuit;

於2017年11月30日，本公司與大地院線訂立業務合作框架協議，年期為2017年12月1日至2020年11月30日，據此，大地院線將向本集團供應影片，並許可本集團在旗下影院放映有關影片。年期一經開始，大地影院合作協議及大地影院發展合作協議將告終止及失效。於業務合作框架協議日期，執行董事劉榮女士擁有大地時代北京80%權益，而大地時代北京則直接擁有大地院線82.49%股權。劉女士亦透過大地傳奇（即劉女士之聯繫人）實際控制大地院線之12.95%股權。此外，執行董事于品海先生之聯繫人于常海先生擁有大地時代北京20%權益。有鑑於此，大地院線為本公司之關連人士。

透過大地院線採購影片所須支付之費用須按不分帳影片或分帳影片之形式支付，兩者之解釋如下。

### (a) 不分帳影片

本集團將就許可放映大地院線每部分分帳影片於影片放映期內向大地院線每月支付固定許可費用，而有關固定許可費用將根據與大地院線提供予其其他電影院運營商相同之條款而釐定。大地院線將無權分享不分帳影片之淨票房。

### (b) 分帳影片

每部分帳影片之淨票房將按以下方式分配：

- (i) 大地院線將獲支付金額相當於須支付予發行人（大地院線向其取得允許本集團在旗下影院放映有關影片之權利）之全部費用之款項（「發行人費用」）；

## Report of the Directors

### 董事會報告

- (ii) the Group shall, during the Term, pay an amount of not more than 1% of the Net Box Office of the Box Sharing Motion Picture to the GD Cinema Circuit and the exact percentage of such payment shall be agreed upon between the Group and the GD Cinema Circuit prior to the screening of the motion picture; and
- (iii) the remaining portion of the Net Box Office shall belong to the Group.

Pursuant to the Business Cooperation Framework Agreement, the maximum amount of payment to be made by the Group to the GD Cinema Circuit in relation to the provision of motion pictures, less the Distributor Fees (the "Annual Caps") are set out below:

- (ii) 本集團將於年內向大地院線支付不多於分帳影片淨票房1%之款項，而本集團與大地院線須於放映影片前協定有關款項具體百分比；及

- (iii) 淨票房餘下部分將歸本集團所有。

根據業務合作框架協議，本集團就獲提供影片將向大地院線支付之最高款項減發行人費用(「年度上限」)載列如下：

	For the eleven months ended 30 November 2020 截至2020年11月30日止11個月 (HK\$'000) (千港元)	For the year ended 31 December 2019 截至2019年12月31日止年度 (HK\$'000) (千港元)	For the year ended 31 December 2018 截至2018年12月31日止年度 (HK\$'000) (千港元)	For the month ended 31 December 2017 截至2017年12月31日止月份 (HK\$'000) (千港元)
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Maximum amount payable by the Group to the GD Cinema Circuit in relation to provision of motion pictures, less the Distributor Fees	本集團就獲提供影片向大地院線應付之最高款項減發行人費用	92,000	80,000	50,000	4,000
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All the independent non-executive directors of the Company have reviewed the above continuing connected transactions, and confirmed that all such continuing connected transactions were entered into:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms or better; and
- (3) according to the agreements governing them on terms that are fair and reasonable and in the interests of the Company's shareholders as a whole.

本公司所有獨立非執行董事已審閱以上持續關連交易，並確認所有該等持續關連交易乃按以下方式訂立：

- (1) 本集團日常及一般營業過程中；
- (2) 正常或更佳商業條款；及
- (3) 根據規管有關交易的協議，按屬公平合理且符合本公司股東整體利益的條款訂立。

## Report of the Directors 董事會報告

In accordance with Rule 14A.56 of the Listing Rules, the Company has engaged its auditors to report on all continuing connected transactions as mentioned above, and the auditors have issued to the Board a letter dated 28 March 2018 confirming that nothing has come to their attention that causes them to believe that all such continuing connected transactions:

- (1) have not been approved by the Board;
- (2) in the event that there would be any transaction involving the provision of goods or services by the Group, the transactions were not, in all material respects, in accordance with the pricing policies of the Group; and
- (3) were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions.

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Bye-Laws or the law in Bermuda.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

On 25 May 2017 and 21 July 2017, Amber Treasure Ventures Limited (a wholly-owned subsidiary of the Company) issued US\$500,000,000 credit enhanced notes at a rate of 3.00% per annum and US\$400,000,000 credit enhanced notes at a rate of 3.15% per annum, respectively, both of which are due 2020 and are listed on the Hong Kong Stock Exchange.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of its listed securities during the year ending 31 December 2017.

### PUBLIC FLOAT

Based on the publicly available information and to the best knowledge of the directors, the Company has maintained during the year and up to the date of this report sufficient public float as required under the Listing Rules.

### CORPORATE GOVERNANCE

Particulars of the Company's corporate governance practices are set out in the "Corporate Governance Report" on pages 70 to 89.

根據上市規則第14A.56條，本公司已委聘其核數師匯報上述所有持續關連交易，而核數師已向董事會發出一封日期為2018年3月28日的函件，確認彼等並不知悉任何導致彼等相信所有該等持續關連交易：

- (1) 並未獲董事會批准；
- (2) 倘任何交易涉及本集團提供貨品或服務，有關交易並無於所有重大方面遵照本集團的定價政策；及
- (3) 並非於所有重大方面根據規管交易的相關協議訂立。

### 優先購買權

細則或百慕達法例並無有關優先購買權之規定。

### 購買、出售或贖回上市證券

於2017年5月25日及2017年7月21日，Amber Treasure Ventures Limited（本公司之全資附屬公司）發行了兩筆於2020年到期的信用增強票據，金額及利率分別為500,000,000美元（年利率3.00%）及400,000,000美元（年利率3.15%），有關票據已於香港聯交所上市。

除上文所披露者外，本公司或其任何附屬公司於截至2017年12月31日止年度內概無購買、出售或贖回其任何上市證券。

### 公眾持股量

按本公司從公眾可取閱資料所得及就董事所知，本公司於年內及截至本報告日期已維持依據上市規則規定的公眾持股量。

### 企業管治

本公司企業管治實務之詳情載於第70至89頁之「企業管治報告」。

## Report of the Directors 董事會報告

### AUDIT COMMITTEE

The Audit Committee comprises all the independent non-executive directors of the Company, namely Mr. Lau Yip Leung, Mr. Xiao Sui Ning and Mr. Ho Yeung Nang. The Audit Committee has reviewed with the auditor of the Company and management the accounting principles and practices adopted by the Group, the audited consolidated financial statements of the Group for the year ended 31 December 2017, and discussed the auditing, financial control, internal control and risk management systems.

### AUDITOR

The financial statements for the year ended 31 December 2017 were audited by BDO Limited ("BDO"). A resolution will be proposed at the forthcoming AGM of the Company to re-appoint BDO as auditor of the Company.

### STRUCTURED AGREEMENTS

Reference is made to the joint announcements of the Company and its listed subsidiary, Sino-i, dated 15 November 2013, 6 December 2013 and 31 July 2015 (collectively, the "Announcements") in relation to a discloseable transaction under which Xinnet Technology Information Company Limited ("XWHT"), an indirect wholly-owned subsidiary of Sino-i, by means of the Structured Agreements, shall be entitled to control over Xinnet's management, businesses and operations in substance in addition to recognize and receive all economic benefits of the business of Xinnet. All capitalized terms used hereinbelow shall have the same meanings as those defined in the Announcements unless otherwise stated in this annual report.

The Board hereby provides updated information in relation to the business operations of Xinnet through the Structured Agreements and the implications thereof as follows:

#### (a) Particulars and business activities of Xinnet:

Xinnet is a limited liability company established in the PRC and a wholly-owned subsidiary of ZQHT. Mr. Jiang is a PRC citizen, and an ultimate beneficial owner of 100% equity interest of ZQHT. Xinnet's main businesses are provision of virtual server hosting and maintenance services, provision of email services and registration of domain names in the PRC, which are all regarded as a kind of internet content services. Xinnet has obtained a valid licence for providing internet content services, issued by 北京市通信管理局 (Beijing Communications Administration).

### 審核委員會

審核委員會包括本公司全體獨立非執行董事，劉業良先生、肖遂寧先生及何養能先生。審核委員會已與本公司核數師及管理層審閱本集團所採納之會計準則及實務，本集團截至2017年12月31日止年度之經審核綜合財務報表，並檢討核數、財務監控、內部監控及風險管理制度事宜。

### 核數師

截至2017年12月31日止年度之財務報表均由香港立信德豪會計師事務所有限公司（「立信德豪」）審核。將於應屆股東周年大會上提呈一項續聘立信德豪為本公司核數師之決議案。

### 架構協議

茲提述本公司及其附屬公司中國數碼日期分別為2013年11月15日、2013年12月6日及2015年7月31日之聯合公告（統稱「該等公告」），內容有關須予披露交易，據此，新網華通信息技術有限公司（「新網華通」）（中國數碼之間接全資附屬公司）有權透過架構協議實質上掌控新網之管理、業務及營運，並同時確認及接收新網經營業務所得一切經濟利益。除本年報另有指明者外，本報告所用詞彙與該等公告所界定者具相同涵義。

董事會謹此提供有關透過架構協議經營新網業務之最新消息及有關影響如下：

#### (a) 新網之詳情及主要業務：

新網為於中國成立之有限公司，為中企華通之全資附屬公司。蔣先生為中國公民，為中企華通100%股權之最終實益擁有人。新網之主要業務為於中國提供虛擬伺服器寄存及維護服務、提供電子郵件服務及域名註冊服務。所有該等業務歸類為互聯網信息服務。新網已取得北京市通信管理局發出提供互聯網信息服務之有效牌照。



## Report of the Directors

### 董事會報告

#### (b) Summary of main terms of the Structured Agreement:

- (1) *Loan Agreement (dated 15 November 2013):*
  - (i) Parties: XWHT as lender; and Mr. Jiang as borrower
  - (ii) Loan amount: RMB1,500,000
  - (iii) The loan is interest free, and has no maturity date for repayment. Mr. Jiang shall have no right to effect any early repayment unless having the written consent from XWHT.
- (2) *Equity Pledge Agreement (dated 15 November 2013):*
  - (i) Parties: XWHT as pledgee; ZQHT as pledgor; and Xinnet
  - (ii) Assets pledged: 80% equity interest of Xinnet, free from encumbrance, as first fixed charge to XWHT as security.
  - (iii) ZQHT shall not dispose of the pledged 80% equity interest to any other party without obtaining the written approval of XWHT.
- (3) *Management and Technology Services Agreement (dated 15 November 2013):*
  - (i) Parties: XWHT; and Xinnet
  - (ii) XWHT shall provide certain exclusive management and technology services to Xinnet.
  - (iii) The Management and Technology Services Agreement is solely terminable by XWHT but not Xinnet. In return for the provision of the exclusive services, XWHT shall be entitled to receive a service fee which is equivalent to the net profit of Xinnet as per its yearly audited financial statements.

#### (b) 架構協議之主要條款摘要：

- (1) *借款協議(日期為2013年11月15日)：*
  - (i) 訂約方：新網華通作為貸方；及蔣先生作為借方
  - (ii) 貸款額：人民幣1,500,000元
  - (iii) 貸款為免息及並無到期還款日。除非獲新網華通書面同意，否則蔣先生將無權提早還款。
- (2) *股權質押協議(日期為2013年11月15日)：*
  - (i) 訂約方：新網華通作為質權人；中企華通作為出質人；及新網
  - (ii) 抵押資產：以第一固定押記形式向新網華通質押新網並無產權負擔之80%股權。
  - (iii) 除非獲新網華通書面同意，否則新網華通將不得向任何其他人士出售已抵押之80%股權。
- (3) *管理及技術服務提供協議(日期為2013年11月15日)：*
  - (i) 訂約方：新網華通；及新網
  - (ii) 新網華通向新網提供多項獨家諮詢及技術服務。
  - (iii) 管理及技術服務提供協議僅可由新網華通(而非新網)單方面終止。新網華通有權收取服務費作為提供獨家服務之回報，金額相等於新網經審核年度財務報表所示之純利。

## Report of the Directors

### 董事會報告

(4) *Option Agreement (dated 15 November 2013):*

- (i) Parties: XWHT as grantee; ZQHT as grantor; and Xinnet
- (ii) ZQHT shall grant an exclusive option to XWHT at an option price of RMB1.00 to acquire up to 100% equity interest in the registered capital of Xinnet (no limit on the number of times the option may be exercised by XWHT). The total subscription price for 100% equity interest of Xinnet shall be equivalent to the total loan amount (being RMB1,500,000) under the Loan Agreement, and the subscription price for each option exercised shall be paid by direct set off on a dollar-for-dollar basis against the outstanding loan amount under the Loan Agreement.

(5) *Power of Attorney (dated 15 November 2013):*

- (i) Parties: ZQHT; and XWHT
- (ii) It is an irrevocable power of attorney under which XWHT shall be the sole attorney of ZQHT. XWHT shall have full power, without having to obtain ZQHT's any further consent or approval, to exercise such rights in Xinnet as (a) all shareholder's rights and voting rights in accordance with the corporate memorandum of Xinnet; and (b) rights of nomination and appointment of legal representative, chairman of the board, directors, general manager and other senior management personnel of Xinnet.

The Loan Agreement, the Equity Pledge Agreement, the Management and Technology Services Agreement, the Option Agreement and the Power of Attorney shall be executed simultaneously with each other.

**(c) The significance of business activities of Xinnet to the Group:**

By means of the Structured Agreements, the Group may engage in the business of virtual server hosting and maintenance in the PRC and such business may widen the spectrum of services of the Group. The widened services are expected to lead the Group to having not only a stronger foothold against its competitors in the PRC but also an achievement of efficiency and cost-effectiveness in provision of virtual server hosting and maintenance services to the customers of the Group.

(4) *購買權協議(日期為2013年11月15日):*

- (i) 訂約方：新網華通作為承授方；中企華通作為授予方；及新網
- (ii) 中企華通將按購買權代價人民幣1.00元向新網華通授出獨家購買權，以認購新網註冊資本中100%股權(新網華通可行使購買權之次數不受限制)。新網100%股權之總認購價相當於借款協議項下之貸款總額(即人民幣1,500,000元)，而行使每份購買權所涉及認購價須按定額基準透過直接抵銷借款協議項下未償還貸款金額之形式支付。

(5) *授權委託書(日期為2013年11月15日):*

- (i) 訂約方：中企華通；及新網華通
- (ii) 此乃不可撤回授權書，據此，新網華通將為中企華通之唯一代理，而新網華通可於毋須取得中企華通任何同意或批准之情況下，全權行使於新網之權利，(a) 根據新網之公司章程例行使一切股東權利及投票權；及(b) 提名及委任新網之法定代表人、董事長、董事、總經理及其他高級管理人員。

借款協議、股權質押協議、管理及技術服務提供協議、購買權協議與授權委託書將同時簽立。

**(c) 新網業務對本集團之重要性：**

通過架構協議，本集團可於中國從事虛擬伺服器寄存及維護業務，該業務可能會拓闊本集團之服務範圍。據預料該額外業務帶領本集團不僅於中國打造較其他競爭對手更為穩固的基礎，而且可以為本集團客戶提供虛擬伺服器寄存及維護服務達到具高效率及成本效益方式之成績。

## Report of the Directors

### 董事會報告

#### (d) The financial impact of the Structured Agreements on the Group:

XWHT is a parent company of Xinnet as XWHT has the right to control Xinnet by virtual of the Structured Agreements. As a result, the financial position and operating results of Xinnet and its subsidiary shall be consolidated in the XWHT's financial statements from the date on which XWHT has gained control in Xinnet in accordance with the HKFRS.

During the year, Xinnet's revenue was approximately HK\$117,937,000 (2016: approximately HK\$129,847,000); loss before income tax was approximately HK\$44,516,000 (2016: profit before income tax of approximately HK\$3,659,000); and total assets were approximately HK\$144,339,000 (2016: approximately HK\$121,684,000) have been consolidated into the Group's financial statement.

The loss for the year was mainly due to the fact that the Group has put more efforts in research and development to improve product quality, resulting in increased research and development expenses.

#### (e) The extent to which the Structured Agreements relate to requirement of applicable laws, rules and regulations other than the foreign ownership restriction:

In view of the PRC legal opinion, (i) the Structured Agreements have complied with the laws, rules and regulations in the PRC, and complied with the respective articles of association of XWHT, ZQHT and Xinnet; (ii) there is no law, rule or regulation specifically disallows foreign investors from using any structured agreement to gain control of or operate the business of Xinnet; and (iii) the Structured Agreements would not be deemed as concealing illegal intentions with a lawful form and void under the PRC contract law.

#### (f) Reasons for using the Structured Agreements and the risks associated therewith including actions taken to mitigate such risks:

Xinnet's main businesses are classified as value-added telecommunication services which is a kind of business restricted to foreign investors in the PRC. By virtue of 外商投資電信企業管理規定 (Provisions on the Administration of Foreign Investment Telecommunication Enterprises), foreign investors are not allowed to hold more than 50% in the equity interest of a PRC enterprise providing value-added telecommunication services.

#### (d) 架構協議對本集團之財務影響：

由於新網華通有權透過架構協議控制新網，故新網華通為新網之母公司。因此，根據香港財務報告準則，新網及其附屬公司之財務狀況及經營業績自新網華通取得新網之控制權當日起於新網華通之財務報表綜合入賬。

年內，新網收益約為117,937,000港元(2016年：約129,847,000港元)；所得稅前虧損約為44,516,000港元(2016年：所得稅前溢利約3,659,000港元)；及總資產約為144,339,000港元(2016年：約121,684,000港元)已於本集團財務報表綜合入賬。

年內虧損的主要原因為加大研發力度提升產品質素，導致研發費用增加。

#### (e) 架構協議與適用法律、規則及規例(而非外國所有權限制)規定相關之程度：

中國法律意見認為，(i)架構協議已符合中國法例、規則及規例，並符合新網華通、中企華通及新網各自之章程細則；(ii)並無法例、規則或規例具體列明不允許外國投資者運用任何架構協議控制或經營新網；及(iii)根據中國合同法，架構協議將不會視作以合法形式掩蓋非法目的，亦不會視作無效。

#### (f) 使用架構協議之理由及與之相關風險(包括降低有關風險之措施)：

新網之主要業務被歸類為增值電信服務，於中國為其中一類限制外商投資者之業務。根據外商投資電信企業管理規定，外商投資者不得擁有提供增值電信服務之中國企業超過50%權益。

## Report of the Directors 董事會報告

The main businesses of Xinnet are considered as value-added businesses which widen the spectrum of services of the Group for its customers and in turn enhance the Group's competitiveness in the PRC market. As the Group faces the aforesaid restriction in equity interest of a PRC company, the Structured Agreements shall be regarded as a strategic arrangement by which the Group may fully and effectively control Xinnet, which in turn enables the Group to achieve the aforesaid purposes. In addition, the Structured Agreements offer flexibility to the Group in control of Xinnet — (a) control of its management, businesses and operations; and (b) owning of its 100% equity interest by exercising the call option under the Option Agreement when the restriction in having more than 50% equity interest of a PRC enterprise by foreign investors is removed or repealed.

In addition to the foreign ownership restriction under the prevailing applicable laws and regulations, the Structured Agreements do not violate any PRC laws, rules and regulations, and the execution of the Structured Agreements by the parties thereto does not violate any article in the articles of association of the contracting parties; and such prevailing provision and notice issued by the PRC authorities as (i) 《外商投資電信企業管理規定》(Provisions on the Administration of Foreign Investment Telecommunication Enterprises) (amended in 2008) and 《外商投資產業指導目錄》(Catalogue for Guidance of Foreign Investment Industries) (amended in 2015) issued by the State Council of the PRC, under which foreign investor shall not have more than 50% in a corporation providing value-added telecommunication services; and (ii) 《關於加強外商投資經營增值電信業務管理的通知》(Notice of Strengthened Administration of Foreign Investment in and Operation of Value-Added Telecommunication Business) issued by the Ministry of Industry and Information Technology of the PRC in July 2006 under which a local PRC company holding an internet content provider licence shall not lease, transfer or sell the licence to foreign investors in any form, or provide any assistance to foreign investors to provide internet content services in the PRC, but such provision and notice are not governing or restricting the control of a PRC company through structured agreements.

Given the foregoing, the Structured Agreements shall be regarded as valid documents binding all parties thereto as at the date of this report. However, if any new applicable law or regulation were enacted in the future in the PRC, the validity and enforceability of the Structured Agreements might have been affected, and as a result, the structured agreements of controlling Xinnet would have been disruptive which in turn would have affected the business of the Group.

新網之主要業務被視為增值業務，有助拓闊中國數碼集團向客戶提供之服務範圍，從而提高本集團於中國市場中之競爭力。由於本集團面臨著前述中國公司的股權限制，架構協議應被視為一項戰略安排，讓本集團可以充分地及有效地控制新網使本集團能夠實現前述目的。與此同時，架構協議為本集團控制新網方面提供靈活性 — (a) 控制其管理、業務及營運；及 (b) 當有關外商投資者於中國企業擁有超過 50% 權益之限制被刪除或廢除時可透過行使購買權協議項下購買權而持有其 100% 權益。

此外，根據現行適用法律及法規項下的外商擁有權限制，架構協議並無違反任何中國法律、規則及法規，且訂約各方執行架構協議並無違反訂約各方之任何公司章程；及中國當局頒佈該現行之規定及通知（即 (i) 中國國務院所頒佈《外商投資電信企業管理規定》（2008 年修訂）及《外商投資產業指導目錄》（2015 年修訂），當中訂明外商投資者不得擁有提供增值電信服務之企業超過 50% 權益；及 (ii) 中國工業和信息化部於 2006 年 7 月所頒佈《關於加強外商投資經營增值電信業務管理的通知》，當中訂明持有互聯網信息服務供應商牌照之當地的中國公司不得以任何形式向外商投資者租賃、轉讓或出售牌照，或向外商投資者於中國提供互聯網信息服務提供任何援助），惟有關規定及通知並無監管或限制透過架構協議控制中國公司。

鑑於上述情況，架構協議於本報告日期被視為有效文件，對訂約各方具有約束力。然而，倘中國將來實施任何新適用法律或法規，架構協議之有效性及強行執行性可能會受到影響，因此對控制新網之架構協議會造成破壞從而會影響本集團業務。

## Report of the Directors

### 董事會報告

The Ministry of Commerce of the PRC has issued certain consultation paper (草案徵求意見稿) in respect of a bill namely《中華人民共和國外國投資法》(Foreign Investment Law of the PRC) (the "Bill") in January 2015, which is to be enacted into an act or statute. As per sections 15 and 18 thereof, foreign investment means foreign investors directly or indirectly conduct certain investment activities, e.g. through structured agreements or trust arrangement to control a PRC company or holding equity interest of a PRC company. Any foreign investment in any business under the catalogue of restricted investment shall apply for an access permit from foreign investment authority under the State Council of the PRC as per section 27 thereof. There is no indication in the Bill that contracts under the contractual arrangement would be void.

Application for an access permit cited in the Bill could be viewed as a kind of administrative procedure rather than a prohibitive threshold, therefore, failure in obtaining the permit by fulfilling certain administrative procedures would not be very high. As Mr. Jiang is not a connected person of the Group, the risk of direct conflict of interest with the Group will be very low. It is unlikely for Mr. Jiang setting up another entity conducting business having a direct competition with Xinnet's, otherwise, Mr. Jiang would not execute and procure the execution of the Structured Agreements by which Mr. Jiang has given up the businesses of Xinnet. As at the date of this report, the Group is not aware that Mr. Jiang has carried out or is involved in any business having a direct competition with the businesses of the Group. If Mr. Jiang or ZQHT breaches any obligations or undertakings under any Structured Agreements, the operations of Xinnet would not be affected as the position of the Group in controlling Xinnet has been fully secured by (a) full control of the board of directors of Xinnet; and (b) obtaining a charge of 100% equity interest in Xinnet (as per the provision of the Loan Agreement, the pledgor has further charged the remaining 20% equity interest in Xinnet as first fixed charge in favour of the pledgee in October 2014).

Since the Bill has yet been enacted into an act or statute, the sections or provisions thereof might be further modified and amended after the consultation period, it is uncertain whether there will be any additional conditions imposed on foreign investors.

The Structured Agreements might be subject to scrutiny of the tax authorities in the PRC, and additional tax might be imposed, but the Group does not expect that such tax risk is high and will lead to any substantial financial impact on the Group.

中國商務部於2015年1月頒佈若干《草案徵求意見稿》，有關一份名為《中華人民共和國外國投資法》的議案(「草案」)，有待制定為法令或法規。根據草案第15條及第18條，外商投資指外商投資者直接或間接從事若干投資活動，例如透過架構協議或信託安排來控制中國公司或持有中國公司權益。根據草案第27條，《限制實施目錄》項下任何外商投資業務須向中國國務院外資投資主管部門申請准入許可。草案並無表明合約安排項下合約將失效。

草案所訂明准入許可申請可被視為一項行政程序而非禁止性門檻。因此，履行若干行政程序後取得准入許可之失敗機會不高。蔣先生並非本集團之關連人士，故與本集團出現直接利益衝突之風險非常低。蔣先生不大可能建立另一實體從事與新網直接競爭之業務，否則蔣先生不會簽訂及促使執行架構協議(蔣先生據此放棄新網之業務)。於本報告日期，本集團並無發現蔣先生進行或參與任何與本集團業務構成直接競爭之業務。由於本集團控制新網之地位已完全受以下各項所保障：(a) 完全控制新網之董事會；及(b) 持有新網之100%股權作為抵押品(根據借款協議之條文，出質人於2014年10月以第一固定押記形式向質權人進一步抵押新網餘下20%股權)，即使蔣先生或中企華通違反架構協議項下任何責任或承諾，新網之業務亦不會受到影響。

由於草案尚未制定為法令或法規，當中所載章節或條文可能於諮詢期後進一步修改及修訂，故無法確定會否對外商投資者施加任何額外條件。

架構協議或會受到中國稅務機關監察，可能會徵收額外稅項，惟本集團預期有關稅項風險不高，亦不會對本集團帶來任何重大財務影響。

## Report of the Directors 董事會報告

### **(g) Material change in the Structured Agreements:**

No Structured Agreement has been supplemented or modified since the date of execution of all such Structured Agreements.

### **(h) Unwinding of the Structured Agreements:**

No Structured Agreement has been unwound since the date of execution all such Structured Agreements. None of the Structured Agreement is to be unwound until and unless the restriction on ownership by foreign investors is removed or not in force. In the event of such restriction in foreign investment is removed or not in force, XHWT will exercise its option under the Option Agreement to acquire the entire equity interest in Xinnnet. Upon completion of formal acquisition of the entire equity interest in Xinnnet, the Structured Agreements will then be unwound.

### **(g) 架構協議之重大變化：**

自簽訂架構協議日期以來，架構協議未作補充或修訂。

### **(h) 解除架構協議：**

於簽訂架構協議日期以來，架構協議未被解除。除非及直至外商投資者擁有權限制被移除或失效，否則不會解除架構協議。倘外商投資有關限制遭解除或失效，新網華通將行使其根據購買權協議所獲授購買權以收購新網全部權益。於新網全部股權之正式收購完成後，屆時架構協議將解除。

On behalf of the Board

**Yu Pun Hoi**

*Chairman*

Hong Kong, 28 March 2018

代表董事會

**于品海**

*主席*

香港，2018年3月28日

## Corporate Governance Report 企業管治報告

The Board is pleased to present the Corporate Governance Report of the Company for the year ended 31 December 2017.

The Company is committed to maintain high corporate governance standard and unambiguous procedures to ensure the integrity, transparency and quality of disclosure in order to enhance its shareholders' value.

### COMPLIANCE WITH CORPORATE GOVERNANCE CODE

In the opinion of the Board, the Company has complied with the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules throughout the year ended 31 December 2017, except for the deviations from Code Provisions A.2.1 and A.4.1. Explanations for such non-compliance are provided below.

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code.

Specific enquiries have been made to all the directors and the directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2017.

The Company has also established written guidelines on no less exacting than the Model Code (the "Employees Written Guidelines") for securities transactions by employees who are likely to be in possession of unpublished inside information of the Company.

No incident of non-compliance of the Employees Written Guidelines by the relevant employees was noted by the Company.

董事會欣然提呈本公司於截至2017年12月31日止年度的企業管治報告。

本公司致力於維持高水平的企業管治標準及清晰程序，以確保資料披露之完整性、透明度及質素，藉以提升股東效益。

### 遵守企業管治守則

董事會認為，截至2017年12月31日止年度之整個期間內，本公司已遵守上市規則附錄14所載之企業管治守則（「企業管治守則」），惟偏離守則條文A.2.1及A.4.1除外。有關不遵守守則之說明列載如下。

### 證券交易標準守則

本公司已採納標準守則。

本公司已向所有董事作出特別查詢，董事們確認，彼等於截至2017年12月31日止年度整個期間內已遵守標準守則。

本公司亦就可能擁有本公司未刊登之內幕消息之有關僱員制定有關僱員進行證券交易之書面指引（「僱員書面指引」），該指引不低於標準守則所訂之標準。

本公司概不知悉有關僱員不遵守僱員書面指引之情況。

# Corporate Governance Report

## 企業管治報告

### BOARD OF DIRECTORS

As at the date of this report, the current Board is made up of seven directors including three executive directors, one non-executive director and three independent non-executive directors (the "INEDs"). The directors are, collectively and individually, aware of their responsibilities to the shareholders. The directors' biographical information is set out on pages 37 to 41 under the heading "Biographical Details of Directors and Senior Management". During the year ended 31 December 2017 and up to the date of this report, the Board consisted of the following:

#### Executive Directors

Mr. Yu Pun Hoi (*Chairman*)  
 Ms. Liu Rong (*Chief Executive Officer*)  
 Mr. Lung King Cheong  
 Ms. Chen Dan (*resigned with effect from 31 March 2017*)

#### Non-executive Director

Mr. Lam Bing Kwan

#### Independent Non-executive Directors

Mr. Lau Yip Leung  
 Mr. Xiao Sui Ning  
 Mr. Ho Yeung Nang

The overall management of the Company's businesses is vested in the Board, which assumes the responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and monitoring its affairs. All directors should take decisions objectively in the best interests of the Company.

The day-to-day management, administration and operation of the Company are delegated to the senior management. The delegated functions and work tasks are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by the abovementioned senior management of the Company.

The Board has the full support of its board committees and the senior management of the Company to discharge its responsibilities.

To the best knowledge of the Company, the Board members do not have any financial, business and family or other material/relevant relationship with each other. During the year, the Board held 22 meetings.

### 董事會

截至本報告日期，現行董事會由七名董事組成，包括三名執行董事、一名非執行董事及三名獨立非執行董事（「獨立非執行董事」）。董事們共同及個別知悉彼等對股東之責任。董事之履歷資料載於第37至41頁「董事及高級管理人員履歷詳情」一節。於截至2017年12月31日止年度及截至本報告日期，董事會由下列人士組成：

#### 執行董事

于品海先生（主席）  
 劉榮女士（行政總裁）  
 龍景昌先生  
 陳丹女士（自2017年3月31日起辭任）

#### 非執行董事

林秉軍先生

#### 獨立非執行董事

劉業良先生  
 肖遂寧先生  
 何養能先生

董事會獲賦予本公司業務之全面管理權，透過監控本公司事務，肩負起領導、監察及共同承擔推動本公司成功之責任。全體董事應就本公司最佳利益作出客觀決定。

本公司之日常管理、行政及營運乃委以高級管理人員負責，授權職能及工作任務定期進行檢討。於訂立任何重大交易前，上述本公司高級管理人員須先獲得董事會批准。

董事會獲本公司之董事委員會及高級管理人員全面支援以履行其職責。

就本公司所知，董事會各成員之間概無財務、業務及家庭或其他重大／關聯關係。年內，董事會曾舉行22次會議。



## Corporate Governance Report 企業管治報告

### Chairman and Chief Executive Officer

Code Provision A.2.1 stipulated that the roles of chairman and chief executive officer (the "CEO") should be separated and should not be performed by the same individual.

During the year ended 31 December 2017, the Company has not complied with CG Code Provision A.2.1 as it has not appointed a CEO. During the year ended 31 December 2017, the role of CEO is also performed by Mr. Yu Pun Hoi who is the chairman of the Company. The Board believes that vesting the roles of both chairman and CEO in the same person provides the Company with strong and consistent leadership, and allows for effective and efficient planning and implementation of business decisions and strategies. For good corporate governance, the Company appointed Ms. Liu Rong as the CEO on 12 February 2018. The Company has therefore complied with the requirements under CG Code Provision A.2.1 since 12 February 2018.

During the year, the chairman held a meeting with each of the non-executive director and independent non-executive directors of the Company and obtained independent opinions relating to affairs of the Board and the Company without the presence of other executive Directors.

### Non-executive Directors

Code Provision A.4.1 stipulated that non-executive directors should be appointed for a specific term subject to re-election.

During the period from 1 January to 24 May 2017, the Company has not complied with CG Code Provision A.4.1 as not all non-executive directors of the Company were appointed for a specific term. However, all non-executive directors are subject to the retirement and rotation requirements in accordance with the Company's Bye-Laws. As such, the Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the CG Code. Since 25 May 2017, the Company has entered into service contracts with each of its non-executive directors (including independent non-executive directors) for a term of two years with effect from the signing date of service contracts. The Company has therefore complied with the requirements under CG Code Provision A.4.1 since 25 May 2017.

### 主席及行政總裁

守則條文A.2.1訂明主席及行政總裁(「行政總裁」)應為獨立角色及不應由同一人擔任。

本公司於截至2017年12月31日止年度尚未委任行政總裁，因此並未符合企業管治守則條文A.2.1條之規定。行政總裁之職責於截至2017年12月31日止年度亦由本公司主席于品海先生履行。董事會相信，將主席及行政總裁之角色歸於同一人，可使本公司獲得鞏固及貫徹之領導，於業務決策及策略方面可有效及高效率地計劃及執行。為達致良好企業管治，於2018年2月12日，本公司委任劉榮女士為行政總裁，因此，自2018年2月12日起，本公司已符合企業管治守則條文A.2.1條之規定。

年內，在其他執行董事缺席的情況下，主席與本公司各非執行董事及獨立非執行董事舉行會議，獲得與董事會及本公司事務相關的獨立意見。

### 非執行董事

守則條文A.4.1訂明，非執行董事應按特定任期委任，並須受重選所規限。

本公司於2017年1月1日至5月24日期間未符合企業管治守則條文A.4.1條之規定，並非所有本公司非執行董事均按特定任期委任。然而，根據本公司細則，所有非執行董事須受輪值退任規定所規限。因此，董事會認為，已採取足夠措施確保本公司之企業管治實務不低於企業管治守則所訂之標準。自2017年5月25日起，本公司已與各非執行董事(包括獨立非執行董事)簽訂服務合約，彼等之任期均為自其簽訂服務合約之日起計兩年，因此，自2017年5月25日起，本公司已符合企業管治守則條文A.4.1條之規定。

# Corporate Governance Report

## 企業管治報告

### Independent Non-executive Directors

Pursuant to Rules 3.10(1) and 3.10(2) of the Listing Rules, during the year ended 31 December 2017, the Company has appointed three INEDs of whom Mr. Lau Yip Leung is a certified public accountant in Hong Kong.

The Company has received, from each of the INEDs, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the INEDs are independent.

Notwithstanding that Mr. Lau Yip Leung has served as an independent non-executive director of the Company for more than nine years, (i) the Board has assessed and reviewed the annual confirmation of independence based on the requirement set out in Rule 3.13 of the Listing Rules and affirmed that Mr. Lau Yip Leung remains independent; (ii) the Nomination Committee of the Company has assessed and is satisfied of the independence of Mr. Lau Yip Leung; and (iii) the Board considers that Mr. Lau Yip Leung remains independent of management and free of any relationship which could materially interfere with the exercise of his independent judgement. Notwithstanding the length of his service, the Company believes that his valuable knowledge and experience in the Group's business will continue to benefit the Company and the shareholders as a whole.

### Directors' Training

According to the Code Provision A.6.5, all directors should participate in a programme of continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. The Company should be responsible for arranging and funding training, placing an appropriate emphasis on the roles, functions and duties of the directors.

From time to time, directors are provided with written materials to develop and refresh their professional skills on the latest development of applicable laws, rules and regulations for the purpose of assisting them in discharging their duties. The Company had received from each of the directors the confirmations on taking continuous professional training during the year.

### 獨立非執行董事

根據上市規則第3.10(1)及3.10(2)條之規定，截至2017年12月31日止年度，本公司已委任三名獨立非執行董事，其中劉業良先生為香港執業會計師。

本公司已收到各獨立非執行董事根據上市規則第3.13條規定作出之年度獨立性確認書。本公司認為所有獨立非執行董事均具獨立性。

儘管劉業良先生已擔任本公司獨立非執行董事超過九年，(i)本公司董事會已根據上市規則第3.13條所載準則評估及審閱獨立性年度確認書，並確認劉業良先生仍為獨立人士；(ii)本公司提名委員會已評估且滿意劉業良先生之獨立性；及(iii)董事會認為劉業良先生獨立於管理層，亦不存在任何以致嚴重影響彼等行使獨立判斷的關係。儘管彼等服務任期較長，但本公司相信，彼等於本集團業務之豐富知識及經驗將繼續為本公司及股東整體帶來利益。

### 董事培訓

根據守則條文A.6.5，全體董事應參與一項增進及重溫其知識及技能之持續專業發展課程，以確保彼等對董事會之貢獻仍屬知情及相關。本公司應負責安排培訓及撥款，適當重申董事之角色、職能及職責。

董事將不時獲發有關旨在增進及重溫其專業技能之最新發展的適用法例、規則及規例的書面材料，以協助彼等履行其職責。本公司已接獲各董事於年內參加持續專業培訓之確認書。

## Corporate Governance Report 企業管治報告

### BOARD COMMITTEES

The Board has established four board committees, namely Executive Committee, Audit Committee, Remuneration Committee and Nomination Committee, to oversee particular aspects of the Company's affairs and to assist in the execution of the Board's responsibilities.

#### Executive Committee

The Company formulated written terms of reference for the Executive Committee. During the year ended 31 December 2017 and up to the date of this report, the Executive Committee consisted of executive directors and senior management of the Company as follows:

Mr. Yu Pun Hoi (*Chairman of the Executive Committee*)  
 Ms. Chen Dan (*resigned with effect from 31 March 2017*)  
 Ms. Liu Rong  
 Ms. Yu Xin\*  
 Mr. Xue Bo Ying\*  
 Mr. Chen Ming Fei\*  
 Ms. Zhao Lei\*

\* Senior Management

The primary duties of the Executive Committee are empowered to plan, determine, approve, implement, handle, arrange, review and amend all policies, operations, corporate governance functions and internal control of the Group, ensuring that the delegation of its powers to the senior management is clearly defined, and that a transparent reporting procedural system is in place and effectively monitored.

During the year, the Executive Committee held 4 meetings, in particular, to review the financial performance of the segments in the Group, review the Company's policies and practices on corporate governance, make decisions on the strategic layout of Dadi Media and formulate long-term development strategies for each segment.

#### Audit Committee

The Company formulated written terms of reference for the Audit Committee in accordance with the requirements of the Listing Rules. During the year ended 31 December 2017 and up to the date of this report, the Audit Committee consisted of all INEDs as follows:

Mr. Lau Yip Leung (*Chairman of the Audit Committee*)  
 Mr. Xiao Sui Ning  
 Mr. Ho Yeung Nang

### 董事委員會

董事會成立四個董事委員會，即執行委員會、審核委員會、薪酬委員會及提名委員會，以監察本公司特定方面之事務及協助董事會履行責任。

#### 執行委員會

本公司為執行委員會制定書面職權範圍。於截至2017年12月31日止年度及截至本報告日期，執行委員會由以下本公司執行董事及高級管理人員組成：

于品海先生 (*執行委員會主席*)  
 陳丹女士 (*自2017年3月31日起辭任*)  
 劉榮女士  
 于欣女士\*  
 薛伯英先生\*  
 陳鳴飛先生\*  
 趙蕾女士\*

\* 高級管理人員

執行委員會之職責為策劃、釐定、批准、實施、處理、安排、審核及修訂本集團之所有政策、營運、企業管治職能及內部監控，確保向高級管理人員之授權清晰界定及具透明度之流程系統有效地運作及受監控。

年內，執行委員會曾舉行4次會議，包括審閱本集團各分部之財務表現，檢討本公司的企業管治政策及常規並就大地傳播的戰略佈局進行討論決策，以及為各分部制定長遠發展策略。

#### 審核委員會

根據上市規則之規定，本公司為審核委員會制定書面職權範圍。於截至2017年12月31日止年度及截至本報告日期，審核委員會由以下全體獨立非執行董事組成：

劉業良先生 (*審核委員會主席*)  
 肖遂寧先生  
 何養能先生

## Corporate Governance Report 企業管治報告

The primary duties of the Audit Committee are to ensure the objectivity and credibility of financial reports and internal control procedures as well as to maintain an appropriate relationship with the external auditor of the Company.

During the year, the Audit Committee held 2 meetings, in particular, to review with management the accounting principles and practices adopted by the Group, the audited financial statements for the year ended 31 December 2016 and the unaudited interim results for the six months ended 30 June 2017, and discussed the auditing, financial control, internal control and risk management systems.

### Remuneration Committee

The Company formulated written terms of reference for the Remuneration Committee in accordance with the requirements of the Listing Rules. During the year ended 31 December 2017 and up to the date of this report, the Remuneration Committee consisted of all the INEDs as follows:

Mr. Xiao Sui Ning (*Chairman of the Remuneration Committee*)  
Mr. Lau Yip Leung  
Mr. Ho Yeung Nang

The Remuneration Committee has adopted the second model described in paragraph B.1.2(c) under the CG Code (i.e. making recommendation to the Board on the remuneration packages of individual executive director and senior management member). The primary duties of the Remuneration Committee are responsible for making recommendations to the Board on the establishing of formal and transparent procedures for developing remuneration policies and the remuneration packages of individual executive directors and senior management. It takes into consideration on salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group.

During the year, the Remuneration Committee held 1 meeting, in particular, to review and recommend to the Board the remuneration policies and the remuneration packages of the Company.

For the year ended 31 December 2017, the emoluments paid or payable to members of senior management were within the following band:

Emolument band 酬金範圍		Number of individuals 人數	
		2017	2016
Nil–HK\$1,000,000	零–1,000,000 港元	3	3
HK\$1,000,001–HK\$2,000,000	1,000,001 港元–2,000,000 港元	1	1

審核委員會之基本職責乃確保財務報告及內部監控程序之客觀性及可信性，以及與本公司之核數師維持適當關係。

年內，審核委員會曾舉行2次會議，包括與管理層審閱本集團採納之會計準則及實務、截至2016年12月31日止年度之經審核財務報表及截至2017年6月30日止六個月之未經審核中期業績，並檢討有關核數、財務監控、內部監控及風險管理制度事宜。

### 薪酬委員會

根據上市規則之規定，本公司為薪酬委員會制定書面職權範圍。於截至2017年12月31日止年度及截至本報告日期，薪酬委員會由以下全體獨立非執行董事組成：

肖遂寧先生(薪酬委員會主席)  
劉業良先生  
何養能先生

薪酬委員會已採納企業管治守則第B.1.2(c)段所述的第二個模式(即向董事會提交個別執行董事及高級管理人員的薪酬待遇建議)。薪酬委員會之基本職責乃向董事會提議設立正規而具透明度程序以制訂薪酬政策及個別執行董事及高級管理人員之薪酬待遇，該薪酬政策會考慮同類公司支付的薪酬、須付出的時間及職責以及本集團內其他職位的僱用條件。

年內，薪酬委員會曾舉行1次會議，包括檢討及建議董事會薪酬政策及本公司待遇。

截至2017年12月31日止年度，已付及應付高級管理人員之酬金介乎下列範圍：

## Corporate Governance Report 企業管治報告

### Nomination Committee

The Company formulated written terms of reference for the Nomination Committee in accordance with the requirements of the Listing Rules. During the year ended 31 December 2017 and up to the date of this report, the Nomination Committee consisted of the directors of the Company as follows:

Mr. Yu Pun Hoi (*Chairman of the Nomination Committee*)  
 Ms. Liu Rong (*appointed with effect from 31 March 2017*)  
 Ms. Chen Dan (*resigned with effect from 31 March 2017*)  
 Mr. Lau Yip Leung\*  
 Mr. Xiao Sui Ning\*  
 Mr. Ho Yeung Nang\*

\* INED

The primary duties of the Nomination Committee are responsible for reviewing the structure, size and composition of the Board, identifying individuals suitably qualified to become directors, assessing the independence of INEDs, and making recommendations to the Board on appointment of directors, and review the board diversity policy annually. The Nomination Committee has the authority given by the Board to seek external professional advice in the selection and recommendation for directorship, when required, fulfilling the requirements for professional knowledge and industry experience of any proposed candidates.

During the year, the Nomination Committee held 1 meeting, in particular, to review and assessment of the independence of all INEDs of the Company; to consider and recommend to the Board for approval the list of retiring directors for re-election at the annual general meeting held on 25 May 2017 (the "2017 AGM"); and to review the structure, size and composition of the Board.

The Nomination Committee will assess the candidate or incumbent on criteria such as integrity, experience, skill and ability to commit time and effort to carry out the duties and responsibilities. The recommendations of the Nomination Committee will then be put to the Board for decision.

### 提名委員會

根據上市規則之規定，本公司為提名委員會制定書面職權範圍。於截至2017年12月31日止年度及截至本報告日期，提名委員會由以下董事組成：

于品海先生 (*提名委員會主席*)  
 劉榮女士 (*自2017年3月31日起獲委任*)  
 陳丹女士 (*自2017年3月31日起辭任*)  
 劉業良先生\*  
 肖遂寧先生\*  
 何養能先生\*

\* 獨立非執行董事

提名委員會之基本職責乃檢討董事會的架構、人數及組成、物色適當人士擔任董事、評核獨立非執行董事之獨立性、就委任董事向董事會提出建議，及每年檢討董事會多元化政策。董事會已授權提名委員會，於必要時可就有關任何建議人選之專業知識及業界經驗之符合要求在挑選及推薦董事人選之事宜尋求外部專業意見。

年內，提名委員會曾舉行1次會議，包括檢討並評估本公司全體獨立非執行董事的獨立性；考慮並建議董事會通過輪值退任的董事於2017年5月25日舉行的股東周年大會（「2017年股東周年大會」）上膺選連任；及檢討董事會架構、人數及組成。

提名委員會將以下標準評估候選人或現職者，例如誠信、經驗、技能及投入時間及努力執行職責的能力。提名委員會作出推薦供董事會決定。

# Corporate Governance Report

## 企業管治報告

### Procedure for Nomination of Directors

When there is a vacancy in the Board, the Nomination Committee evaluates the balance of skills, knowledge and experience of the Board, and identifies any special requirements for the vacancy. The Nomination Committee will then identify suitable candidates and convene a Nomination Committee meeting to discuss and vote on the nomination of directors and make recommendation to the Board on the candidate(s) for directorship.

### Criteria for Nomination of Directors

The Nomination Committee will consider candidates who possess the particular skills, experience and expertise that will best complement the Board effectiveness at that time.

In considering the overall balance of the Board's composition, the Nomination Committee will give due consideration to the board diversity policy of the Company.

### BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy in relation to the nomination and appointment of new directors, which sets out the selection of board candidates shall be based on a range of diversity perspectives with reference to the Company's business model and specific needs, including but not limited to gender, age, race, language, cultural background, educational background, industry experience and professional experience. Board appointments will continue to be made on a merit basis and candidates will be considered against objective criteria, with due regard for the benefits of diversity on the Board. The Nomination Committee will give consideration to the board diversity policy when identifying suitably qualified candidates to become members of the Board, and will review the board diversity policy, so as to develop and review measurable objectives for the implementing the board diversity policy and to monitor the progress on achieving these objectives.

The directors' biographical information as at the date of this report is set out on page 37 to 41 under the heading "Biographical Details of Directors and Senior Management". The Nomination Committee reviewed the board diversity policy and achievement of objectives and effectiveness of the board diversity policy, and recommended the Board that the existing Board was appropriately structured and no change was required.

### 提名董事程序

當董事會出現空缺時，提名委員會將評估董事會所需技巧、知識及經驗，並識別空缺是否存在任何特殊要求。提名委員會將識別合適人選並召開提名委員會會議，就提名董事進行討論及投票，並向董事會推薦擔任董事的人選。

### 提名董事的標準

提名委員會將考慮具備能夠最佳輔助促進董事會效率的個別技能、經驗及專業知識的人選。

提名委員會於考慮董事會組成的整體平衡時，將適當顧及本公司董事會多元化政策。

### 董事會成員多元化政策

董事會已採納有關提名及委任新董事的董事會成員多元化政策。當中載明甄選董事會成員候選人將以一系列多元化範疇為基準，並參考本公司的業務模式和特定需求，包括但不限於性別、年齡、種族、語言、文化背景、教育背景、行業經驗和專業經驗。董事會成員委任乃基於用人唯才，而為有效達致董事會成員多元化，將考慮候選人的客觀條件。提名委員會將於物色合適且符合資格的候選人成為董事會成員時考慮董事會成員多元化政策，並檢討董事會成員多元化政策，以發展及審閱執行董事會成員多元化政策的計量目標，及監察達致該等目標的進度。

截至本報告日期的董事之履歷資料載於第37至41頁「董事及高級管理人員履歷詳情」一節。提名委員會已檢討董事會成員多元化政策以及多元化政策達標的情況及其成效，並建議董事會現有董事會架構合理，毋須作出改動。

## Corporate Governance Report 企業管治報告

### CORPORATE GOVERNANCE FUNCTIONS

The Executive Committee of the Company is responsible for performing the duties on corporate governance functions set out below:

- a. To develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- b. To review and monitor the training and continuous professional development of directors and senior management;
- c. To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- d. To develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
- e. To review the Company's compliance with the code and disclosure in the Corporate Governance Report.

### 企業管治職能

本公司執行委員會負責履行下列企業管治職能責任：

- a. 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- b. 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- c. 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- d. 制定、檢討及監察僱員及董事的操守準則及合規手冊(如有)；及
- e. 檢討本公司遵守守則的情況及在企業管治報告內的披露。

# Corporate Governance Report

## 企業管治報告

### NUMBER OF MEETINGS AND DIRECTORS' ATTENDANCE

The attendance record of each director at the Board, Board committee meetings and general meetings of the Company held for the year ended 31 December 2017 is set out in the table below:

### 召開會議次數及董事出席記錄

下表列示各董事出席截至2017年12月31日止年度舉行的本公司董事會會議、董事委員會會議及股東大會的情況：

Name of Director	董事姓名	Attendance/Number of Meetings 出席/會議次數						
		Board Meeting 董事會會議	General Meeting 股東大會	Executive Committee Meeting 執行委員會會議	Audit Committee Meeting 審核委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Nomination Committee Meeting 提名委員會會議	Continuous Professional Development 持續專業發展
<b>Executive Directors</b> 執行董事								
Mr. Yu Pun Hoi	于品海先生	8	1	4	N/A 不適用	N/A 不適用	1	✓
Ms. Liu Rong	劉榮女士	18	-	4	N/A 不適用	N/A 不適用	N/A 不適用	✓
Mr. Lung King Cheong	龍景昌先生	17	-	4	N/A 不適用	N/A 不適用	N/A 不適用	✓
Ms. Chen Dan (Note 1)	陳丹女士(附註1)	3	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	1	✓
<b>Non-executive Director</b> 非執行董事								
Mr. Lam Bing Kwan	林秉軍先生	10	1	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	✓
<b>Independent Non-executive Directors</b> 獨立非執行董事								
Mr. Lau Yip Leung	劉業良先生	7	1	N/A 不適用	2	1	1	✓
Mr. Xiao Sui Ning	肖遂寧先生	7	-	N/A 不適用	2	1	1	✓
Mr. Ho Yeung Nang	何養能先生	7	-	N/A 不適用	2	1	1	✓
Number of meetings held during the year	年內召開會議次數	22	1	4	2	1	1	

Note:

(1) Ms. Chen Dan resigned with effect from 31 March 2017.

附註：

(1) 陳丹女士自2017年3月31日起辭任。



## Corporate Governance Report 企業管治報告

### RESPONSIBILITIES IN RESPECT 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 ended 31 December 2017.

The statement of the external auditor of the Company about its reporting responsibilities on the financial statements is set out in the "Independent Auditor's Report" on pages 117 to 123.

The remuneration paid to the external auditors of the Group in respect of audit service and non-audit services for the year ended 31 December 2017 amounted to approximately HK\$14,385,000 and HK\$2,633,000, respectively. The non-audit services include professional advice on transactions as well broader business advisory and advisory service to assist the Company to comply with laws and regulations. An analysis of the remuneration paid to the external auditors of the Group is set out in note 8 to the financial statements.

### COMPANY SECRETARY

The Company engaged Mr. Chiu Ming King, the executive director of Corporate Services of Vistra Corporate Services (HK) Limited, external service provider, as its company secretary. His primary contact at the Company is Ms. Zhao Lei, the vice general manager of the Company.

In compliance with Rule 3.29 of the Listing Rules, during the year ended 31 December 2017, Mr. Chiu has taken no less than 15 hours of relevant professional trainings to update his skills and knowledge.

### 有關財務報表之責任及核數師薪酬

根據上市規則及其他監管規定，董事會負責在年度報告、中期報告、涉及內幕消息事宜之公告及其他須披露資料內作出平衡、清晰及容易理解之評述。

董事得知彼等於編製本公司截至2017年12月31日止年度財務報表應負之責任。

本公司核數師就其關於財務報表之呈報責任發表之聲明載於第117至123頁之「獨立核數師報告」中。

截至2017年12月31日止年度，付予本集團核數師之核數服務及非核數服務之酬金分別約為14,385,000港元及2,633,000港元。非核數服務包括就交易提供專業意見以及提供廣泛業務諮詢及顧問服務以協助本公司遵守法律及法規。付予本集團核數師酬金之分析載於財務報表附註8內。

### 公司秘書

本公司委任外部服務提供者Vistra Corporate Services (HK) Limited企業服務執行董事趙明璟先生為其公司秘書。其於本公司之主要聯絡人為本公司副總經理趙蕾女士。

遵照上市規則第3.29條，於截至2017年12月31日止年度，趙先生已接受不少於15小時之相關專業培訓，以提升其技能及知識。

# Corporate Governance Report

## 企業管治報告

### SHAREHOLDERS' RIGHTS

#### 1. Procedures for shareholders to convene an Special General Meeting ("SGM")

Pursuant to the Bye-law 62 of the Bye-Laws, the board may, whenever it thinks fit, convene an SGM, and SGM shall also be convened on requisition, as provided by the Companies Act 1981 of Bermuda (the "Companies Act"), or, in default, may be convened by the requisitionists.

Under Section 74 of the Companies Act, the directors of the Company, notwithstanding anything in its Bye-Laws shall, on the requisition of shareholders of the Company holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company, forthwith proceed duly to convene an SGM of the Company.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company and may consist of several documents in like form each signed by one or more requisitionists.

If the directors do not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

A meeting convened under Section 74 of the Companies Act by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by directors.

### 股東權利

#### 1. 股東召開股東特別大會(「股東特別大會」)之程序

根據細則第62條，董事會可在其認為適當之情況下召開股東特別大會，亦可按百慕達1981年公司法(「公司法」)之規定應請求召開股東特別大會，如董事會未能召開，則可由請求人召開股東特別大會。

在公司法第74條項下，不論公司細則有任何規定，本公司董事將於遞交請求日持有不少於附有本公司股東大會投票權之本公司已繳足股本十分之一(按遞交請求日計)的股東提出請求時，隨即正式召開股東特別大會。

請求之文件須註明會議目的並須由請求人簽署及遞交至本公司註冊辦事處，而該文件可由多份同樣形式之文件(每份由一位或多位請求人簽署)所組成。

倘董事並未於遞交請求日起計21日內正式召開大會，請求人或持有請求人總投票權超過半數的任何該等人士可自行召開大會，惟有關大會不得於遞交請求日起計滿三個月之後舉行。

如大會是根據公司法第74條由請求人召開，請求人須盡可能以董事召開大會之同等方式召開有關大會。

## Corporate Governance Report 企業管治報告

### 2. Procedures for putting forward proposals at shareholders' meeting

Subject to Section 79 of the Companies Act, it shall be the duty of the Company on the requisition in writing of such number of shareholders as is hereinafter specified, at the expense of the requisitionists unless the Company otherwise resolves:

- to give to the shareholders of the Company entitled to receive notice of the next AGM notice of any resolution which may properly be moved and is intended to be moved at that meeting;
- to circulate to shareholders entitled to have notice of any general meeting sent to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The number of shareholders necessary for a requisition under Section 79 of the Companies Act shall be:

- (a) either any number of shareholders representing not less than one-twentieth of the total voting rights of all the shareholders having at the date of the requisition a right to vote at the meeting to which the requisition relates; or
- (b) not less than one hundred shareholders.

Notice of any such intended resolution shall be given, and any such statement shall be circulated, to shareholders of the Company entitled to have notice of the meeting sent to them by serving a copy of the resolution or statement on each such shareholder in any manner permitted for service of notice of the meeting, and notice of any such resolution shall be given to any other shareholders of the Company by giving notice of the general effect of the resolution in any manner permitted for giving him notice of meetings of the Company, provided that the copy shall be served, or notice of the effect of the resolution shall be given, as the case may be, in the same manner and, so far as practicable, at the same time as notice of the meeting and, where it is not practicable for it to be served or given at that time, it shall be served or given as soon as practicable thereafter.

### 2. 於股東大會上提呈建議之程序

根據公司法第79條，本公司有責任在該等股東人數(定義見下文)提出書面請求時(除非本公司另行議決，否則費用由請求人自行承擔)：

- 向有權收取下屆股東周年大會通告之本公司股東，發出任何有可能在該大會上妥為動議並擬動議之任何決議案的通告；
- 向有權收取任何股東大會通告之股東傳閱任何不多於1,000字之陳述書，內容為有關在任何擬訂決議案所提述之事宜，或有關將在該大會上處理之事務。

根據公司法第79條提出請求之必要股東人數應為：

- (a) 代表不少於在請求日有權在該請求涉及的大會上表決之所有股東總表決權二十分之一的任何數目股東；或
- (b) 不少於100名股東。

任何此等擬訂決議案之通告及任何此等陳述書，應以准許用於送達大會通告之方式，將該決議案或陳述書之副本向有權收取大會通告之每位本公司股東發出及傳閱，而任何該決議案之通告，則須以准許用於向任何其他股東發出本公司會議通告之任何方式，向其發出該等決議案一般效力之通告送達，惟該副本之送達方式或該等決議案一般效力之通告之發出方式(視屬何情況而定)，須與會議通告發出之方式相同，而送達或發出之時間，亦須在切實可行範圍內與會議通告發出之時間相同，及如當時不能在切實可行情況送達或發出，則須於隨後在切實可行範圍內盡快送達或發出。

## Corporate Governance Report 企業管治報告

### 3. Shareholders' enquiries

Shareholders should direct their questions about their shareholdings to the branch share registrar of the Company in Hong Kong. Shareholders may at any time send their enquiries and concerns to the Board in writing at the Company's principal place of business in Hong Kong at 12/F., The Octagon, No.6 Sha Tsui Road, Tsuen Wan, New Territories, Hong Kong, or to the Company by email at [info@nanhaicorp.com](mailto:info@nanhaicorp.com). Shareholders may also make enquiries with the Board at the SGM/AGM.

The details of the rights of shareholders of the Company can be found in the Company's website at [www.nanhaicorp.com](http://www.nanhaicorp.com).

### INVESTOR RELATIONS

The Company is committed to safeguard shareholders' interests and believes that effective communication with shareholders and other stakeholders is essential for enhancing investor relations and investor understanding of the business performance and strategies of the Group.

The Board adopted a Shareholders Communication Policy which aims to set out the provisions with the objective of ensuring that the shareholders of the Company and potential investors are provided with ready, equal and timely access to balanced and understandable information about the Company, in order to enable shareholders of the Company to exercise their rights in an informed manner, and to allow shareholders of the Company and potential investors to engage actively with the Company.

The Company endeavours to disclose all material information about the Group to all interested parties on a timely basis. All such publications together with additional information of the Group are timely updated on the Company's website at [www.nanhaicorp.com](http://www.nanhaicorp.com).

### CONSTITUTIONAL DOCUMENTS

Pursuant to the special resolutions passed at the Company's annual general meeting on 25 May 2017, the shareholders of the Company resolved to amend the Bye-Laws by incorporating the amendments made to the Bye-Laws for the purpose of allowing the Company to send and supply corporate communications within the meaning ascribed to it by the Listing Rules to the shareholders by electronic means pursuant to Rule 2.07A of the Listing Rules.

Save as disclosed above, there is no significant change in the Company's constitutional documents during the year.

### 3. 股東查詢

股東應直接向本公司於香港之股份過戶登記分處提出有關其股權之疑問。股東可隨時以書面形式將其查詢及問題送達本公司之香港主要營業地址香港新界荃灣沙咀道6號嘉達環球中心12樓遞交致董事會或透過電郵地址 [info@nanhaicorp.com](mailto:info@nanhaicorp.com) 致本公司。股東亦可在本公司之股東特別大會／股東周年大會上向董事會作出查詢。

有關本公司股東權利的詳情，請瀏覽本公司網站 [www.nanhaicorp.com](http://www.nanhaicorp.com)。

### 投資者關係

本公司致力保障股東權益，並相信與股東及其他利益相關者進行有效溝通對鞏固投資者關係以至投資者對本集團業務表現及策略之理解極為重要。

董事會已採納股東通訊政策，其所載條文旨在確保本公司股東及有意投資者可適時取得本公司之全面、相同及容易理解之資料，一方面使本公司股東可在知情情況下行使權力，另一方面讓本公司股東及有意投資者能積極地與本公司聯繫。

本公司致力適時向所有有關各方披露所有有關本集團之重大資料。所有發佈及本集團之額外資料於本公司網站 [www.nanhaicorp.com](http://www.nanhaicorp.com) 定期更新。

### 章程文件

根據2017年5月25日本公司股東周年大會批准的特別決議案，本公司股東決議修訂細則，加入對細則做出之修訂，以容許本公司根據上市規則第2.07A條採用電子方式向股東發送及提供公司通訊（具有上市規則所賦予涵義）。

除上文所披露者外，年內，本公司的章程文件並無重大變動。

# Corporate Governance Report 企業管治報告

## RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for overseeing the Group's risk management and internal control systems and reviewing their effectiveness at least annually through the Audit Committee. The Audit Committee assists the Board in monitoring the risk exposures and the operating effectiveness of the underlying risk management and internal control systems.

The Company assists the management in identifying, assessing, responding, monitoring and reporting corresponding risks through risk management and internal control structure. The system aims at managing instead of eliminating the risks of unfulfilled business goals that reasonably but not absolutely prevents the impact of material risks.

## RISK MANAGEMENT STRUCTURE

The Company has established a sound risk management and internal control structure, adopting a top-down organizational structure from the Board to the specific internal control units with well-defined duties. The Group's Internal Audit Department assists the Board and/or the Audit Committee in the ongoing review of the effectiveness of the Group's risk management and internal control systems. The Board, through these committees, is at least annually informed of significant risks that may impact on the Group's performance.

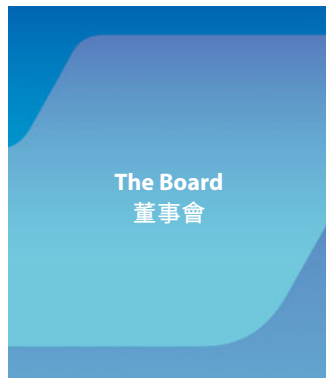
## 風險管理及內部監控

董事會知悉其監管本集團的風險管理及內部監控系統的責任，以及透過審核委員會至少每年檢討其成效。審核委員會協助董事會監察集團承受的風險水平、有關之風險管理和內部監控系統的運作成效。

本公司通過風險管理及內部控制的架構，協助管理層識別、評估、應對、監控、彙報相應的風險。該等系統旨在管理而非消除未能達成業務目標的風險，只合理而非絕對保證可防範重大風險的影響。

## 風險管理架構

本公司建立一個良好的風險管理及內部監控結構，搭建了從董事會到具體內控崗位的自上而下、職責明確的組織架構。集團內部審計部協助董事會及／或審核委員會持續檢討本集團風險管理及內部監控系統的成效。董事會透過該等委員會至少每年獲悉可能影響本集團表現的重大風險。



- ensure the maintenance of appropriate and effective risk management and internal control systems in order to safeguard the shareholders' investment and assets of the Group;
- formulate a management structure with specific terms of reference; and
- determine the nature and extent of significant risk that the Company is willing to take in achieving the strategic objectives, and formulate the Group's risk management strategies.
- 確保維持合適及有效的風險管理及內部監控系統，以保障股東投資及本集團資產；
- 制定有明確責任及權限的管理架構；及
- 釐定本公司就達致戰略目標所願承擔之重大風險之性質及程度，並制定本集團之風險管理策略。



- oversee the risk management and internal control systems of the Group;
- review and discuss with the management annually to ensure that the management has performed its duty to maintain effective risk management and internal control systems; and
- consider major findings on internal control matters and make recommendations to the Board.
- 監察本集團之風險管理及內部監控系統；
- 每年與管理層檢討並討論，以確保管理層履行其職責以維持風險管理及內部監控系統之有效性；及
- 考慮有關內部監控事宜的重要調查結果並向董事會作出推薦建議。

## Corporate Governance Report 企業管治報告



### CONTROL APPROACH AND TOOLS

During the year, the management analyzed the control environment and the risks identified, and implemented various controls measures.

- approach taken:** the management conducts interviews with relevant staff members, reviews relevant documentation of the internal control system and evaluates findings of any deficiencies in the design of the Group's internal control system, provides recommendations for improvement and assesses the effectiveness of such recommendations, where appropriate. The scope and findings of review on the risk management and internal control are reported to and reviewed by the Audit Committee annually.
- management information systems and technologies:** such systems and technologies are employed to keep track of the inputs and outputs of the Group's operations, such as financial data system and human resources. They are also employed to track the audit process in the authorization system, in which permissions and responsibility of authorisation are clearly identified and adequate records can be maintained in the system.

### 監控方法及方式

於本年度內，管理層已對監控環境及其相關已識別風險作分析，並就此實施多項監控。

- 所採取方法：**管理層與相關員工進行面談，並審閱內部監控系統相關文件及評估本集團內部監控系統設計中所發現之任何不足，就改善措施提供推薦建議及評估實施有關推薦建議之有效性(倘適用)。對風險管理及內部監控審閱的範圍及結果會每年呈報審核委員會並經其審核。
- 管理信息系統及技術：**此用於控制業務活動，允許密切追蹤本集團業務之輸入及輸出，如財務數據系統及人力資源。其亦於授權系統追蹤審核程序，據此，授權許可及責任獲明確識別及該系統可維持足夠記錄。

## Corporate Governance Report 企業管治報告

- iii. **reports and variance analysis:** such reports and analysis of each segment are conducted on a regular basis such that the performance of each segment can be easily accessible.
- iii. **報告及差異分析：**定期對各分部進行有關報告及分析，故可易於瞭解各分部之表現。
- iv. **audit and supervision:** during the year, the Group conducts overall deployment and management of risk management and internal control according to the "Nan Hai Corporation Limited Internal Audit System (南海控股有限公司內部審計制度)". By analyzing various internal control points relating to the business processes, we have a better picture of the current conditions of internal control, and unearthed and rectify defects and weaknesses of the internal control system in order to prevent the potential risks of operation management, and improve corporate governance and cost-effectiveness. Each subsidiary of the Group formulates a more targeted and detailed internal audit system based on its own circumstances. The internal audit department of each subsidiary performs follow-up inspection, audits and supervision in accordance with the internal audit system, and rectifies the lack of internal control system of the Company, in order to ensure the compliance, rationality and risk controllability of the main business processes of the Company.
- iv. **審計監督：**年內，本集團依據《南海控股有限公司內部審計制度》，對風險管理和內部監控工作進行總體部署及管理，通過分析有關業務流程的各個內部控制點，真實反映其內部控制的現況，找出內部控制體系的缺陷及薄弱環節，及時加以改進，以達成防範經營管理中潛在風險，並提升企業管治和經濟效益之目的。本集團各附屬公司依據自身情況，制定更具有針對性的、細化的內部審計制度。各附屬公司內部審計職能部門依據內部審計制度，進行事後稽核、審計和監察，對公司內部控制制度進行查漏補缺，保證公司主要業務流程的合規性、合理性和風險可控性。

### RISK MANAGEMENT

As an important element of quality corporate governance, the overall risk management process is overseen by the Board through the Audit Committee. Rather than a separate and standalone process, risk management is integrated into the business and decision-making processes, including strategy formulation, business planning, capital allocation, investment decisions, internal control and day-to-day operations.

The management is entrusted with duties to identify, analyze, evaluate, respond, monitor and communicate risks associated with any activity, function or process within its terms of reference. It endeavours to evaluate the level of risk and compare it against the predetermined levels of risk acceptable to the Company. For risk control and monitoring, it involves making decisions regarding acceptable risks and the ways to address unacceptable risks. The management will develop contingency plans for possible loss scenarios. Incidents and other situations incurring actual or potential loss will be investigated and properly documented as part of the effort to manage risks.

### 風險管理

董事會透過審核委員會監督集團的整體風險管理程序，是我們優良企業管治的重要一環。本公司深明風險管理不是分割、獨立的流程，而是納入各項業務及決策流程中，包括戰略制定、業務規劃、資金分配、投資決定、內部監控和日常運營。

管理層獲委派於其責任及權力範圍內識別、分析、評估、應對、監控及傳達與任何活動、職務或程序有關風險。其致力評估風險水平並與預先釐定之可接納風險水平進行比較。就風險監控及監管而言，其涉及對可接納風險及如何應對非可接納者作出決定。管理層將對可能出現之損失情況制定應急方案。造成損失或險些造成損失的事故及其他情況將被調查及妥為存檔作為致力管理風險之一部分。

# Corporate Governance Report

## 企業管治報告

### RISK EXPOSURES

The following illustrates the major risks of the Group. Since the last annual review, there was no significant change in the nature and extent of risks during the year.

*Risk of China's policies on real estate* — the property development business of the Company is operated in China. In 2017, the PRC government further established a long-term mechanism for the steady development of the real estate market, and strengthened local regulation to lead expectations actively. However, these policies are persistent and stable, and will not induce excessive volatility in the market. The management of the Company will monitor closely the development of the relevant policies and industry development trend to mitigate the risk.

*Quality risk on property projects* — quality of property projects not only affects the profitability of property developers, but also exerts a considerable impact on their corporate image and culture, and in turn their core competitiveness. The Company established a sound project control mechanism in relation to organizational structure, function division, recruitment and project management by clearly defining job flows, standards and reward and punishment system to enhance the implementation of other systems. Hence, the quality of the projects is guaranteed and improved.

*Risks associated with single revenue structure of cinemas* — subject to the nature of industry, box office receipts represent a large part of revenue structure of Dadi Cinema, which means that the revenue of cinemas relies highly on the films. If the performance of the overall movie market or the quality of movie content is poor, it will aggravate the Company's financial performance. To mitigate such risk, Dadi Cinema adopts a strategy to manage the film sources in a proactive and flexible manner, and also put more efforts into the introduction of other cultural and entertainment elements into cinemas to mitigate the risks associated with single revenue source.

*Risks relating to technical upgrading* — the Company is a technology-intensive company and its profitability depends largely on "Internet+", cloud computing, big data and other related technologies, which affect the Company's competitiveness directly. If the Company could not upgrade its technology in time or develop new technology to meet market demand in the future, the Company will be exposed to declining profitability and loss of customers, which in return will adversely affect the Company's operation. The Company is exposed to technical upgrade risk. In view of the above risks, the Company will put more efforts in research and development and enhance business structure. The Company will also recruit high-calibre research personnel and optimize the composition of our research staff, providing technical support for product innovation and business growth of the Company.

### 風險狀況

下列各項闡述本集團數項主要風險，自上年檢討後，本年度風險性質及風險程度並無發生重大變化。

*中國的房地產政策風險* — 本公司的房地產開發業務均於中國經營，2017年，中國政府進一步建立房地產市場平穩發展長效機制，地方調控深化，積極引導預期，但這些政策連續且穩定，預計不會造成市場過度波動。本公司管理層將密切關注相關政策動向及行業發展趨勢以降低風險。

*房地產項目質量風險* — 質量不僅影響房地產企業的獲利空間，且對企業形象、企業文化等產生不容忽視的影響，繼而直接關係到房地產企業核心競爭力的提升。本公司從組織架構、職能分工、招採及工程管理等方面入手，構建起完善的工程管控體系，通過明確作業流程、標準和獎懲機制來強化其他各項制度的落實與貫徹，以保證並不斷提升工程質量水平。

*影院收入結構單一風險* — 受限於行業本身，大地影院收入結構中票房佔比較高，導致影院的收入存在對影片較大的依賴性。若整體電影市場表現或電影內容質量不佳時，會制約本公司的財務業績表現。為降低此類風險，大地影院採用了積極靈活管理影片來源的策略，與此同時也加大了在影院場所加入其他文化娛樂的力度，以降低單一收入來源相關的風險。

*技術升級風險* — 公司屬技術密集型行業，與互聯網+、雲計算和大數據等相關的技術很大程度的決定了公司的盈利能力，進而直接影響到公司競爭力。未來如公司不能及時實現技術的升級，或開發出滿足市場需求的新技術，公司將面臨盈利能力下降、客戶流失的風險，從而給公司經營帶來不利影響。公司面臨一定的技術升級風險。針對上述風險，公司將加大研發投入力度、豐富業務結構，同時引進高端研發人才，優化研發人員結構，為公司產品的創新和業績的增長提供技術保障。



## Corporate Governance Report 企業管治報告

*Exchange risk* — the Group is exposed to fluctuation in exchange rates as the Group's revenue is denominated in Renminbi while Hong Kong dollars are the reporting currency of the Group. The management will closely monitor the exchange exposure in order to keep the net exposure at an acceptable level and will consider hedging significant foreign currency exposure should the need arises.

### INTERNAL CONTROL

The Internal Audit Department is assigned with the task to perform regular reviews on the Group's internal control systems in respect of operational, financial and compliance aspects and will report the audit review findings or irregularities, if any, to the management and advise on the implementation of steps and actions required to enhance the Group's internal controls. The result of internal audit reviews and agreed action plans are reported to the Audit Committee and the Board.

Apart from reviewing the systems, the Audit Committee has also reviewed and is satisfied with the adequacy of resources, qualifications and experiences of staff of the Company's accounting and financial reporting function, and their training programs and budget. The Board acknowledges that the management has been progressively implementing an adequate internal control system to ensure the effective functioning of the Group's operational, financial and compliance areas, including the following key measures, policies and procedures:

#### i. financial reporting management:

- proper controls are in place to ensure the maintenance of a complete, accurate and timely record of accounting and management information;
- regular reports on revenue and ageing analysis of receivables and internal financial reports giving a balanced and understandable assessment of the Group's financial performance are prepared for the management;
- quarterly updates on internal financial statements giving a balanced and understandable assessment of the Group's performance, financial position and prospects in sufficient details are provided to all Directors; and
- annual audit is carried out by external auditor to ensure that the consolidated financial statements are prepared in accordance with generally accepted accounting principles, the Group's accounting policies and the applicable laws and regulations.

*匯率風險* — 本集團收入主要以人民幣計值，匯報貨幣為港幣，故此面臨外匯匯率波動風險。管理層會密切監控外匯風險並將淨風險維持在可接受水平，並將於必要時考慮對沖重大外匯風險。

### 內部監控

內部審計部被委派定期檢討本集團有關經營、財務及合規方面的內部監控系統，並向管理層報告審核檢討結果或不規範行為(如有)及就實施必要步驟及行動以提高本集團內部控制向彼等提供意見。內部審核檢討之結果及經協議之執行計劃乃向審核委員會及董事會匯報。

除檢討該等系統外，審核委員會亦已檢討本公司會計及財務匯報職能之資源、員工資格及經驗以及彼等之培訓計劃及預算之充足性並對此感到滿意。董事會知悉，管理層已逐步實施充分內部監控系統以確保本集團之營運、財務及合規範疇之有效運作，包括下列主要措施、政策及程序：

#### i. 財務報告管理：

- 已建立適當的監控程序，確保全面、準確及適時記錄會計及管理資料；
- 定期為管理層編製收入及應收貸款賬齡的報告和內部財務報告，以提供本集團財務表現的持平及易於理解的評估；
- 每季度向全體董事提供內部財務報表的更新，以提供本集團表現、財務狀況及前景的持平及易於理解的評估，並具有充足詳情；及
- 外部核數師進行年度審核以保證綜合財務報表的編製符合公認會計準則、本集團的會計政策及適用法律及法規。

## Corporate Governance Report 企業管治報告

- ii. **the mechanism and procedures on disclosure of inside information** to ensure, with the assistance of an internal work team (if required), that any material information which comes to the knowledge of any one or more officers should be promptly identified, assessed and forwarded to the Board (if appropriate);
  - iii. **the policies and practices on compliance with legal and regulatory requirements** which shall be reviewed and monitored regularly by the Audit Committee designated by the Board;
  - iv. the Audit Committee designated by the Board to monitor, control and regularly review **continuing connected transactions** of the Company and ensure proper compliance with all relevant laws and regulations, the Listing Rules and the disclosure requirements; and
  - v. a **whistle-blowing policy** for employees of the Group and those who deal with the Group (e.g. customers and suppliers) to raise concerns, in confidence, about possible improprieties in financial reporting, internal control or other matters. The Group encourages reporting with real names and implements award policy if the reported suspicion is proved to be the case. Such arrangement will be reviewed by the Audit Committee to ensure that proper arrangement is in place for fair and independent investigation into the matters.
- ii. **內幕消息披露機制及程序**，以在內部工作組（如需要）協助下，確保任何一名或多名高級人員得悉的任何重大資料須予及時識別、評估及提交（倘適用）董事會；
  - iii. **有關遵守法律及監管規定之政策與常規**，由董事會委派之審核委員會定期檢討及監督；
  - iv. 由董事會委派之審核委員會監察、控制及定期檢討本公司之**持續關連交易**，確保妥為遵守一切相關法律及法規，上市規則以及披露規定；及
  - v. 設立**舉報政策**以讓本集團僱員及其他與本集團有往來者（如客戶及供應商）可暗中及保密的情況下就財務匯報、內部監控或其他事宜中的可能不當行為提出關注。鼓勵實名舉報，實行查實有獎政策。該等安排將由審核委員會檢討，確保有恰當安排就有關事項進行公平及獨立之調查。

The Board and the Audit Committee have reviewed the Group's systems and are not aware of any significant issues that would have an adverse impact on the effectiveness and adequacy of the systems, accordingly consider the systems effective and adequate.

董事會及審核委員會已審閱本集團之系統，亦並無知悉任何可能對本集團之該等系統的有效性及充足性產生不利影響的重大問題，故此認為該等系統有效及充足。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

This Report is prepared in accordance with the “Environmental, Social and Governance Reporting Guide” set out in Appendix 27 of the Listing Rules of the Stock Exchange of Hong Kong Limited. Following the disclosure of information regarding Environmental, Social and Governance (“ESG”) for the first time in 2016, the Group issued its ESG report for the second consecutive year, covering the policies, measures and performance regarding environmental, social and governance issues of the Group and its subsidiaries. During the year, the Group has complied with the “comply or explain” provisions set out in the “Environmental, Social and Governance Reporting Guide”.

### 1. ESG MANAGEMENT

The Group places emphasis on the harmonious integration of ESG management and day-to-day operations in order to create a sustainable development model. In 2017, the Group enhances the satisfaction of stakeholders, such as government, investors, customers, employees and partners, by continuous improvement on its corporate system and communication methods for stakeholders, to contribute to the sustainable development of society. The Group reviews the relationship between business development and ESG topics. Each relevant department is responsible for the collection and management of ESG-related data and information, as well as the communication with relevant stakeholders, to improve the effectiveness of ESG management and the ability to communicate with stakeholders, contributing to the long-term development of the Group and its various stakeholders.

#### 1.1 Communication with stakeholders

In order to fully understand the needs and expectations of stakeholders regarding the Group's economic, environmental and social sustainable development, the Group has identified key stakeholders and established various communication methods for stakeholders to listen to the voices of stakeholders, to build up a harmonious and trustworthy cooperation and win-win relationship with stakeholders, to sincerely respond to the wishes and requests of stakeholders, and to assume various social responsibilities.

本報告根據香港聯合交易所上市規則附錄二十七所載「環境、社會及管治報告指引」編製。繼2016年首次披露環境、社會及管治(ESG)信息後，本集團連續第二年發佈ESG報告，涵蓋本集團及其附屬公司有關環境、社會及管治方面的政策、措施及表現。年內，本集團已遵守「環境、社會及管治報告指引」所載的「不遵守就解釋」條文。

### 1. ESG 管理

本集團重視ESG管理與日常運營的和諧互融，以創建可持續的發展模式。2017年，本集團通過持續完善公司制度和利益相關方溝通方式，提升政府、投資者、客戶、員工以及合作夥伴等利益相關方的滿意度，為社會的可持續發展貢獻力量。本集團審視各業務發展與ESG議題的關係，各相關部門負責環境、社會及管治相關數據和信息的收集、管理工作，以及相關利益相關方的溝通工作，提高ESG管理的有效性以及利益相關方溝通能力，實現本集團與各利益相關方的長足發展。

#### 1.1 利益相關方溝通

為充分瞭解利益相關方對本集團經濟、環境、社會可持續發展的需求與期望，本集團識別出重要利益相關方，並與各利益相關方建立了多種溝通渠道，傾聽各利益相關方的聲音，與利益相關方建立和諧、互信的合作共贏關係，真誠回應利益相關方的願望和要求，承擔各項社會責任。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Stakeholders 利益相關方	Expectations and requirements 期望與要求	Methods of communication and responses 溝通和回應方式
Government 政府	<ul style="list-style-type: none"> <li>— to comply with the laws and regulations</li> <li>— 遵守法律法規</li> <li>— to pay taxes in accordance with the laws</li> <li>— 依法納稅</li> <li>— support for economic development</li> <li>— 支持經濟發展</li> </ul>	<ul style="list-style-type: none"> <li>— compliance management</li> <li>— 合規管理</li> <li>— proactive tax payment</li> <li>— 主動納稅</li> <li>— to implement national policies</li> <li>— 執行國家政策</li> </ul>
Investors 投資者	<ul style="list-style-type: none"> <li>— returns and growth</li> <li>— 回報與增長</li> <li>— to enhance profitability</li> <li>— 提升盈利能力</li> <li>— stable operation</li> <li>— 穩健經營</li> <li>— information disclosure</li> <li>— 信息披露</li> </ul>	<ul style="list-style-type: none"> <li>— timely information disclosure on operation</li> <li>— 定時披露經營信息</li> <li>— general meetings</li> <li>— 股東大會</li> <li>— continuous growth</li> <li>— 持續增長</li> <li>— to guarantee shareholders' return</li> <li>— 保證股東回報</li> </ul>
Customers 客戶	<ul style="list-style-type: none"> <li>— provision of high-quality products and services</li> <li>— 提供高品質的產品和服務</li> <li>— to meet various needs of customers</li> <li>— 滿足客戶多元需求</li> <li>— to create value for customers</li> <li>— 為客戶創造價值</li> </ul>	<ul style="list-style-type: none"> <li>— innovative products</li> <li>— 創新產品</li> <li>— to guarantee quality of products</li> <li>— 保障產品質量</li> <li>— provision of diversified services</li> <li>— 提供多元化服務</li> <li>— customer satisfaction survey</li> <li>— 客戶滿意度調查</li> </ul>
Employees 員工	<ul style="list-style-type: none"> <li>— to protect employees' interests</li> <li>— 維護員工權益</li> <li>— established career path</li> <li>— 健全發展通道</li> <li>— to protect occupational health</li> <li>— 保障職業健康</li> <li>— work-life balance</li> <li>— 平衡工作生活</li> </ul>	<ul style="list-style-type: none"> <li>— remuneration payment in full and on time</li> <li>— 及時發放足額工資</li> <li>— to pay social insurances</li> <li>— 繳納社保</li> <li>— establishment of occupational health and safety management system</li> <li>— 建立職業健康安全管理體系</li> <li>— career development</li> <li>— 職業發展通道</li> <li>— staff training</li> <li>— 員工培訓</li> </ul>
Partners 合作夥伴	<ul style="list-style-type: none"> <li>— open, fair and equal procurement</li> <li>— 公開、公平、公正採購</li> <li>— fulfillment of contracts</li> <li>— 信守合約</li> <li>— sharing of experience</li> <li>— 經驗分享</li> </ul>	<ul style="list-style-type: none"> <li>— performance of contracts in accordance with the laws</li> <li>— 依法履行合同</li> <li>— open tender</li> <li>— 公開招標</li> <li>— to commence cooperation on projects</li> <li>— 開展項目合作</li> </ul>
Environment 環境	<ul style="list-style-type: none"> <li>— energy conservation and emission reduction</li> <li>— 節能減排</li> <li>— tackling climate change</li> <li>— 應對氣候變化</li> <li>— conservation of ecology</li> <li>— 保護生態</li> </ul>	<ul style="list-style-type: none"> <li>— management of emission</li> <li>— 管理排放物</li> <li>— enhancement of efficiency of resources and energy utilization</li> <li>— 提升資源和能源使用效率</li> <li>— participation in environment protection and public welfare activities</li> <li>— 參與環保公益</li> </ul>
Society and general public 社會和公眾	<ul style="list-style-type: none"> <li>— participation in community development</li> <li>— 參與社區發展</li> <li>— contribution to public welfare</li> <li>— 支持公益事業</li> <li>— environmental protection</li> <li>— 保護環境</li> </ul>	<ul style="list-style-type: none"> <li>— public welfare and charities</li> <li>— 公益慈善事業</li> <li>— volunteer services</li> <li>— 志願者服務</li> <li>— health and culture</li> <li>— 健康文化</li> </ul>

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Case: Nan Hai fulfilled its obligation of information disclosure in a timely manner and provided investors with communication channel

##### 案例：南海控股及時履行信息披露義務，建立與投資者溝通橋樑

The Group disclosed relevant company information to investors in a timely manner according to the true and reliable principle. Each year, the Group regularly compiles and publishes annual reports and interim reports, reporting annual operating performance and financial status to investors and bond investors. In the process of strengthening communication with investors and regulating information disclosure, the Group formulated guidelines for policies and systems to guide its listed subsidiaries to perform information disclosure obligations in strict accordance with the requirements of domestic and overseas listing places.

In order to maintain good relationship with investors, the Group introduced its condition to the investors and answered their questions by holding annual general meetings, investor field visits, performance roadshows, telephone conferences, answering relevant inquiries and reverse roadshows to provide investors with communication channel. In 2017, the Group participated in more than 30 investor conferences held in Hong Kong, Shenzhen and other places, and met with or had telephone conferences with more than 50 equity and debt analysts from all over the world. In November 2017, at the request of reverse roadshows from bond investors, a number of bond investors were invited to visit "The Peninsula" in Shenzhen.

本集團按照真實、可靠的原則，及時向投資者披露公司相關信息。集團每年定期編製和發佈年報及半年報，向投資者、債券投資人報告年度經營績效和財務情況。在加強與投資者溝通、規範信息披露過程中，本集團制定政策和制度指引，引導所屬上市子公司嚴格按照境內外上市地的要求履行信息披露義務。

本集團通過舉辦年度股東大會、投資者實地考察項目、業績路演、電話會議、接受相關詢問和反向路演等方式，向投資人介紹集團情況，解答疑問，建立與投資者的溝通橋樑，與其維持良好關係。2017年，集團參加在香港、深圳等地舉辦的投資者會議30餘場，與超過50名世界各地股權和債權分析員會面或通過電話會議溝通。2017年11月，應債券投資人的反向路演要求，邀請多位債券投資人參觀深圳半島城邦項目。

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

## 1.2 Materiality analysis

Pursuant to the requirements of the “Environmental, Social and Governance (ESG) Reporting Guide” of the Hong Kong Stock Exchange, the Group continuously improved the procedures specifying contents of report, identified the key issues concerned by stakeholders through the full communication with stakeholders, determined their importance according to substantive principles, so as to finalise the content and extent of disclosure and to ensure a more accurate and complete disclosure of related operating and management information.

## 1.2 重大性議題判定

本集團參照香港聯交所《環境、社會及管治報告指引》要求，不斷完善界定報告內容的流程，通過與利益相關方的充分溝通，識別出利益相關方所關注的重大性議題，並按照實質性原則對其重要性水平進行判定，最終確定議題披露程度和邊界，保證更準確、完整地披露運營管理相關信息。

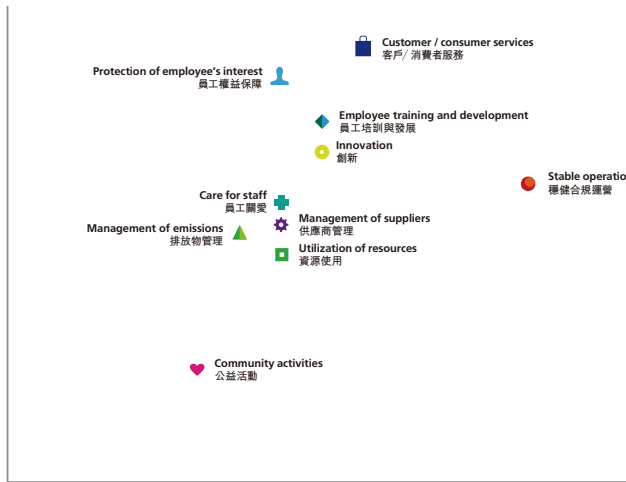
Sources of issues  
議題來源

- Advice from management of the Group  
集團管理層建議
- Analysis and advice from internal and external experts  
內外部專家分析建議
- Multimedia information analysis  
多媒體信息分析
- Case studies conducted by domestic and foreign industry peers  
國內外同業對標研究
- “Environmental, Social and Governance (ESG) Reporting Guide” of the Hong Kong Stock Exchange  
香港聯交所《環境、社會及管治報告指引》
- Guidelines on standards of social responsibilities  
社會責任標準指南

- Requirements under “Environmental, Social and Governance (ESG) Reporting Guide” of the Hong Kong Stock Exchange  
香港聯交所《環境、社會及管治報告指引》要求
- Contribution to sustainable development  
對可持續發展的貢獻
- General concerns of stakeholders  
利益相關方普遍關注
- To be in line with the strategic development of the Group  
符合集團戰略發展

Selection criteria  
篩選標準

The importance to the sustainable development of stakeholders  
對利益相關方可持續發展的重要性



The importance to the sustainable development of Nan Hai  
對南海可持續發展的重要性

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 2. STABLE OPERATION

With diversified industry development, reasonable allocation of resources and optimization of asset structure, the Group strives to become a sizable and solid enterprise in the fields of culture and media services, property development and enterprise cloud services, and to actively expand and develop new businesses. The Group strictly abides by the laws and regulations, continuously improves its internal control system, regularly conducts internal audits, and resolutely eliminates corruption. We attach great importance to the protection of intellectual property and fully respect the intellectual property of others. The Group has in-depth understanding towards customers' needs, strives to improve service quality and management level of suppliers. The Group also supports and encourages suppliers to take the initiative to assume social responsibility.

#### The Group's awards:

- CE Dongli won the Best Employer of the Year Award awarded by Zhaopin (智聯招聘)
- CE Dongli won the 2016–2017 Success Enterprise of the Year in IT Market in China (2016–2017中國IT市場年度成功企業獎) awarded by the Annual IT Market Conference (IT市場年會)
- CE Dongli won the “Best Enterprise Digitalized SaaS Product Award in China” (中國最佳企業數位SaaS產品獎) awarded by the China SaaS Industry Conference Committee (中國SaaS產業大會組委會)
- Xinnet won the Best Cloud Platform Solution Award (雲平台優秀解決方案獎) and Excellent Practice Award for Cloud Computing (雲計算優秀實踐獎) at the China International Telecommunication Exhibition 2017 organized by the State Ministry of Industry and Information Technology (國家工信部) and the China Council for the Promotion of International Trade (中國貿促會)
- Dadi Cinema was awarded “2017 China Innovation Cinema Brand” (2017年中國年度創新力影院品牌) for “Popular China Real Estate Award” (中國地產風尚大獎)

### 2. 穩健運營

本集團致力於多元化行業發展，堅持合理配置資源、優化資產結構，力爭在文化與傳播服務、房地產開發、企業雲服務等領域做大做強，並積極開拓和發展新業務。本集團嚴格遵守法律法規，不斷完善集團內部控制體系，定期開展內部審計，堅決杜絕腐敗行為；高度重視知識產權保護，並充分尊重他人的知識產權；深入瞭解客戶需求，努力提高服務質量；強化供應商管理水平，支持並鼓勵供應商主動承擔社會責任。

#### 集團榮譽：

- 中企動力榮獲由智聯招聘頒發的年度最佳僱主獎
- 中企動力榮獲由IT市場年會頒發的2016–2017中國IT市場年度成功企業獎
- 中企動力獲得由中國SaaS產業大會組委會頒發的「中國最佳企業數字化SaaS產品獎」
- 新網在由國家工信部、中國貿促會主辦的2017中國國際信息通信展覽會上榮獲雲平台優秀解決方案獎、雲計算優秀實踐獎
- 大地影院榮獲中國地產風尚大獎2017年中國年度創新力影院品牌

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 2.1 Integrity and compliance in operation

In the process of building excellent reputation, the Group adheres to the belief of “compliance” and requires all staff to strictly abide by industry norms, comprehensively improving the ability to manage enterprises according to the laws. The Group strictly abides by the Company Law of the People’s Republic of China (中華人民共和國公司法), the Listing Rules of the Stock Exchange of Hong Kong Limited and the local laws and regulations in the localities of its operation. The Group has established a complete and effective internal control system and a top-down, responsibility-specific risk management and internal control framework covering from the board of directors to specific internal control positions, and developed an internal control and supervision mechanism for corporate level to various business process levels to ensure that the Group’s business management is complied with the laws and regulations. *(for details on the condition and functions of risk management and internal control system, please refer to the “Corporate Governance Report” section in the annual report)*

The Group has formulated and implemented the Nan Hai Corporation Limited Internal Audit System (南海控股有限公司內部審計制度) to conduct overall deployment, guidance, evaluation and management of risk management and internal control. Each subsidiary of the Group has formulated a more targeted and detailed internal audit system based on its own circumstances. The internal audit department of each subsidiary performs follow-up inspection, audits and supervision in accordance with the internal audit system, and rectifies the lack of internal control system, in order to ensure the compliance, rationality and risk controllability of the main business processes.

### 2.1 誠信合規運營

本集團在打造卓越商譽過程中，恪守「守法合規」的信念，要求各級人員嚴格遵守行業規範，全面提高依法治企能力。本集團嚴格遵守《中華人民共和國公司法》、香港聯合交易所有限公司《上市規則》以及運營地當地法律法規。本集團搭建了一套完整且運營有效的內部控制體系，建立了從董事會到具體內控崗位的自上而下、職責明確的風險管理及內部控制架構，制定了從公司層面到各業務流程層面的內部控制及監督機制，確保集團經營管理合法合規。*(風險管理和內部監控系統情況及職責介紹請詳見年報《企業管治報告》章節。)*

本集團制定並實施《南海控股有限公司內部審計制度》，對風險管理和內部控制工作進行總體部署、指導、評估和管理。本集團各附屬公司依據自身情況，制定更具有針對性的、細化的內部審計制度。各附屬公司內部審計職能部門依據內部審計制度，進行事後稽核、審計和監察，對公司內部控制制度進行查漏補缺，保證公司主要業務流程的合規性、合理性和風險可控性。



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

The Group eliminates bribery, money laundering and extortion. In order to resist corruption, commercial bribery and unfair competition in economic activities, to enhance employees' awareness of compliance, to strengthen integrity education and to enhance the sense of anti-corruption, the Group requires all employees to abide by the Code of Ethics and Basic Principles (道德規範與基本準則) in the Staff Code of Conduct (員工守則), to sign a commitment letter on honesty and self-discipline, and to conduct business in accordance with work process and approval process. The Group has set up a variety of reporting channels to carry out in-depth investigations against credible reports, to deal with verified violations of the laws and regulations seriously, and to refer the suspected violations to the judiciary. In 2017, the Group had no corruption lawsuit.

本集團杜絕賄賂、洗錢、敲詐行為。為抵制經濟活動中的腐敗現象，抵制商業賄賂和不正当競爭，提升員工合規意識，加強廉潔誠信教育，築牢拒腐防變的思想防線，本集團要求所有員工遵守《員工守則》中的「道德規範與基本準則」，簽署廉潔自律承諾書，依照工作流程、審批流程開展業務。本集團設立多種舉報渠道，針對可信的舉報開展深入調查，對查實的違法違規行為進行嚴肅處理，對涉嫌違法的行為移送司法機關處理。2017年，本集團未發生貪污訴訟案件。

### Case: Complaint and reporting channels of Dadi Cinema

#### 案例：大地影院投訴舉報渠道

Dadi Cinema has set up an independent complaint mailbox to receive various complaints, reports and evidence from employees, and persistently protected the complainant to keep the incentive system working. In 2017, the Dadi Cinema complaint mailbox received and successfully dealt with 66 complaints, among which 7 cases were investigated by the audit and supervision department and the results were issued. The remaining 59 cases were referred to the responsible departments, such as regional division and human resource center, and already investigated and issued the results.

大地影院建立獨立的投訴郵箱，接收員工的各類投訴、舉報信息及證據，並持續維護投訴舉報人員的保護和獎勵機制。2017年，大地影院投訴郵箱接收並成功受理各類投訴舉報66起，其中審計監察部現場調查7起並出具調查結果；轉營運大區、人力資源中心等主責部門調查59起並已回覆調查、處理結果。

## 2.2 Protection of intellectual property

The Group highly emphasizes on the protection of intellectual property, and at the same time fully respects the intellectual property of the techniques, software, image and texts of the others. Each subsidiary of the Group has formulated the Intellectual Property Management System (知識產權管理制度) in accordance with the Patent Law of the People's Republic of China (中華人民共和國專利法), which stipulated the application procedures, applications and supervision of the trademarks, patents, copyrights and domain name, and regulated the intellectual property and management of intangible assets, to prevent the loss, improper use, unauthorized disclosure and misappropriation of intellectual property, so as to maintain the competitiveness of enterprise and to ensure it complied with the laws and regulations.

## 2.2 保護知識產權

本集團高度重視知識產權保護工作，同時充分尊重他人的技術、軟件、肖像、文字等知識產權。本集團各附屬公司根據《中華人民共和國專利法》，結合實際情況制定《知識產權管理制度》，對商標、專利、著作權、域名的申請流程、應用與監管做出了規定，規範知識產權和無形資產管理，防止知識產權遺失、非正常使用、非授權泄露及盜用的情況發生，以保持企業競爭力，確保企業行為的合法、合規。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

The nature of the various business segments of the Group varies greatly. There are more issues related to intellectual property in the fields of culture and media services and enterprise cloud services. The subsidiaries of the Group as for culture and media services and enterprise cloud services have set up dedicated departments to conduct centralized management of patent businesses, and assigned designated personnel to coordinate the tasks and to deliver messages in respect of intangible assets between different departments, so as to improve work efficiency. The Group encourages invention and innovation, granting cash awards to inventors or research and development teams, who have obtained invention patents, and regarding the possession of patent certificates as a crucial condition for the internal promotion of employees. In 2017, the Group applied for 17 patents and was granted 7 patents.

本集團各業務板塊性質差異較大，文化與傳播服務、企業雲服務領域涉及的知識產權事宜更多。本集團文化與傳播服務、企業雲服務領域的各子公司設立專屬部門，對專利業務進行歸口管理，並有專人協調部門間無形資產事務傳達與執行上傳下達的任務，提高工作效率。本集團鼓勵發明創造，對取得發明專利權的發明人或研發團隊給與現金獎勵，並將取得專利證書作為員工內職級晉升的重要依據。2017年，本集團申請專利17項，專利授權7項。

### Case: Oristar continues to improve its intellectual property protection system to encourage technology innovation

#### 案例：辰星科技持續完善知識產權保護體系，助力科技創新

As an emerging representative company in the field of culture and media, Oristar has formulated the Intellectual Property Management System and Procedure (知識產權管理制度及流程) and Intellectual Property Application Approval Process (知識產權申請審批流程) to protect patents, trademarks and copyrights. In 2017, Oristar continued to conduct related work: applied for 5 patents and being granted 7 patents; applied for 5 trademarks, being granted 3 registered trademarks; applied for 4 software copyrights.

作為文化與傳播領域的新興代表公司，辰星科技制定了《知識產權管理制度及流程》、《知識產權申請審批流程》，對專利權、商標權和著作權予以保護。2017年，辰星科技繼續推進相關工作，申請專利5篇、授權7篇；申請商標5項，授權註冊商標3項；申請軟件著作權4項。



Utility model patent certificate  
實用新型專利證書



Trademark registration certificate  
商標註冊證



Software copyright registration certificate  
軟件著作權登記證書

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

### 2.3 Enhancement of customer services

With the advancement of business diversification strategy, the Group's customer base covers various types of companies, institutions, consumers, readers and proprietors. As the basis for business operations, the Group regards customers as its core, continuously enhances and improves its capabilities and quality, and strengthens communication with customers. Each subsidiary establishes a communication mechanism and after-sales service system to timely understand customers' needs and to respond to their advices. The Group constantly improves the service quality and satisfies the customers' needs to the maximum extent. The Group protects customers' information and privacy and prevents the illegal use, disclosure and sale of customers' information and privacy. In 2017, the number of complaints from the Group's customers was 4,030. The percentage of customer complaints addressed was over 96%. The customer service satisfaction was over 84%.

As for culture and media services, Oristar has established a management system with Business Relationship Management Process Manual (業務關係管理流程手冊), Service Management Manual (服務管理手冊) and Service Desk Management Specification (服務台管理規範), and set up a service management system, which comprised of service structure, organizational structure, process structure, file structure and technology structure, with an aim to ensure the smooth implementation of the system through supervision, review, audit, reporting and improvement, and in turn to guarantee the safety and quality of services.

### 2.3 提升客戶服務

隨著業務多元化戰略的推進，本集團客戶類型涵蓋了企業、機構、消費者、讀者、業主等多樣化類型。作為企業經營的基礎，本集團以客戶為中心，持續不斷提升和完善自身的能力和素質，並加強與客戶的溝通，各附屬公司建立溝通機制和售後服務體系，及時瞭解客戶需求，處理客戶提出的意見，不斷改進服務質量，最大限度地滿足客戶的需要。本集團保護客戶信息及隱私安全，防止非法使用、泄露和出售客戶信息及隱私行為的發生。2017年，本集團客戶投訴量4,030件，客戶投訴辦結率高於96%，客戶服務滿意度高於84%。

在文化與傳播服務領域，辰星科技制定《業務關係管理流程手冊》、《服務管理手冊》、《服務台管理規範》等管理制度，建立由服務架構、組織架構、流程架構、文件架構、技術架構組成的服務管理體系，以監督、回顧、審核、報告、改進等機制保障體系順利執行，通過體系的有效運轉來保證服務的安全和質量。

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

As for property development, the Group is responsible for property development, operation and management. Our customers are mainly the owners. The Group regularly conducts owner survey activities and customer satisfaction surveys to understand the needs of the owners. In order to motivate the employees and improve service quality, 半島城邦物業公司 has formulated the Working Star Selection Regulation (服務之星評選工作規程). In each quarter, it selects the winner of the "Star of Customer Service" (客服員工服務之星), "Star of Security Service" (安保員工服務之星), "Star of Engineering Service" (工程員工服務之星), "Star of Cleaning/Gardening Service" (保潔員／綠化工服務之星) and "Star of Basic Management Service" (基礎管理員工服務之星). The employees who won the "Star Awards" (服務之星) will be given cash awards.

As for enterprise cloud services, the Group continued to strengthen customer communication and to conduct satisfaction surveys, responding to various requests from customers in a timely manner. Sino-i established a professional customer service center and provided 400 service hotlines to ensure the customer complaint and feedback channels smooth. CE Dongli also established a comprehensive customer satisfaction survey mechanism, in which telephone interviews will be conducted to understand the customers' satisfaction towards our products and services, and the performance of customer service personnel will be evaluated to ensure the provision of quality services to customers.

As for Internet lifestyle platform, HK01, as a media-driven IT enterprise, aims to build a localized Internet lifestyle platform in Hong Kong and attract traffic with media content. HK01 reformed its organizational structure in response to the transformation of the Internet in 2017, and further investment has been made in products and technology systems to improve the development of products that meet the needs of users. In 2017, the number of monthly active users of the website and the mobile app of HK01 achieved rapid growth. HK01 also provided subscription hotlines, 24-hour enquiry hotline and email for inquiries. Any criticisms and admiration of readers are taken seriously and responses are made as soon as possible.

在房地產開發領域，本集團負責物業開發、運營及管理，涉及的客戶主要為業主。本集團定期開展業主用戶調查表活動及客戶滿意度調查，以瞭解業主的需求。為調動員工的積極性，提升服務質量。半島城邦物業公司制定《服務之星評選工作規程》，每個季度考核評出「客服員工服務之星」、「安保員工服務之星」、「工程員工服務之星」、「保潔員／綠化工服務之星」、「基礎管理員工服務之星」，給予被評為「服務之星」的員工現金獎勵。

在企業雲服務領域，本集團繼續加強客戶溝通及滿意度調查，針對客戶提出的各類訴求，快速響應和處理。中國數碼建立了專業的客戶服務中心並設立400服務電話，有效保障客戶投訴及反饋渠道的暢通。中企動力還建立了完善的客戶滿意度調查機制，電話回訪以瞭解客戶對產品及服務的滿意程度，並針對客服人員進行崗位績效考核以保證為客戶提供優質服務。

在互聯網生活平台領域，香港01作為一個以媒體為主要驅動的互聯網企業，以構建香港本地化的互聯網生活平台為發展目標，以媒體內容吸引流量，在2017年配合互聯網轉型進行組織架構重組，增大產品與技術體系投入力度，以便更好地開發滿足用戶需求的產品。2017年，香港01網站及APP月活數量實現快速增長。香港01還提供訂閱熱線電話、24小時查詢熱線以及郵箱讀者查詢，對讀者的任何批評和贊賞意見都認真對待，儘快做出回應。

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

### Case: Dadi Cinema innovates and diversifies its service model to meet customers' individual needs

案例：大地影院創新多樣化服務模式，滿足客戶個性化需求

Dadi Cinema provides diversified services to the audience by taking into account their comfortability. In 2015, Dadi Cinema proposed the "Movie +" strategy for the first time to enhance the viewing experience. In June 2017, Dadi Cinema teamed up with 天下模玩俱樂部 to offer a month-long special exhibition of Transformers valuable exhibits for the "frenzied fans" in Beijing and Tianjin. The audience is therefore enabled to recall their memories with Transformers while watching movies.

大地影院在保證觀眾舒適觀影的基礎上，為觀眾提供多樣化服務，2015年，大地影院在業內首次提出「電影+」戰略，提升觀影體驗。2017年6月，大地影院聯合天下模玩俱樂部，為京津兩地的「剛絲」們奉上為期一個月的變形金剛骨灰級藏品特展，讓觀眾觀影之餘也能回味與變形金剛有關的青春。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 2.4 Strengthen the supplier management

While performing its social responsibility, the Group attaches great importance to the social responsibility of its suppliers. The Group is committed to establishing long-term mutual trust and close partnership with suppliers. The Group provided assistance to its suppliers on the improvement of product and service quality by timely communication and information exchange with suppliers, field visits and supervision of suppliers' service processes, so as to create value and facilitate the win-win cooperation with suppliers.

The Group regulates tendering, procurement and supplier management to ensure the fairness and impartiality of procurement, and provides suppliers with a platform for long-term cooperation. Each subsidiary of the Group has formulated relevant systems, such as the Tendering and Procurement Management System (招標採購管理制度) and Supplier Management System (供應商管理制度) based on their operating conditions to manage suppliers. The nature of the Group's businesses in various areas varies greatly, so there is a big difference between the suppliers involved. For example, as for culture and media services, the types of suppliers for centralized procurement involve projectors, servers, screens and beverages. The types of suppliers for centralized procurement in the property development field involve construction engineering, equipment installation and decoration design services. The types of suppliers for centralized procurement in the enterprise cloud service field involve servers, network equipment, spare parts and computers. Each subsidiary of the Group establishes a directory of its own suppliers for centralized procurement, evaluates suppliers based on certain factors, such as supplier qualifications, product quality, timeliness of delivery and after-sales services, and provides evaluation results to suppliers. The Group and suppliers jointly figure out the causes of the problems and take corresponding measures to encourage suppliers to continuously improve the performance.

### 2.4 強化供應商管理

在自身履行社會責任的同時，本集團十分重視供應商的社會責任。本集團致力於與供應商建立長期互信和親密的夥伴關係，通過與供應商及時的溝通和信息交流、實地考察、監督供應商服務過程等多種方式，幫助供應商提升產品和服務質量，與供應商共創價值、合作共贏。

本集團規範招標採購和供應商管理工作，確保採購的公平性和公正性，為供應商提供長期合作的平台。本集團各附屬公司依據自身經營情況，制定《招標採購管理制度》、《供應商管理制度》等相關制度，對供應商進行管理。本集團各領域的業務差異大，涉及的供應商差異相應也較大。例如，文化與傳播服務領域集中採購供應商範圍涉及放映機、服務器、銀屏、飲品等，房地產開發領域涉及建築工程、設備安裝、裝飾設計服務等，企業雲服務領域涉及服務器、網絡設備及備件、電腦等。本集團各附屬公司建立各自的集中採購供應商名錄，基於供應商資質、供貨質量、到貨及時率、售後服務等因素，對供應商進行評價，並將評價結果反饋給供應商，與供應商共同探討問題產生的根源，採取相應的措施，促使供應商不斷改進。

**The number of suppliers for centralized procurement of the Group in 2017**  
2017年本集團集中採購供應商數目

		Number of suppliers in oversea, Hong Kong, Macau and Taiwan 海外及港澳台供應商數目 (家)	
	Number of suppliers in Mainland China 中國大陸 供應商數目 (家)		
Culture and media services	文化與傳播服務	124	15
Property development	房地產開發	873	6
Enterprise cloud services	企業雲服務	25	1

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

## 3. NURTURING TALENTS

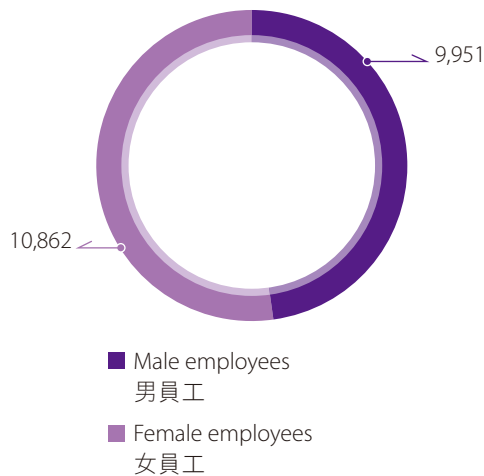
The Group takes employees as the core, protects employees' rights and interests, and formulates a differentiated management system for different groups of talents. The employees in key positions are encouraged to have multi-position, cross-functional and cross-industry experiences for the purposes of promotion and incentive. The Group also organizes various cultural and sports activities in daily life to create a harmonious and relaxing working atmosphere for employees.

## 3. 培養人才

本集團以員工為核心，保護員工權益，並針對不同人才群體形成差異化的管理體系，推動關鍵崗位員工進行多崗位、跨職能、跨行業歷練，打通個人上升通道和激勵通道，並在日常組織各種文體活動，為員工創造和諧輕鬆的工作氛圍。

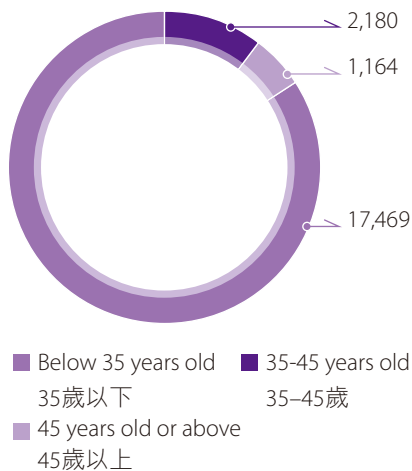
**Number of employees by gender**  
(Unit: person)

按性別劃分的員工人數  
(單位：人)



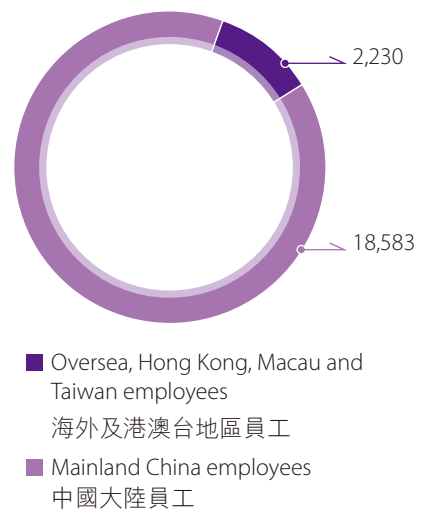
**Number of employees by age**  
(Unit: person)

按年齡劃分的員工人數  
(單位：人)



**Number of employees by region**  
(Unit: person)

按地區劃分的員工人數  
(單位：人)



## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### 3.1 Protecting the lawful rights and interests of employees

The Group strictly complies with the laws and regulations, such as the Labor Law of the People's Republic of China (中華人民共和國勞動法) and Labor Contract Law of the People's Republic of China (中華人民共和國勞動合同法). Recruitment adheres to the principle of openness, equality and anti-discrimination to effectively protect the rights and interests of employees. The Group prohibits the employment of child labor and forced labor. The Group has signed labor contracts with all employees on the principle of equality, voluntariness and consensus, and provided social insurance and housing provident funds for employees. As of 31 December 2017, the Group had 20,813 employees, of which female employees accounted for 52.19%.

Each subsidiary of the Group has formulated the Human Resource Planning and Recruitment Management Regulation (人力資源規劃與招聘管理規定), which provides the requirements on remuneration, recruitment and promotion, working hours, rest period, equal opportunities, diversification, anti-discrimination, etc., and regulates the process of human resource planning, recruitment and employment. Each subsidiary of the Group also carries out a series of measures to provide employees with fair and impartial job opportunities and competitive compensation and benefits. As for property development, in order to avoid the recruitment of child labor, 半島城邦 requires employees to provide identity cards when they join the company to ensure that employees reach the legal age for employment. As for culture and media services, Dadi Cinema implements a relative avoidance system. Recruiting employees who have kinship with the company's employees must report to the company on their own initiative. If the position of recruited employees reached a certain level, the approval of the relevant department heads must be obtained, thereby creating an environment for fair competition. As for enterprise cloud services, CE Dongli has formulated the Remuneration and Benefits Management System (薪酬福利管理制度) to provide employees with benefits, such as different subsidies, supplementary medical claims and accident insurance, as well as birthday and holiday care.

#### 3.1 保障員工合法權益

本集團嚴格遵守《中華人民共和國勞動法》、《中華人民共和國勞動合同法》等法律法規，招聘工作堅持公開平等原則和反歧視原則，切實保障員工權益。本集團禁止僱傭童工以及強制勞工，基於平等自願、協商一致的原則與所有員工簽訂勞動合同，為員工辦理社會保險以及住房公積金。截至2017年12月31日，本集團擁有員工20,813人，其中女員工佔比52.19%。

本集團各附屬公司制定《人力資源規劃與招聘管理規定》，對薪酬、招聘與晉升、工作時長、假期、平等機會、多元化、反歧視等內容予以規定，對人力資源規劃、招聘、錄用等環節予以規範。本集團各附屬公司還開展一系列的措施，為員工提供公平、公正的工作機會，以及具有競爭力的薪酬和福利。在房地產開發領域，為了避免招聘童工，半島城邦要求員工入職時必須提供身份證，以確保員工達到法定用工年齡。在文化與傳播服務領域，大地影院實行親屬回避制度，招聘與公司員工有親屬關係的員工，需主動向公司報備，如果招聘的員工超過一定級別，還需要得到相關部門領導批准，以營造公平競爭環境。在企業雲服務領域，中企動力制定《薪酬福利管理制度》，為員工提供各類補貼、補充醫療報銷及意外保險等保障福利，以及生日節日關懷等福利。



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

The Group has been listening to the feedback of our employees and optimizing the channel for employee to appeal and commute so as to encourage employee reflect their difficulties encounter at work. If the matter of transfer of employees to one of the official staff, change in remuneration or positions, work appraisal, career development planning and resignation (removal) of employees arises, leaders of departments and human resource development will conduct interview, on selective basis, with the concerned employees in accordance with the practical situation so as to understand their view and concerns. Employees can raise their questions, opinions and suggestions on the company through telephone, interviews and written forms. The Group will reply within a certain period of time and keep the identity of the employee confidential. When an employee believes that personal interests have been arbitrarily violated or has different opinions on the company's management measures, he/she may report to the company. The responsible personnel will conduct an investigation after receiving an employee's complaint and make the handling decision as soon as possible. The handling decision will be notified to the complainant and the head of human resources department in writing or by e-mail. If employees are dissatisfied with the handling decision, he/she can insist to appeal to a higher level manager. The Group conducts employee satisfaction surveys from time to time, to consult employees on different aspects, such as the business and management, so as to understand employees' overall satisfaction towards the working environment.

本集團為充分聽取員工意見，不斷完善員工申訴與溝通渠道，鼓勵員工反映工作中遇到的問題。針對員工轉正、調薪或崗位變動、進行工作評估、職業發展規劃以及員工辭職(辭退)等情況，部門領導及人力資源部都將根據實際情況，有選擇的與員工進行面談，傾聽員工的想法和疑問。員工可通過電話、面談、書面等形式表達自己對公司的疑問、意見和建議。本集團將在一定期限內給予答覆，並為員工的身份保密。當員工認為個人利益受到不應有的侵犯，或對公司的經營管理措施有不同意見時，可向公司申訴。各負責人在接收到員工申訴後進行調查並儘快做出處理決定，處理決定將通過書面或電子郵件的形式通報給申訴者及人力資源部。如果員工對處理決定不滿意可繼續向更高一級管理人員申訴。本集團不定期開展員工滿意度調查，徵詢員工對公司業務、管理等方面的意見，瞭解員工對工作環境的整體滿意程度。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 3.2 Promoting employees' career development

The Group focuses on the common growth of enterprise value and employee value. With the concept of "Respecting the Employees, Developing the Employees, Accomplishing the Employees", the Group gives the employees the opportunities to learn, work and challenge ego, creating interests community, undertaking community and fate community between the organization and the employees.

In order to enhance the knowledge and skill of employees, the Group has improved its staff management system on trainings. Each subsidiary has established Management System on Trainings (培訓管理制度) to standardize the process of training and management. The Group not only organizes trainings of various forms and contents, but also encourages them to make use of their own professional knowledge to train other colleagues. The Group organizes on-the-job training to all new employees in order to make them familiar with the company and its projects, as well as the corporate culture, to make them comply with relevant rules and regulations, and to master the company's business processes and working methods. Thus, employees can rapidly enter the working condition once taking up posts. The Group also aims at regular training for all employees. The forms of training include online videos, internal lecturers, external lecturers, external visits, and academic exchanges and training and etc. The content includes employee mentality, service etiquette, management philosophy, management system, and overall quality and etc. The Group expects to deepen employees' understanding of the company's management and system through conducting targeted, effective and forward-looking trainings so as to improve employees' integrated vocational quality.

### 3.2 促進員工職業發展

本集團注重企業價值與員工價值的共同成長，秉持「尊重人、發展人、成就人」的理念，不斷為員工提供學習、工作和挑戰自我的機會，努力建立企業與員工的利益共同體、事業共同體乃至命運共同體。

為提升員工知識和技能，本集團完善員工培訓管理體系，各附屬公司制定《培訓管理制度》，規範培訓管理流程。本集團不僅為員工組織各種形式和內容的培訓，也鼓勵員工利用自身專業知識，培訓其他同事。本集團組織全體新員工接受入職培訓，讓新員工儘快瞭解公司、項目情況，熟悉公司企業文化，遵守公司的規章制度，掌握公司的業務流程和工作方法，使員工上崗後能迅速進入工作狀態。本集團還針對全體員工開展常規培訓，培訓形式包括網絡視頻、內部講師、外部講師、外部參觀學習、學術交流培訓等形式，內容包括員工心態、服務禮儀、管理理念、管理制度、綜合素質等。本集團期望通過開展具有針對性、有效性和前瞻性的培訓活動，加深員工對公司管理與制度的理解，提高員工的綜合職業素質。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

In order to satisfy the demand of talents for business development, each subsidiary of the Group has established Management System on Promotion (晉升管理制度) to provide employees with diversified promotion platforms. In line with the principle of valuing moral integrity and performance, the Group comprehensively inspects employees' integrated quality and capabilities, as well as their achievements in their work. The employee promotion process shall be completed in accordance with the process of nomination, qualification examination, promotion evaluation, promotion approval and appointment announcement. If employees make outstanding contributions for the company, they can leapfrog and be promoted.

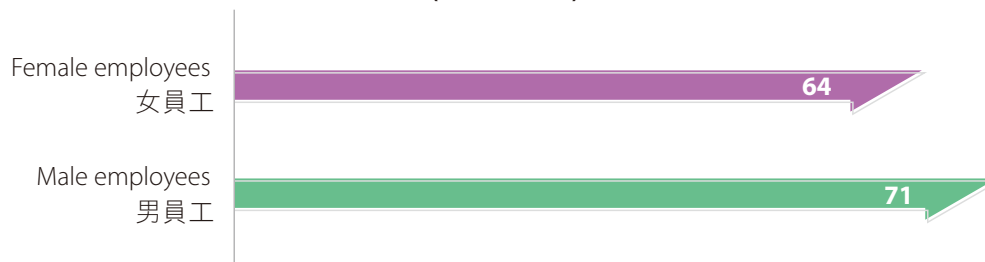
During the reporting period, the number of trainees was 18,239, covering 87.63% of the total number of the Group. The percentage of male trainees was 87.67% while the percentage of female trainees was 87.60%. The employees' per capita training hours are 67.42.

為滿足業務發展對人才的需求，本集團各附屬公司制定《晉升管理制度》，為員工提供多元化的晉升平台。本集團本著品德和業績並重的原則，全面考察員工的綜合素質能力，以及在工作中取得的業績。員工晉升程序需按照提名、資格審查、晉升評估、晉升審批、任職公告的流程完成。如果員工為公司做出了突出貢獻，可以越級晉升。

報告期內，本集團受訓員工人數為18,239人，覆蓋集團總人數的87.63%。男員工受訓比例為87.67%，女員工受訓比例為87.60%。員工人均參與培訓67.42小時。

#### Average training hours of employee by gender (Unit: hour)

按性別劃分的僱員平均受訓小時數  
(單位：小時)



#### Case: Nan Hai Development held reading and sharing workshops

案例：南海發展讀書及交流分享會

Since March 2017, Nan Hai Development has commenced departmental internal reading and sharing workshops. Employees were able to understand the essence of the books in a short period of time through text or audio and live broadcast. The books include "A Stitch in Time Saves Nine" (在對的時間做對的事), "Crucial Conversations" (關鍵對話), "Sharing Economy" (共享經濟), "The Impact of Shantytown Renovations and Tenants Enjoy the Same Right as Home Buyers" (棚改、租售同權帶來的影響) and "Contract Review Experience Sharing" (合同審查經驗分享), etc., Also, by way of inviting internal experts to give lectures and encouraging employees to share their personal experience, employees' horizon is broadened and their understanding of business knowledge is deepened.

2017年3月起，南海發展組織開展部門內部讀書及交流分享會，通過文字或音頻、直播的形式，使員工在短時間內瞭解書籍精華內容，圖書包括《在對的時間做對的事》、《關鍵對話》、《共享經濟》、《棚改、租售同權帶來的影響》、《合同審查經驗分享》等，並通過邀請內部專家講座，鼓勵員工分享個人經驗的形式，開拓了員工的視野並加深其對業務知識的理解。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Case: CE Dongli commencing “Housekeeping Department” Training

##### 案例：中企動力開展管家部培訓

In August 2017, CE Dongli conducted “House Keeping Department” Training for three days. “Housekeeping Department” of CE Dongli is a professional service team established by the company for its customers. CE Dongli communicates with the “housekeepers” comprehensive knowledge on how to establish trust with customers, optimize service quality as well as follow up with and seek potential customers and etc. through experience sharing, case studies, work reports and summaries and etc., to enhance the business capabilities of “housekeepers” participated in the training, and meanwhile their professionalism and personal skills.

2017年8月，中企動力舉辦了為期三天的管家部培訓。中企動力管家部是公司面向客戶成立的專業化服務團隊，中企動力通過經驗分享、案例分析、工作彙報及總結等方式向管家們傳遞了如何建立客戶信任、優化服務質量、潛在客戶跟進發掘等全方位知識，使參與培訓的管家們在提升業務能力的同時也提升了職業素養及個人技能。

### 3.3 Caring employees’ physical health and mental health

Due to the business diversity, the Group has a wide range of health and safety management content. Each subsidiary has targeted management of employees’ health and safety risks based on the nature of its operations. As for property development, Nan Hai Development has tightened site safety management and control, formulated safety management rules and implemented safety assessment system to ensure that employees’ occupational health and safety risks are managed and controlled. The Group requires its staff to strictly implement regulations for production safety and operation procedures, to acquire necessary first aid knowledge and to receive necessary production safety education and training. The Group also distributes safety helmets, work clothes, shoes and etc. to engineering staff, regularly organize fire drills to prevent occupational diseases and accidents. As compared with the employees in property development segment, the employees in culture and media and enterprise cloud services segments mainly work indoors and have lower occupational health risks. The Group has set air purification systems in the office area to improve air quality in response to office work health needs. The Group also organizes health checkups for employees, implements medical insurance, holds health talks, provides various health protection such as social insurance and supplementary medical insurance to care for employees’ physical and mental health as well as to promote healthy lifestyles.

In addition, the Group has commenced vivid cultural activities such as photography competitions, outings, sports competitions, Spring Festival annual dinners, staff birthday parties, mother’s day celebration and etc., to relax our employees, relieve their work stress and help them achieve work-life balance.

During the reporting period, no work-related deaths occurred. Work days were lost for 112 days due to work injuries.

### 3.3 關愛員工身心健康

因業務的多元性，本集團員工健康安全內容範圍較廣，各附屬公司依據運營性質的不同，有針對性對員工健康安全風險進行管理。在房地產開發領域，本集團加強工程現場安全管控，制定安全管理細則，落實安全考核制度，確保員工職業健康安全風險的有管控。本集團要求員工認真執行安全生產規章制度和操作規程，學習必要的急救知識，接受必要的安全生產教育和培訓。本集團還向工程人員發放安全帽、工服、鞋等物品，定期組織消防演習，嚴防職業病和意外發生。相較於在房地產開發領域工作的員工，文化傳播和企業雲服務等領域的員工主要在室內辦公，職業健康風險較低。本集團針對辦公室工作健康需求，在辦公區域設置空氣淨化系統以改善空氣質量。本集團還組織員工健康體檢、實行醫療保險、舉辦健康講座，提供社保、補充醫療保險等多種醫療保障，關愛員工身心健康，倡導健康生活方式。

此外，本集團開展攝影比賽、郊遊、趣味運動會、春節年會、員工生日會、母親節活動等豐富多彩的文體活動，放鬆員工身心，舒緩員工工作壓力，幫助員工平衡工作與生活。

本報告期內，未發生因工作關係死亡事件，工傷損失工作日112天。

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

### Case: Nan Hai Development held staff development training to improve team cooperation ability

案例：南海發展舉辦員工拓展訓練，提升團隊協作能力

In 2017, Nan Hai Development organized trekking activity "Nature Power Training CampRoute of Xuanzang" (大自然動力訓練營 — 玄奘之路). About 30 employees set off from Dunhuang, walked nearly 70 kilometers along the westbound route of Xuanzang and successfully reached the destination. Employees participated in the event enhanced their mutual relationship, expanded their personal networks, and improved teamwork and cohesion through this activity.

2017年南海發展組織員工參與「大自然動力訓練營 — 玄奘之路」徒步活動。大約30名員工從敦煌出發，集體沿玄奘西行路線徒步將近70公里，成功到達終點。參與活動的員工通過本次活動增進彼此之間的感情，拓展人脈，提高了團隊合作能力和凝聚力。



### Case: Dadi Cinema organizing birthday parties for employees to enhance team cohesiveness

案例：大地影院組織員工集體生日會活動，增強團隊凝聚力

Dadi Cinema organizes a collective birthday party every month. Each month, the activities held and the gifts distributed are innovative. This helps employees relax their body and mind despite stressful work, enhance their relationship, and improve team cohesiveness. In 2017, Dadi Media has organized a number of collective birthday parties for employees, and thousands of employees have participated in activities such as games, recreational activities, and customized gift distribution.

大地影院每個月組織員工集體生日會活動，舉辦的活動、發放的禮品每月均有創新，幫助員工在緊張的工作之餘放鬆身心，增進彼此的感情，提高團隊的凝聚力。2017年，大地傳播已舉辦多場員工集體生日會，上千名員工參與趣味遊戲、文娛活動、定制禮品發放等活動。



## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Case: CE Dongli organized trekking team building programme

##### 案例：中企動力組織徒步團建活動

In April 2017, CE Dongli organized trekking team building programme for headquarter and districts employees to go to the Great Wall. This fostered the mutual understanding between colleagues through group games, completion of collaborative tasks to enhance team awareness, laying proper foundation for future work.

2017年4月，中企動力組織總部及區域同事赴水長城參加徒步團建活動，通過組隊遊戲、完成協作任務增強團隊意識，培養同事相互之間的默契，為日後的工作打下良好基礎。



## 4. PRACTICING ENVIRONMENTAL PROTECTION

The Group actively mitigates to climate change, promotes green operation, adopts various effective measures to lower energy and resource consumption, realises energy conservation and emission reduction, and protects the ecology.

### 4.1 Actively promoting the development of green buildings

Property development is one of the Group's core business sectors. The Group's subsidiaries of property segment actively explore the green building sector, design and develop green building products, and share green building experiences with peer corporates.

## 4. 踐行環保

本集團積極應對氣候變化，倡導綠色運營，採取各種有效措施降低能源和資源消耗，踐行節能減排，保護生態環境。

### 4.1 積極推動綠色建築發展

房地產開發是本集團核心業務領域之一。本集團房地產板塊子公司在綠色建築領域積極探索，設計開發綠色建築產品，與同行企業交流分享綠色建築經驗。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Case: Nan Hai Development designed and developed "Free Man Garden" eco-community project

##### 案例：南海發展設計開發「自由人花園」生態小區

In 2017, Nan Hai Development designed and developed Phase 7 of "Free Man Garden" with the aim of achieving low-carbon greening as well as energy conservation and environmental protection. The greatest feature of the project is to follow the nature of biological organization in the form of organic integration of space through multi-level network design, maximize the rational use of space, meet the multiple needs of occupants such as living, work, leisure, learning and etc., while reducing resource use. The project also reduces rainwater discharge by conserving water sources through green plants, realising the ecological cycle of water.

2017年，南海發展以低碳綠化、節能環保為目標，設計開發「自由人花園」七期項目。該項目最大特色是仿照自然界生物組織形式，通過多層次網絡設計將空間有機結合，最大限度合理利用空間，滿足居住者生活、工作、休閒、學習等多重需求的同時，減少資源使用。項目還通過綠色植物涵養水源，減少雨水排放，實現水的生態循環。

#### Case: Nan Hai Development promoting the development of green building industry

##### 案例：南海發展推動綠色建築行業發展

In July 2017, Nan Hai Development took the lead in establishing Stereoscopic Greening Committee of Shenzhen Green-Building Association (深圳市綠色建築協會立體綠化專委會) and participated in the stereoscopic greening sub-forum of XIX International Botanical Congress (第十九屆世界植物學大會立體綠化分論壇). At the congress, the Company shared its perception during the process of realising stereoscopic greening and green buildings. Nan Hai Development and more than a dozen of the committee members jointly issued an industry proposal "Developing Stereoscopic Greening and Building Green Residence" (發展立體綠化，建設綠色人居) to promote the development of green buildings. In September 2017, Nan Hai Development joined hands with approximately 30 people of peer corporates of Shenzhen to participate in Singapore International Green Building Conference (IGBC) (新加坡國際綠色建築大會). IGBC is Asia's top green building industrial conference. The conference attracted over 1,200 industry professionals from more than 50 countries.

2017年7月，南海發展牽頭成立了深圳市綠色建築協會立體綠化專委會，並作為承辦單位參加了第十九屆世界植物學大會立體綠化分論壇，在會上分享了企業在實踐立體綠化和綠色建築過程中的感悟。南海發展以及十餘家專委會成員單位在會上共同發出《發展立體綠化，建設綠色人居》行業倡議書，倡導發展綠色建築。2017年9月，南海發展攜手深圳同行近30人參加了新加坡國際綠色建築大會(IGBC)。IGBC是亞洲頂級綠色建築大會，本次大會吸引50多個國家1,200餘名行業人士出席。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 4.2 Improving efficiency of energy and resource utilization

The Group complies with national laws and regulations and continuously strengthens the management over the use of energy such as electricity, gas and natural gas, as well as the use of resources, such as water, office paper and etc. Each subsidiary of the Group formulates energy saving and emission reduction related policies and systems based on their own business characteristics, standardizes the management of energy and resources, and takes various measures to enhance the efficiency of energy and resources utilization and to reduce greenhouse gas emission. In 2017, the Group's comprehensive energy consumption was 23,839 tons of standard coal; the comprehensive energy consumption density was 1.15 tons of standard coal per person; the greenhouse gas emission was 130,836 tons of CO<sub>2</sub>e; and the greenhouse gas emission density was 6.29 tons of CO<sub>2</sub>e per person.

As for property development, Nan Hai Development has established various energy and resource management systems and processes which strictly control the consumption of electricity, water, gasoline and materials, and thus eliminate waste. Nan Hai Development adopts OA system for daily office use, reducing paper use, promoting video conferencing, reducing unnecessary travel, using energy-saving air-conditioners in offices, replacing energy-saving lighting, turning off lighting during non-office hours so as to reduce energy consumption.

As for culture and media services, Dadi Distribution advocates paperless office. Tasks involving personnel such as attendance, leaves, overtime, working outside office and etc. are processed through mobile apps; financial related work such as travel, payments, loans, reimbursement and etc. are processed through OA. Based on the headquarter-resident office style, conference calls are used at all staff meetings to reduce unnecessary travel. In daily work, printers print in black and white by default and double-sided printing is promoted. Headquarter staff are equipped with shuttles, meanwhile, staff are encouraged to use public transport to and from work by providing transportation subsidies.

### 4.2 提升能源及資源使用效率

本集團遵守國家法律法規，不斷加強對電、汽油和天然氣等能源以及水、辦公用紙等資源使用的管控。本集團各附屬公司根據自身業務特點制定節能減排相關政策制度，規範能源及資源的管理，並採取多種措施，提高能源和資源使用效率，減少溫室氣體排放。2017年，本集團綜合能源消耗量為23,839噸標煤，綜合能源消耗量密度為1.15噸標煤／人；溫室氣體排放量為130,836噸二氧化碳當量，溫室氣體排放量密度為6.29噸二氧化碳當量／人。

在房地產開發領域，南海發展制定了多項能源及資源管理制度和流程，對耗電、耗水、汽油和材料使用量進行嚴格控制，杜絕浪費。南海發展日常辦公使用OA系統，減少紙張使用，倡導使用視頻會議，減少不必要的差旅，在辦公場所使用節能空調、更換節能燈，在非辦公時間統一關閉照明，減少能源消耗。

在文化與傳播服務領域，大地發行倡導無紙化辦公，考勤、請休假、加班、外出等涉及人事的工作均通過手機APP實現；出差、付款、借款、報銷等涉及財務的工作均通過OA實現。基於總部一駐地的辦公形式，全員會議時使用電話會議，減少不必要的差旅。在日常辦公中，打印機默認黑白打印，提倡二次利用單面打印紙。為總部員工配備通勤班車，同時以交通補貼形式鼓勵員工使用公共交通工具上下班。



## Environmental, Social and Governance Report

### 環境、社會及管治報告

As for enterprise cloud services, Sino-i actively promotes green office, using reclaimed water to reduce the use of fresh water, encouraging employees to use public transportation to travel so that unnecessary travel can be reduced, and promotes water and electricity conservation. Sino-i Campus has accumulated power savings of about 980,000 kWh in 2017 by increasing the frequency conversion function of air-conditioning systems, using body-sensing lights, and using LED energy-saving lamps.

在企業雲服務領域，中國數碼積極倡導綠色辦公，使用中水以減少新鮮水的使用，鼓勵員工使用公共交通出行，減少不必要的差旅，並在向員工宣傳節約用水用電。數碼莊園2017年度通過增加空調系統變頻功能、採用人體感應燈、使用LED節能燈等措施，累計節約電力98萬度。

#### The Group's energy and resource consumption in 2017

##### 2017年本集團能源和資源消耗量

Indicator 指標	Unit 單位	Consumption 消耗量
Electricity 電	kilowatt hour 千瓦時	188,860,338
Municipal water 市政用水	tonnes 噸	867,932
Municipal water consumption intensity 市政用水量密度	tonnes/HK\$10,000 噸/萬港元	0.55
Reclaimed water 中水	tonnes 噸	23,569
Gasoline 汽油	liter 升	138,857
Natural gas 天然氣	cubic meters 立方米	2,353
Outsourcing heat 外購熱力	tonnes 噸	3,708

#### Dadi Cinema's packaging material purchase volume in 2017\*

##### 2017年大地影院包裝材料採購量\*

Indicator 指標	Purchase volume (piece) 採購量(個)
Food packaging box <sup>1</sup> 食品包裝盒 <sup>1</sup>	120,105
Drink cup <sup>2</sup> 飲料杯 <sup>2</sup>	161,889
Drink cup lid <sup>3</sup> 飲料杯杯蓋 <sup>3</sup>	149,771
Packing Bag <sup>4</sup> 打包袋 <sup>4</sup>	26,745

1 Food packaging boxes include popcorn boxes.

2 Drink cups include coke cups, hot drinks cups, clear plastic cups, etc.

3 Drink cup lids include clear plastic lids with a straw slot, hot drink lids, clear plastic lids with stoppers, etc.

4 Packing bags include packing bags for double grid packages (雙格套餐).

\* As the Group does not produce any products, the indicator of total packing material used for finished products and its intensity (i.e. per unit produced) is not applicable.

1 食品包裝盒如爆谷盒。

2 飲料杯包括可樂杯、熱飲杯、透明杯等。

3 飲料杯蓋包括單孔透明蓋、熱飲杯蓋、帶杯塞透明蓋等。

4 打包袋如雙格套餐打包袋。

\* 由於本集團不涉及產品生產，故製成品所用包裝材料的總量及其密度(即每生產單位)指標並不適用。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Case: Energy and Resource Saving Measures in Nan Hai Development

#### 案例：南海發展節能降耗

Nan Hai Development has formulated water conservation procedures, power consumption management rules and material management rules to strictly control over the consumption of electricity and water as well as material management, and to rationalize work processes. In 2017, Nan Hai Development re-organized its official vehicle management system to strengthen the management of official vehicles, to control the refueling of vehicles with fuel cards, and to promote energy conservation and emission reduction. Nan Hai Development has installed air-conditioning system and lighting control system with sensors, depending on the time, the degree of light and darkness and conditions to adjust the brightness or to switch on/off the light, for the purpose of saving energy in daily operation.

南海發展制定節約用水工作程序、用電管理規則、材料管理規則，通過嚴格控制用電、用水和物料管理並合理化作業流程。2017年，南海發展重新梳理公務車管理制度，加強公務車輛管理，車輛油卡管控車輛加油，促進節能減排，並安裝空調系統和附傳感器的照明控制系統，根據時間，光暗程度和使用情況調節亮度或開關，節約日常運營中的能源消耗。

### 4.3 Disposal of solid wastes and emissions legitimately

The Group disposes its solid wastes and emissions properly and legitimately according to the national laws and regulations. For the wastes of used furniture, equipment, computers, waste paper products, etc., the Group collects and sorts the wastes, sells the valuable wastes, and periodically passes the remaining solid wastes to an external company for centralized disposal. For hazardous wastes, such as used toner cartridges and used light tubes, the Group collects the waste in a timely manner, and passes them to an external qualified company for centralized disposal. The Group will not generate industrial sewage. The domestic sewage generated is completely connected to the urban municipal sewage pipeline network, and treated and discharged by urban sewage treatment plants according to the required standards.

### 4.3 合規處置廢棄物和排放物

本集團遵守國家法律法規，妥善合規處置廢棄物和排放物。對於產生的廢舊家具、設備、電腦、廢舊紙製品等廢棄物，本集團對其進行分類收集和回收，將有價值的廢棄物進行變賣處理後，定期將剩餘的固體廢棄物交由外部機構統一合規處置。對於廢舊硒鼓、廢舊燈管等有害廢棄物，本集團及時將其集中交由有資質的外部機構統一合規處置。本集團不產生工業廢水，產生的生活廢水全部接入城市市政污水管網，由城市污水處理廠按達標要求處理和排放。

#### Waste generation of the Group in 2017 2017年本集團廢棄物產生量

Indicator 指標	Unit 單位	Yield 產生量
Obsolete assets 廢舊資產	pieces 件	4,995
Used toner cartridges 廢舊硒鼓	pieces 個	573
Used light tubes 廢舊燈管	pieces 根	868
Waste paper products 廢舊紙製品	tonnes 噸	42

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### 5. PUBLIC WELFARE

The Group actively participates in public welfare activities. Each subsidiary carries out various charitable activities based on its own business characteristics. The Group has actively contributed to the community and the society by charitable donation, volunteer services and promotion of community culture. CE Dongli, the Group's subsidiary, has consistently adhered to the "Management measures on donation of micro public welfare activities of CE Dongli" (中企微公益 — 愛心捐款管理辦法) to manage the donations from employees and within the Company. During the reporting period, the Group made charitable donation amounting to approximately HK\$180,000.

#### 5. 奉獻公益

本集團積極參與公益事業，各附屬公司根據自身業務特色，開展豐富多彩的公益活動。通過公益捐贈、志願者服務、社區文化傳播等形式，積極造福社區、奉獻社會。本集團附屬公司中企動力多年來始終堅持落實《中企微公益 — 愛心捐款管理辦法》對員工及公司內部捐贈款項進行管理。在本報告期內，本集團公益捐款額約為180,000港元。

#### Case: Dadi Cinema held charitable film-watching activities

##### 案例：大地影院公益觀影活動

In October 2017, when the film "十八洞村" with the theme of targeted poverty alleviation was released, Dadi Cinema carried out free charitable film-watching activities across the country to deliver the national spirit of self-improvement, solidarity and uniting to the public, and to provide comprehensive support for domestic main-melody film production. 217 cinemas have participated in the event, totaling 3,759 screenings. It attracted 23,431 audiences to watch the film, including government organizations, trade unions, enterprises, non-governmental organizations, university students and welfare agencies throughout the country.

2017年10月，大地影院在反映精準扶貧為題材的影片《十八洞村》上映之際，在全國開展了免費觀影公益活動，向大眾傳遞自強不息、團結互助的民族精神，全面為國產主旋律影片宣傳提供助力。活動期間，大地影院旗下217家影院參與了此次活動，共計放映3,759場次，吸引了全國各地的政府組織、工會、企業、民間社團、大學生、福利機構等23,431人次觀影。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Case: HK01 engages in building a harmonious community

##### 案例：香港01 共建和諧社區

In November 2017, HK01 became a digital media partner of the event “Get Redressed x Miele Clothing Drive 2017” (Get Redressed x Miele 延續時尚衣物回收2017). It placed recycling bins at the restaurant “01 Space” in Wan Chai and the office in the Octagon to encourage the public and employees to donate unwanted secondhand clothing.

2017年11月，香港01成為「Get Redressed x Miele 延續時尚衣物回收2017」活動的數碼媒體夥伴，於位於灣仔的「01空間」餐廳及嘉達環球中心的辦公室放置衣物回收箱，呼籲市民及員工捐贈不需要的舊衣物。

On the eve of the Dragon Boat Festival in 2017, HK01 and the Junior Chamber International Harbour (海港青年商會) visited a nursing home in the Tsuen Wan District. During which, they hold a charity event of sending rice dumplings for the Dragon Boat Festival and played interactive games, showing their care for the elderly in the community.

2017年端午節前夕，香港01聯同海港青年商會一同探訪荃灣區內一家敬老院，舉行端午節慈善派粽活動，並組織互動遊戲，關愛社區老人。



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

### Case: CE Dongli makes children's wishes come true

#### 案例：中企動力幫助小朋友實現心願

On 26 July 2017, in response to the call from the company's micro-charity activities, CE Dongli's employees participated in the event "Warm heart station" (暖 心 驛 站) organized by the community service center in Shantou (塹頭社區綜合服務中心), to make the wishes of the children in community come true.

The company's employees have donated books to the children, played games and drew a wish tree together and sent little gifts to them, which made the children deeply feel the care from the society.

2017年7月26日，為響應公司微公益活動的號召，中企動力員工赴塹頭社區綜合服務中心參加暖心驛站的活動，認領社區中小朋友的心願，並為其達成心願。

公司員工向小朋友們捐贈書籍，帶領小朋友一起玩遊戲做活動，並為他們贈送小禮品與他們共同繪製心願樹，讓小朋友們深切感受到社會對他們的關懷。



# Independent Auditor's Report

## 獨立核數師報告



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**To The Shareholders of Nan Hai Corporation Limited**  
*(incorporated in Bermuda with limited liability)*

**致 Nan Hai Corporation Limited (南海控股有限公司) 股東**  
*(於百慕達註冊成立之有限公司)*

### OPINION

We have audited the consolidated financial statements of Nan Hai Corporation Limited (the "Company") and its subsidiaries (herein referred to as the "Group") set out on pages 124 to 290, which comprise the consolidated statement of financial position as at 31 December 2017, 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 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### 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.

### 意見

本核數師(以下簡稱「我們」)已審計列載於第124至290頁Nan Hai Corporation Limited(南海控股有限公司)(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於2017年12月31日的綜合財務狀況報表與截至該日止年度的綜合收益表、綜合全面收益報表、綜合權益變動表及綜合現金流量報表，以及綜合財務報表附註，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」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於2017年12月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及其綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

### 意見基礎

我們根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。該等準則規定我們的責任於本報告「核數師就審計綜合財務報表須承擔的責任」一節進一步描述。根據香港會計師公會頒佈的「專業會計師道德守則」(「守則」)，我們獨立於 貴集團，並已履行守則中的其他道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

## Independent Auditor's Report

### 獨立核數師報告

#### 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.

#### **Impairment assessment of goodwill and other assets attributable to the cash generating units ("CGUs")**

*(Refer to note 21 to the consolidated financial statements and the Group's critical accounting estimates and assumptions set out in note 4.1)*

As at 31 December 2017, the Group had goodwill of HK\$5,200,337,000 which is allocated to the CGUs of cinema business, innovative business, enterprise cloud services and property development segments for annual impairment testing.

The Company's directors have concluded that there was an impairment loss on goodwill amounted to HK\$79,612,000 for the CGUs of innovative business segment. This conclusion was based on the impairment testing carried out by the management for these CGUs in accordance with the Group's accounting policy 2.23 which is set out in detail in note 21 to the consolidated financial statements, which involved significant judgement and assumptions with respect to the determination of the pre-tax discount rates and the estimation of the underlying future cash flows.

We identified the impairment testing of goodwill and other assets of the relevant CGUs as a key audit matter because of its significance to the consolidated financial statements and because the impairment testing involved significant management judgement and estimates as explained above.

#### 關鍵審計事項

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

#### **現金產生單位（「現金產生單位」）應佔商譽及其他資產的減值評估**

*（請參閱綜合財務報表附註21及附註4.1所載 貴集團的重要會計估計及假設）*

於2017年12月31日，貴集團之商譽為5,200,337,000港元，並分配至影院業務、創意商業、企業雲服務及房地產開發分部的現金產生單位作年度減值測試。

貴公司董事認為創意商業分部現金產生單位之商譽減值虧損為79,612,000港元。此結論建基於管理層就該等現金產生單位根據綜合財務報表附註21詳述之 貴集團會計政策2.23進行之減值測試，當中涉及對釐定除稅前貼現率及估計相關未來現金流量的重大判斷及假設。

我們將相關現金產生單位之商譽及其他資產之減值測試分類為關鍵審計事項，原因為其對綜合財務報表而言屬重大，以及減值測試涉及管理層如上所述作出重大判斷及估計。

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

### KEY AUDIT MATTERS (Continued)

#### Our response

Our procedures in relation to management's impairment assessment above included:

- Evaluating the models used by management in the value in use calculations for impairment testing;
- Assessing the reasonableness of discount rates and growth rates applied to the impairment testing;
- Challenging the reasonableness of other key assumptions based on our knowledge of the business and industry;
- Checking input data to supporting evidence, such as approved budget and considering the reasonableness of the budget;
- Checking the value in use calculations mathematically;
- Comparing the actual performance in 2017 with the forecast in 2016; and
- Performing sensitivity analysis including assessing the effect of a change in the key assumptions to the recoverable amounts of the CGUs.

#### Identification of assets and liabilities for newly acquired business

(Refer to note 42(a)(i), 42(a)(ii) to the consolidated financial statements and the Group's accounting policy set out in note 2.2)

In July 2017, the Group completed the acquisitions of City Entertainment Corporation Limited and 福建中瑞文化投資有限責任公司, which the purchase price allocation ("PPA") involved significant judgement and assumptions.

Management has engaged independent valuer to assist management to determine the fair value of the identifiable assets acquired and liabilities assumed at the completion dates. Fair value and corresponding deferred tax adjustments were made based on the PPA exercise, and goodwill has been recognised for the difference being the fair value of the purchase considerations in excess of the fair value of identifiable assets acquired and liabilities assumed in each case.

We consider this as a key audit matter because of its significance to the consolidated financial statements and because the fair value determination of certain items in the PPA involved significant management judgement and estimates.

### 關鍵審計事項(續)

#### 我們的回應

我們就管理層上述減值評估所採納程序包括：

- 評核管理層於減值測試之使用價值計算中採用之模式；
- 評估減值測試所應用貼現率及增長率的合理性；
- 基於我們對業務及行業的認識，質疑其他主要假設的合理性；
- 檢查支持證據的輸入數據，例如獲批准預算及考慮預算的合理性；
- 在算術上檢查使用價值計算方法；
- 比較2017年實際表現與2016年所作預測；及
- 進行敏感度分析，包括評估更改有關現金產生單位可收回金額之主要假設之影響。

#### 識別新收購業務的資產及負債

(請參閱綜合財務報表附註42(a)(i)及42(a)(ii)及附註2.2所載 貴集團的會計政策)

於2017年7月，貴集團完成收購City Entertainment Corporation Limited及福建中瑞文化投資有限責任公司，當中收購價分配(「收購價分配」)涉及重大判斷及假設。

管理層已委聘獨立估值師，協助釐定於完成日期所收購可識別資產及所承擔負債的公允價值。公允價值及相應遞延稅項調整乃按收購價分配作出，而商譽按收購代價公允價值超出所收購可識別資產及所承擔負債公允價值的差額確認。

我們將此事項分類為關鍵審計事項，原因為其對綜合財務報表而言屬重大，以及釐定收購價分配中若干項目的公允價值時涉及管理層作出重大判斷及估計。



## Independent Auditor's Report

### 獨立核數師報告

#### KEY AUDIT MATTERS (Continued)

##### Our response

Our procedures in relation to the management's PPA above included:

- Testing the mathematical accuracy of the calculations which we considered necessary;
- Checking the purchase consideration amounts against relevant supporting information;
- Considering and evaluating the reasonableness of the identification of assets acquired and liabilities assumed;
- Evaluating the PPA and fair value determination of the assets acquired and liabilities assumed by reference to independent valuer's reports obtained by the management; and
- Assessing the reasonableness of assumptions and inputs adopted in the fair value determination.

#### OTHER INFORMATION IN THE ANNUAL REPORT

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

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

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

#### 關鍵審計事項(續)

##### 我們的回應

我們就管理層上述收購價分配所採納程序包括：

- 測試我們認為屬必要的計算之算術準確性；
- 以相關支持資料檢查收購代價金額；
- 考慮及評核識別所收購資產及所承擔負債的合理性；
- 參照管理層取得的獨立估值師報告評核收購價分配以及所收購資產及所承擔負債的公允價值的釐定；及
- 評估釐定公允價值時所採用假設及輸入數據的合理性。

#### 年報中的其他資料

董事須就其他資料承擔責任。其他資料包括貴公司年報中所載資料，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不對該等其他資料發表任何形式的鑒證結論。

就我們對綜合財務報表的審計而言，我們的責任是閱覽其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，倘我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。就此而言，我們無任何報告。

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

### RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Act 1981, 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 HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

### 董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而公平的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

董事亦負責監督 貴集團財務報告過程，審核委員會協助董事履行彼等的職責。

### 核數師就審計綜合財務報表須承擔的責任

我們的目標是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並發出包括我們意見的核數師報告。我們僅向閣下（作為整體）按照百慕達1981年公司法第90條報告，除此之外，本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，倘合理預期彼等單獨或合併時可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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.

### 核數師就審計綜合財務報表須承擔的責任(續)

在根據香港審計準則進行審計的過程中，我們行使專業判斷，保持專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對 貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。倘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的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否公平反映交易和事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

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

#### **BDO Limited**

*Certified Public Accountants*

#### **Chiu Wing Cheung Ringo**

Practising Certificate Number P04434

Hong Kong, 28 March 2018

### 核數師就審計綜合財務報表須承擔的責任(續)

我們已就(其中包括)計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷與審核委員會溝通。

我們亦已向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，並與彼等溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與董事溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，倘合理預期在我們報告中就某事項進行溝通造成的負面後果超過產生的公眾利益，我們決定不應在報告中就該事項進行溝通。

香港立信德豪會計師事務所有限公司  
執業會計師

#### **招永祥**

執業證書號碼 P04434

香港，2018年3月28日

## Consolidated Income Statement

### 綜合收益表

For the year ended 31 December 2017 截至2017年12月31日止年度

		Notes 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元 (Re-presented) (經重列)
Revenue	收益	5(a)	<b>15,900,885</b>	9,050,870
Cost of sales and services provided	銷售及提供服務之成本	8	<b>(5,763,012)</b>	(3,551,224)
Gross profit	毛利		<b>10,137,873</b>	5,499,646
Other operating income	其他經營收入	5(b)	<b>586,911</b>	369,293
(Loss)/Gain on deemed disposal of an associate	視作出售一間聯營公司之(虧損)/收益		<b>(162)</b>	595,270
Selling and marketing expenses	銷售及市場推廣開支		<b>(3,021,316)</b>	(2,054,090)
Administrative expenses	行政開支		<b>(1,083,184)</b>	(771,054)
Other operating expenses	其他經營開支		<b>(1,622,025)</b>	(763,753)
Finance costs	融資成本	7	<b>(823,731)</b>	(516,714)
Fair value change on financial liability at fair value through profit or loss	按公允價值於損益賬處理之金融負債公允價值變動	32	<b>26,809</b>	48,374
Share of results of associates	應佔聯營公司業績		<b>12,913</b>	(36,426)
Share of result of a joint venture	應佔一間合營企業業績	18	<b>165</b>	(116)
Gain on fair value change on investment properties	投資物業公允價值變動之收益	14	<b>2,137</b>	30,127
<b>Profit before income tax</b>	<b>所得稅前溢利</b>	8	<b>4,216,390</b>	2,400,557
Income tax expense	所得稅開支	9	<b>(2,613,955)</b>	(1,122,165)
<b>Profit for the year</b>	<b>年內溢利</b>		<b>1,602,435</b>	1,278,392
<b>Profit/(Loss) for the year attributable to:</b>	<b>以下人士應佔年內溢利/(虧損)：</b>			
Owners of the Company	本公司擁有人		<b>1,708,027</b>	1,359,553
Non-controlling interests	非控股權益		<b>(105,592)</b>	(81,161)
			<b>1,602,435</b>	1,278,392
			<b>HK cent</b>	HK cent
			<b>港仙</b>	港仙
<b>Earnings per share for profit attributable to the owners of the Company during the year</b>	<b>年內本公司擁有人應佔溢利之每股盈利</b>	11		
— Basic	— 基本		<b>2.49</b>	1.98
— Diluted	— 攤薄		<b>2.49</b>	1.98

# Consolidated Statement of Comprehensive Income

## 綜合全面收益報表

For the year ended 31 December 2017 截至2017年12月31日止年度

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
<b>Profit for the year</b>	年內溢利	<b>1,602,435</b>	1,278,392
<b>Other comprehensive income, including reclassification adjustments</b>	其他全面收益，包括重新分類調整		
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益賬之項目：</i>		
Exchange gain/(loss) on translation of financial statements of foreign operations	換算海外業務財務報表之匯兌收益／(虧損)	<b>511,812</b>	(186,582)
Exchange gain/(loss) on translation of financial statements of foreign associates	換算海外聯營公司財務報表之匯兌收益／(虧損)	<b>6,266</b>	(6,618)
Exchange gain on translation of financial statements of a foreign joint venture	換算一間海外合營企業財務報表之匯兌收益	<b>187</b>	-
Exchange differences reclassified on deemed disposal of an associate, net of tax	視作出售一間聯營公司時重新分類之匯兌差額(扣除稅項)	<b>359</b>	(14,808)
<b>Other comprehensive income for the year, including reclassification adjustments</b>	年內其他全面收益，包括重新分類調整	<b>518,624</b>	(208,008)
<b>Total comprehensive income for the year</b>	年內全面收益總額	<b>2,121,059</b>	1,070,384
<b>Total comprehensive income attributable to:</b>	以下人士應佔全面收益總額：		
Owners of the Company	本公司擁有人	<b>2,228,829</b>	1,156,244
Non-controlling interests	非控股權益	<b>(107,770)</b>	(85,860)
		<b>2,121,059</b>	1,070,384

# Consolidated Statement of Financial Position

## 綜合財務狀況報表

As at 31 December 2017 於2017年12月31日

	Notes 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment	13	<b>5,863,807</b>	4,076,090
Investment properties	14	<b>112,448</b>	230,394
Prepaid land lease payments under operating leases	15	<b>24,606</b>	23,429
Interests in associates	17	<b>145,593</b>	79,963
Interest in a joint venture	18	<b>5,413</b>	–
Amount due from a related party	49	<b>254,324</b>	950
Available-for-sale financial assets		<b>135,915</b>	324
Held-to-maturity investment		–	111,707
Long term trade receivables	24	<b>2,370</b>	3,303
Deposits, prepayments and other receivables	20	<b>901,850</b>	438,892
Intangible assets	21	<b>6,438,083</b>	3,024,760
Deferred tax assets	35	<b>596,985</b>	161,448
Pledged and restricted bank deposits	25	<b>3,591,605</b>	3,489,355
		<b>18,072,999</b>	11,640,615
<b>Current assets</b>			
Inventories	22	<b>15,319,232</b>	13,122,375
Held-to-maturity investment		<b>120,106</b>	–
Financial assets at fair value through profit or loss	23	<b>199,474</b>	24,597
Trade receivables	24	<b>677,298</b>	321,488
Deposits, prepayments and other receivables	20	<b>2,992,945</b>	2,743,457
Amounts due from associates	28(b)	<b>11,238</b>	6,485
Amount due from a joint venture	28(c)	<b>2,491</b>	–
Amounts due from related parties	49	<b>4,064</b>	192,190
Pledged and restricted bank deposits	25	<b>5,080,474</b>	3,509,457
Cash and cash equivalents	25	<b>4,397,710</b>	1,172,620
		<b>28,805,032</b>	21,092,669
Non-current assets held-for-sale	19	<b>15,018</b>	13,767
		<b>28,820,050</b>	21,106,436

## Consolidated Statement of Financial Position (Continued)

### 綜合財務狀況報表(續)

As at 31 December 2017 於2017年12月31日

	Notes 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元
<b>Current liabilities</b>			
Trade payables	26	2,137,185	1,454,678
Other payables and accruals	27	1,439,633	1,212,914
Receipt in advance and deferred revenue		6,851,766	6,793,907
Provision for tax		3,823,364	1,410,014
Amount due to a director	28(a)	9,878	30,108
Amounts due to associates	28(b)	5,492	5,505
Amounts due to related parties	49	135,669	99,138
Bank and other borrowings	29	9,653,920	4,784,912
Finance lease liabilities	30	59,189	33,330
Convertible and exchangeable bonds	31	1,172,381	1,010,036
Financial liability at fair value through profit or loss	32	86,908	113,717
		<b>25,375,385</b>	16,948,259
<b>Net current assets</b>		<b>3,444,665</b>	4,158,177
<b>Total assets less current liabilities</b>		<b>21,517,664</b>	15,798,792
<b>Non-current liabilities</b>			
Long term trade payables	26	7,757	42,482
Other employee benefits	33	2,064	-
Bank and other borrowings	29	13,242,534	9,596,954
Finance lease liabilities	30	27,984	42,171
Provision for warranty	34	3,917	4,296
Deferred tax liabilities	35	1,038,158	906,890
		<b>14,322,414</b>	10,592,793
<b>Net assets</b>		<b>7,195,250</b>	5,205,999
<b>EQUITY</b>			
Share capital	36	686,455	686,455
Reserves	38	5,456,775	3,365,311
<b>Equity attributable to the Company's owners</b>		<b>6,143,230</b>	4,051,766
<b>Non-controlling interests</b>	40	<b>1,052,020</b>	1,154,233
<b>Total equity</b>		<b>7,195,250</b>	5,205,999

On behalf of the Board

代表董事會

**Yu Pun Hoi**  
于品海  
Director  
董事

**Liu Rong**  
劉榮  
Director  
董事



## Consolidated Statement of Cash Flows

### 綜合現金流量報表

For the year ended 31 December 2017 截至2017年12月31日止年度

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
<b>Cash flows from operating activities</b>	<b>經營活動之現金流量</b>		
Profit before income tax	所得稅前溢利	<b>4,216,390</b>	2,400,557
Adjustments for:	就下列項目調整：		
Interest income	利息收入	<b>(241,316)</b>	(117,910)
Finance costs	融資成本	<b>823,731</b>	516,714
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>912,603</b>	510,804
Amortisation of intangible assets other than goodwill	不包括商譽之無形資產攤銷	<b>67,049</b>	18,528
Write-off of property, plant and equipment	物業、廠房及設備撇銷	<b>142,574</b>	11,092
Write-off of intangible assets other than goodwill	不包括商譽之無形資產撇銷	<b>670</b>	-
Loss/(Gain) on deemed disposal of an associate	視作出售一間聯營公司之虧損／(收益)	<b>162</b>	(595,270)
Operating lease charges on prepaid land leases	預付土地租賃之經營租賃款項	<b>513</b>	517
Bad debt written-off and provision for impairment of receivables	撇銷應收款項壞賬及減值撥備	<b>22,197</b>	21,789
Provision for impairment of inventories	存貨減值撥備	-	4,397
Write-back of provision for impairment of other receivables	其他應收款項減值撥備撥回	<b>(21,142)</b>	-
Provision for impairment of interest in an associate	於一間聯營公司之權益減值撥備	-	6,373
Provision for impairment of property, plant and equipment	物業、廠房及設備減值撥備	<b>125,762</b>	-
Provision for impairment of intangible assets other than goodwill	不包括商譽之無形資產減值撥備	<b>5,707</b>	-
Provision for impairment of goodwill	商譽減值撥備	<b>79,612</b>	34,473
Provision for warranty	保修撥備	<b>639</b>	695
Loss on disposal of property, plant and equipment, net	出售物業、廠房及設備之淨虧損	<b>182</b>	1,317
Fair value change on financial assets at fair value through profit or loss	按公允價值於損益賬處理之金融資產之公允價值變動	<b>(13,834)</b>	(781)
Fair value change on financial liabilities at fair value through profit or loss	按公允價值於損益賬處理之金融負債之公允價值變動	<b>(26,809)</b>	(48,374)
Gain on fair value change on investment properties	投資物業公允價值變動收益	<b>(2,137)</b>	(30,127)
Gain on trading of financial assets at fair value through profit or loss	按公允價值於損益賬處理之金融資產之買賣收益	<b>(34,192)</b>	-
Dividend income	股息收入	<b>(6,464)</b>	-
Share of results of associates	應佔聯營公司業績	<b>(12,913)</b>	36,426
Share of result of a joint venture	應佔一間合營企業業績	<b>(165)</b>	116

## Consolidated Statement of Cash Flows (Continued)

### 綜合現金流量報表(續)

For the year ended 31 December 2017 截至2017年12月31日止年度

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Operating profit before working capital changes	營運資金變動前之經營溢利	<b>6,038,819</b>	2,771,336
Increase in inventories	存貨增加	<b>(622,569)</b>	(1,422,761)
Decrease/(Increase) in trade receivables, deposits, prepayments and other receivables	應收貿易款項、按金、預付款項及其他應收款項減少/(增加)	<b>185,581</b>	(679,636)
Increase in trade payables, other payables and accruals	應付貿易款項、其他應付款項及應計費用增加	<b>113,001</b>	156,464
(Decrease)/Increase in receipt in advance and deferred revenue	預收款項及遞延收益(減少)/增加	<b>(606,260)</b>	5,215,447
Decrease in amounts due from related parties	應收關連方款項減少	<b>35,703</b>	1,751
Increase in amount due from a joint venture	應收一間合營企業款項增加	<b>(212)</b>	-
Decrease in amounts due to associates	欠聯營公司款項減少	<b>(230)</b>	(5,955)
Increase/(Decrease) in amounts due to related parties	欠關連方款項增加/(減少)	<b>25,934</b>	(6,753)
<i>Cash generated from operating activities</i>	<i>經營活動所得現金</i>	<b>5,169,767</b>	6,029,893
Income taxes paid	已付所得稅	<b>(810,454)</b>	(475,754)
<i>Net cash generated from operating activities</i>	<i>經營活動所得現金淨額</i>	<b>4,359,313</b>	5,554,139
<b>Cash flows from investing activities</b>	<b>投資活動之現金流量</b>		
Payments to acquire intangible assets	購進無形資產之付款	<b>(93,527)</b>	(56,274)
Payments to acquire property, plant and equipment	購進物業、廠房及設備之付款	<b>(1,071,146)</b>	(1,351,051)
Decrease in held-to-maturity investments	持至到期投資減少	-	34,969
Net cash outflow arising from acquisition of interest in subsidiaries	購進附屬公司權益產生之現金流出淨額	<b>(4,133,019)</b>	(2,200,774)
Increase in long term deposits, other receivables, and amount due from a related party	長期按金、其他應收款項及應收一名關連方款項增加	<b>(376,231)</b>	(35,445)
Increase in pledged and restricted bank deposits	已抵押及受限制銀行存款增加	<b>(1,328,827)</b>	(5,144,768)
Interest received	已收利息	<b>129,746</b>	103,864
Payments of guarantee deposits	支付保證按金	<b>(269,248)</b>	(180,924)
Increase in financial assets at fair value through profit or loss	按公允價值於損益賬處理之金融資產增加	<b>(127,337)</b>	(23,196)
Increase in available-for-sale financial assets	可供出售金融資產增加	<b>(135,591)</b>	-
Decrease in time deposits maturing over three months	超過三個月到期之定期存款減少	-	12
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	<b>459</b>	201
Proceeds from disposal of partial interests in subsidiaries in 2016	於2016年出售附屬公司之部分權益所得款項	<b>175,968</b>	-
Net cash from dissolution of a joint venture	解散一間合營企業之現金淨額	-	2,049
Dividend received from an associate	已收一間聯營公司股息	<b>11,067</b>	19,834
Dividend received from financial assets at fair value through profit or loss	已收按公允價值於損益賬處理之金融資產股息	<b>6,464</b>	-
Payments for setting up and acquisition of associates	成立及收購聯營公司之付款	<b>(56,142)</b>	(266)
<i>Net cash used in investing activities</i>	<i>投資活動所用現金淨額</i>	<b>(7,267,364)</b>	(8,831,769)

## Consolidated Statement of Cash Flows (Continued)

### 綜合現金流量報表(續)

For the year ended 31 December 2017 截至2017年12月31日止年度

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
<b>Cash flows from financing activities</b>	<b>融資活動之現金流量</b>		
Proceeds from bank and other borrowings	銀行及其他借貸所得款項	<b>12,722,113</b>	9,730,781
Proceeds from convertible and exchangeable bonds	可換股及可交換債券所得款項	-	1,168,907
Repayments of bank and other borrowings	償還銀行及其他借貸	<b>(5,206,663)</b>	(5,672,117)
Repayments of capital element of finance lease liabilities	償還融資租賃負債本金部分	<b>(43,760)</b>	(37,259)
Interest paid	已付利息	<b>(1,241,634)</b>	(862,252)
Repayments of interest element of finance lease liabilities	償還融資租賃負債利息部分	<b>(7,974)</b>	(6,803)
Repayment to a shareholder (Repayment to)/advance from a director	向一名股東還款(向一名董事還款)/來自一名董事之墊款	-	(1)
Payments to acquire non-controlling interests of subsidiaries	就收購附屬公司非控股權益付款	<b>(12,717)</b>	(631,293)
Dividend payment to non-controlling interest of a subsidiary	向一間附屬公司非控股權益支付股息	-	(70)
Capital contribution by non-controlling equity holder of a subsidiary	一間附屬公司非控股權益持有人注資	<b>3,715</b>	226
Dividends paid relating to 2016	已付2016年相關之股息	<b>(137,291)</b>	-
<i>Net cash generated from financing activities</i>	<i>融資活動所得現金淨額</i>	<b>6,054,125</b>	3,707,601
Net increase in cash and cash equivalents	現金及等同現金項目增加淨額	<b>3,146,074</b>	429,971
Cash and cash equivalents at 1 January	於1月1日之現金及等同現金項目	<b>1,172,620</b>	803,694
Effect of foreign exchange rate changes, on cash held	外幣匯率變動對所持現金之影響	<b>79,016</b>	(61,045)
<b>Cash and cash equivalents at 31 December</b>	<b>於12月31日之現金及等同現金項目</b>	<b>4,397,710</b>	1,172,620
<b>Analysis of the balances of cash and cash equivalents</b>	<b>現金及等同現金項目結餘分析</b>		
Cash at banks and in hand	銀行及庫存現金	<b>4,397,710</b>	1,172,620

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2017 截至2017年12月31日止年度

		Equity attributable to the Company's owners 本公司擁有人應佔權益							Non-controlling Interests	Total equity
		Share capital	Share premium	Capital reserve	General reserve	Exchange reserve	Retained profits	Total	Non-controlling Interests	Total equity
		股本	股份溢價	資本儲備	一般儲備	匯兌儲備	保留溢利	總額	非控股權益	權益總額
		(note 36)	(note 38)	(note 38)	(note 38)	(note 38)	(note 38)		(note 40)	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>At 1 January 2017</b>	於2017年1月1日	686,455	965,911	1,564,656	181,722	235,866	417,156	4,051,766	1,154,233	5,205,999
<b>Profit/(Loss) for the year</b>	年內溢利/(虧損)	-	-	-	-	-	1,708,027	1,708,027	(105,592)	1,602,435
<b>Other comprehensive income</b>	其他全面收益									
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益賬之項目：</i>									
Exchange gain/(loss) on translation of financial statements of foreign operations	換算海外業務財務報表之匯兌收益/(虧損)	-	-	-	-	513,990	-	513,990	(2,178)	511,812
Exchange gain on translation of financial statements of foreign associates	換算海外聯營公司財務報表之匯兌收益	-	-	-	-	6,266	-	6,266	-	6,266
Exchange gain on translation of financial statements of a foreign joint venture	換算一間海外合營企業財務報表之匯兌收益	-	-	-	-	187	-	187	-	187
Exchange differences reclassified on deemed disposal of an associate, net of tax	視作出售一間聯營公司時重新分類之匯兌差額(扣除稅項)	-	-	-	-	359	-	359	-	359
<b>Total comprehensive income for the year</b>	年內全面收益總額	-	-	-	-	520,802	1,708,027	2,228,829	(107,770)	2,121,059
Transfer to general reserve	撥入一般儲備	-	-	-	2,312	-	(2,312)	-	-	-
Dividends relating to 2016	2016年相關股息	-	-	-	-	-	(137,291)	(137,291)	-	(137,291)
Acquisition of non-controlling interests in subsidiaries	收購附屬公司之非控股權益	-	-	(3,952)	-	-	-	(3,952)	(8,765)	(12,717)
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	12,028	12,028
Capital contribution by a non-controlling shareholder of subsidiaries	附屬公司非控股股東注資	-	-	-	-	-	-	-	3,715	3,715
Partial disposal of interest in a subsidiary without loss of control	部分出售一間附屬公司之權益而未有失去控制權	-	-	3,878	-	-	-	3,878	(1,421)	2,457
<b>At 31 December 2017</b>	於2017年12月31日	686,455	965,911*	1,564,582*	184,034*	756,668*	1,985,580*	6,143,230	1,052,020	7,195,250

## Consolidated Statement of Changes in Equity (Continued)

### 綜合權益變動表(續)

For the year ended 31 December 2017 截至2017年12月31日止年度

		Equity attributable to the Company's owners 本公司擁有人應佔權益								
		Share capital	Share premium	Capital reserve	General reserve	Exchange reserve	(Accumulated losses)/ Retained profits	Total	Non-controlling Interests	Total equity
		股本	股份溢價	資本儲備	一般儲備	匯兌儲備	(累計虧損)/ 保留溢利	總額	非控股權益	權益總額
		(note 36)	(note 38)	(note 38)	(note 38)	(note 38)	(note 38)		(note 40)	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>At 1 January 2016</b>	<b>於2016年1月1日</b>	686,455	965,911	1,911,436	181,722	439,175	(942,397)	3,242,302	674,263	3,916,565
<b>Profit/(Loss) for the year</b>	<b>年內溢利/(虧損)</b>	-	-	-	-	-	1,359,553	1,359,553	(81,161)	1,278,392
<b>Other comprehensive income</b>	<b>其他全面收益</b>									
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益賬之項目：</i>									
Exchange loss on translation of financial statements of foreign operations	換算海外業務財務報表之匯兌虧損	-	-	-	-	(181,883)	-	(181,883)	(4,699)	(186,582)
Exchange loss on translation of financial statements of foreign associates	換算海外聯營公司財務報表之匯兌虧損	-	-	-	-	(6,618)	-	(6,618)	-	(6,618)
Exchange differences reclassified on deemed disposal of an associate, net of tax	視作出售一間聯營公司時重新分類之匯兌差額(扣除稅項)	-	-	-	-	(14,808)	-	(14,808)	-	(14,808)
<b>Total comprehensive income for the year</b>	<b>年內全面收益總額</b>	-	-	-	-	(203,309)	1,359,553	1,156,244	(85,860)	1,070,384
Partial disposal of interest in a subsidiary without loss of control	部分出售於一間附屬公司之權益而未有失去控制權	-	-	30,780	-	-	-	30,780	136,780	167,560
Acquisition of non-controlling interests in subsidiaries	收購附屬公司非控股權益	-	-	(377,560)	-	-	-	(377,560)	(253,733)	(631,293)
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	682,627	682,627
Capital contribution by a non-controlling shareholder of a subsidiary	一間附屬公司非控股股東注資	-	-	-	-	-	-	-	226	226
Dividends paid to non-controlling interest of a subsidiary	向一間附屬公司之非控股權益支付股息	-	-	-	-	-	-	-	(70)	(70)
<b>At 31 December 2016</b>	<b>於2016年12月31日</b>	686,455	965,911*	1,564,656*	181,722*	235,866*	417,156*	4,051,766	1,154,233	5,205,999

\* These reserve accounts comprise the consolidated reserves of HK\$5,456,775,000 (2016: HK\$3,365,311,000) in the consolidated statement of financial position.

\* 此等儲備賬目構成綜合財務狀況報表之綜合儲備5,456,775,000港元(2016年: 3,365,311,000港元)。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 1. GENERAL INFORMATION

Nan Hai Corporation Limited (the "Company") is a limited liability company incorporated in Bermuda. The address of the Company's registered office is Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda, and its principal place of business is 12/F., The Octagon, No. 6 Sha Tsui Road, Tsuen Wan, New Territories, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange").

The Company and its subsidiaries (the "Group") are principally engaged in culture and media services, property development, enterprise cloud services, internet lifestyle platform and innovative business. Details of the principal activities of the Company's subsidiaries are set out in note 16.

As at 31 December 2017, the directors of the Company consider the ultimate holding company to be Dadi Holdings Limited, a limited liability company incorporated in Hong Kong.

The financial statements for the year ended 31 December 2017 were approved for issue by the board of directors (the "Board") on 28 March 2018.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

The financial statements on pages 124 to 290 have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance. The financial statements also include the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The significant accounting policies that have been used in the preparation of these financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated. The adoption of new or amended HKFRSs and the impacts on the Group's financial statements, if any, are disclosed in note 3.

### 1. 一般資料

Nan Hai Corporation Limited (南海控股有限公司) (「本公司」) 乃於百慕達註冊成立之有限責任公司，本公司之註冊辦事處地址為 Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda，其主要營業地點位於香港新界荃灣沙咀道6號嘉達環球中心12樓。本公司股份於香港聯合交易所有限公司(「香港聯交所」)主板上市。

本公司及其附屬公司(「本集團」)主要從事文化與傳播服務、房地產開發、企業雲服務、互聯網生活平台及創意商業。本公司附屬公司之主要業務詳情載於附註16。

於2017年12月31日，本公司董事認為最終控股公司為大地控股有限公司，為於香港註冊成立之有限公司。

截至2017年12月31日止年度之財務報表已於2018年3月28日獲董事會(「董事會」)批准刊發。

### 2. 主要會計政策概要

#### 2.1 編製基準

第124至290頁之財務報表乃根據香港會計師公會(「香港會計師公會」)所頒佈香港財務報告準則(「香港財務報告準則」)，包括所有適用之個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋以及香港公司條例之披露規定而編製。財務報表亦包括香港聯合交易所有限公司證券上市規則(「上市規則」)之適用披露規定。

編製此等財務報表所用之主要會計政策於下文概述。除另有指明外，該等政策已於所有呈列年度貫徹應用。採納新訂或經修訂香港財務報告準則及對本集團財務報表之影響(如有)於附註3內披露。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

The financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments classified as available-for-sale and at fair value through profit or loss which are stated at fair values as explained in the accounting policies set out below.

It should be noted that accounting estimates and assumptions are used in preparation of the financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

#### 2.2 Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. 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 in line with those used by other members of the Group.

### 2. 主要會計政策概要(續)

#### 2.1 編製基準(續)

如下文會計政策所詳述，除投資物業以及部份分類為可供出售及按公允價值於損益賬處理之金融工具以公允價值列賬外，財務報表按歷史成本基準編製。

務請注意編製財務報表時曾使用會計估計及假設。儘管此等估計乃按管理層對現行事件及行動之最佳理解及判斷而作出，惟實際結果最終可能有別於該等估計。涉及高度判斷或複雜程度之範圍，或假設及估計對財務報表而言屬重大之範圍，在附註4內披露。

#### 2.2 業務合併及綜合賬目基準

綜合財務報表包括本公司及其附屬公司之財務報表。公司間之交易及集團內公司間之結餘連同未變現溢利於編製綜合財務報表時全數對銷。未變現虧損亦予以對銷，惟有證據顯示交易所轉讓資產出現減值則除外，於此情況下，虧損於損益賬內確認。

年內收購或出售之附屬公司之業績，分別由收購生效日期起計入綜合收益表或計至出售生效日期止(視情況而定)。如有需要，會對附屬公司之財務報表作出調整，以使其會計政策與本集團其他成員公司所採納者一致。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 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 unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

Changes in the Group's interest 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.

## 2. 主要會計政策概要(續)

### 2.2 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列賬。一項收購之成本乃按本集團(作為收購方)所轉讓資產、所承擔負債及所發行之股權於收購當日之公允價值總額計量。所收購可識別資產及所承擔負債則主要按收購當日之公允價值計量。本集團先前所持被收購方之股權以收購當日之公允價值重新計量，而所產生之損益則於損益賬內確認。本集團可選擇以逐筆交易為基準按公允價值或於被收購方之可識別資產淨值應佔比例計量非控股權益，反映目前於附屬公司之擁有權權益。除非香港財務報告準則另有規定計量標準，否則所有其他非控股權益乃按公允價值計量。所產生之收購相關成本列作開支，惟於發行股本工具時產生者，則自權益扣除。

本集團於附屬公司並無導致失去控制權之權益變動列作權益交易入賬。本集團之權益與非控股權益之賬面值均予以調整，以反映彼等於附屬公司相對權益之變動。非控股權益之調整額與已支付或收取之代價之公允價值之間之任何差額，均直接於權益確認，並歸屬於本公司擁有人。

倘本集團失去附屬公司之控制權，出售損益乃按下列兩者之差額計算：(i) 所收取代價之公允價值與任何保留權益之公允價值之總額；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過往之賬面值。過往就該附屬公司於其他全面收益確認之款額按出售相關資產或負債時所規定之相同方式列賬。



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.2 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.

#### 2.3 Subsidiaries

A subsidiary is an investee over which the Group is able to exercise control. The Group 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.

De-facto control exists in situations where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers all relevant facts and circumstances, including:

- The size of the Company's voting rights relative to both the size and dispersion of other parties who hold voting rights;
- Substantive potential voting rights held by the Company and other parties who hold voting rights;
- Other contractual arrangements; and
- Historic patterns in voting attendance.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less any impairment loss unless the subsidiary is held for sale or included in a disposal group. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable at the reporting date. All dividends whether received out of the investee's pre or post-acquisition profits are recognised in the Company's profit or loss.

### 2. 主要會計政策概要(續)

#### 2.2 業務合併及綜合賬目基準(續)

收購後，代表於附屬公司之目前擁有權權益之非控股權益之賬面值為該等權益於初步確認時之金額加以非控股權益應佔權益其後變動之部分。即使會導致非控股權益出現虧絀，全面收益總額仍歸屬於非控股權益。

#### 2.3 附屬公司

附屬公司指本集團能夠對其行使控制權之投資對象。倘以下三項因素全部存在時，則本集團可控制投資對象：對投資對象之權力，承擔或有權享有投資對象之浮動回報及有能力運用權力影響該等浮動回報。當事實及情況顯示該等控制權之任何因素可能有變，則會重新評估控制權。

倘本公司擁有實際能力引導投資對象相關活動，而無需持有大多數投票權，則存在實際控制權。釐定實際控制權是否存在時，本公司考慮所有相關事實及情況，包括：

- 相對其他持有投票權人士之數量及分散情況，本公司投票權數量多少；
- 本公司及其他持有投票權人士所持有實際潛在投票權；
- 其他合約安排；及
- 參與投票之歷史模式。

於本公司之財務狀況表中，附屬公司之投資按成本扣除任何減值虧損計算，除非該附屬公司乃持作出售，或計入出售集團內。附屬公司之業績於報告日期按本公司已收及應收股息入賬。所有股息，不論是否從投資對象之收購前或收購後溢利中收取，均在本公司之損益內確認。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.4 Associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Associates are accounted for using the equity method whereby they are initially recognised at cost and thereafter, their carrying amount are adjusted for the Group's share of the post-acquisition change in the associates' net assets except that losses in excess of the Group's interest in the associate are not recognised unless there is an obligation to make good those losses.

Profits and losses arising on transactions between the Group and its associates are recognised only to the extent of unrelated investors' interests in the associate. The investor's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying value of the associate. Where unrealised losses provide evidence of impairment of the asset transferred they are recognised immediately in profit or loss.

Any premium paid for an associate above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the associate. Where there is objective evidence that the investment in an associate has been impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

In the Company's statement of financial position, investments in associates are carried at cost less impairment losses, if any. The results of associates are accounted for by the Company on the basis of dividends received and receivable during the year.

## 2. 主要會計政策概要(續)

### 2.4 聯營公司

聯營公司指並非附屬公司或合營安排，而本集團對其有重大影響之實體。重大影響為參與決定投資對象之財務及營運政策之權力，但並非控制或共同控制該等政策。

聯營公司以權益法入賬，初步按成本確認，其後賬面值按本集團應佔聯營公司資產淨值於收購後之變動作出調整，惟超逾本集團於聯營公司權益之虧損將不予確認，除非本集團有責任彌補該等虧損。

本集團與其聯營公司之間交易產生之損益僅於不相關投資者於聯營公司擁有權益時方才確認。該等交易產生之投資者分佔聯營公司溢利及虧損與聯營公司之賬面值對銷。倘未變現虧損證明資產轉移之減值，則即時於損益確認。

就聯營公司已付超出本集團應佔所收購可識別資產、負債及或然負債公允價值之任何溢價會撥充資本，並計入該聯營公司之賬面值。倘有客觀證據顯示於聯營公司之投資出現減值，則投資賬面值以與其他非金融資產一致之方式進行減值測試。

於本公司之財務狀況報表，於聯營公司之投資按成本減減值虧損(如有)列賬。聯營公司之業績由本公司按年內所收及應收股息計量。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.5 Joint arrangements

The group is a party to a joint arrangement where there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

The group classifies its interests in joint arrangements as either:

- Joint ventures: where the group has rights to only the net assets of the joint arrangement; or
- Joint operations: where the group has both the rights to assets and obligations for the liabilities of the joint arrangement.

In assessing the classification of interests in joint arrangements, the Group considers:

- The structure of the joint arrangement;
- The legal form of joint arrangements structured through a separate vehicle;
- The contractual terms of the joint arrangement agreement; and
- Any other facts and circumstances (including any other contractual arrangements).

The Group accounts for its interests in joint ventures in the same manner as investments in associates (i.e. using the equity method — see note 2.4).

Any premium paid for an investment in a joint venture above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the investment in joint venture. Where there is objective evidence that the investment in a joint venture has been impaired the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

### 2. 主要會計政策概要(續)

#### 2.5 共同安排

當有合約安排賦予本集團及至少一名其他訂約方對安排之相關活動之共同控制權時，則本集團為共同安排之訂約方。共同控制權乃根據與附屬公司控制權之相同原則予以評估。

本集團將其於共同安排之權益分類為：

- 合營企業：本集團僅對共同安排之資產淨值擁有權利；或
- 合營業務：本集團對共同安排之資產擁有權利並有責任承擔共同安排之負債。

在評估於共同安排之權益分類時，本集團會考慮：

- 共同安排之架構；
- 透過單獨工具構建之共同安排之法律形式；
- 共同安排協議之合約條款；及
- 任何其他事實及情況(包括任何其他合約安排)。

本集團將合營企業之權益入賬之方法與將聯營公司之投資入賬之方法(即權益法，見附註2.4)一致。

合營企業投資已付任何溢價高於已收購本集團應佔可識別資產、負債及或然負債的公允價值撥充資本，計入合營企業的賬面值。倘有合營企業投資已經減值的客觀憑證，則按與其他非金融資產相同的方式就投資賬面值進行減值測試。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.5 Joint arrangements (Continued)

The Group accounts for its interests joint operations by recognising its share of assets, liabilities, revenues and expenses in accordance with its contractually conferred rights and obligations.

In the Company's statement of financial position, investment in joint ventures are stated at cost less impairment losses, if any. Results of joint ventures are accounted for by the Company on the basis of dividends received and receivable during the year.

### 2.6 Foreign currency translation

The financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company.

Transactions entered into by the group 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.

## 2. 主要會計政策概要(續)

### 2.5 共同安排(續)

本集團於合營業務之權益乃根據其合約賦予之權利及義務，透過確認其應佔資產、負債、收入及開支入賬。

於合營公司之投資在本公司財務狀況報表按成本減減值虧損(如有)列賬。合營企業之業績於年內由本公司按已收及應收股息入賬。

### 2.6 外幣換算

財務報表以港元(「港元」)呈報，即本公司之功能貨幣。

集團實體以其經營所在主要經營環境之貨幣(「功能貨幣」)以外幣進行之交易，乃按交易進行時之匯率入賬。外幣貨幣資產及負債按報告期末當時匯率換算。以外幣計值按公允價值列賬之非貨幣項目按釐定公允價值當日匯率重新換算。以外幣按歷史成本計算之非貨幣項目不作重新換算。

結算與換算貨幣項目產生之匯兌差額於其產生期間於損益確認。重新換算按公允價值列賬之非貨幣項目產生之匯兌差額計入期內損益，惟重新換算有關收益及虧損於其他全面收益內確認之非貨幣項目所產生差額除外，在此情況下，匯兌差額亦於其他全面收益內確認。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.6 Foreign currency 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.

### 2. 主要會計政策概要(續)

#### 2.6 外幣換算(續)

於綜合入賬時，海外業務之收支項目按該年度平均匯率換算為本集團之呈列貨幣(即港元)，惟匯率於期內大幅波動則除外，在此情況下，則使用與交易進行時適用匯率相若之匯率。海外業務所有資產及負債按各報告期末之匯率換算。所產生匯兌差額(如有)於其他全面收益內確認，並於權益內累計為匯兌儲備(歸屬於少數股東權益(如適用))。於集團實體個別財務報表之損益內所確認換算長期貨幣項目(構成本集團於有關海外業務淨投資一部分)之匯兌差額重新歸類為其他全面收益，並於權益內累計為匯兌儲備。

出售海外業務時，於該業務相關之匯兌儲備確認截至出售日期之累計匯兌差額，重新分類為損益作為出售盈虧之一部分。

就於2005年1月1日或之後收購海外業務而產生之商譽及所收購可識別資產之公允價值調整乃作為該海外業務之資產及負債處理，並按各報告期末之現行匯率重新換算。所產生匯兌差額於匯兌儲備確認。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.7 Property, plant and equipment

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

Depreciation is provided to write off the cost less their residual values over their estimated useful lives on a straight-line method, at the following rates per annum:

Buildings	5%
Leasehold improvements, furniture, fixtures and equipment	2.5% to 33-1/3%, or over lease terms whichever involves shorter period
Motor vehicles and yachts	6-2/3% to 33-1/3%
Freehold land	No depreciation

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

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets, or where shorter, the term of the relevant lease.

The gain or loss on disposal of an item of property, plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

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. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as an expense in profit or loss during the financial period in which they are incurred.

## 2. 主要會計政策概要(續)

### 2.7 物業、廠房及設備

物業、廠房及設備(在建工程除外)按購入成本減累計折舊及累計減值虧損列賬。資產成本包括購買價及將該資產達至其擬定用途之運作條件及位置之任何直接應佔成本。

折舊乃按下列年率，於其估計可使用年期以直線法計提，以撇銷有關成本減剩餘價值：

樓宇	5%
租賃物業裝修、傢俬、裝置及設備	按2.5%至33-1/3%或租賃期間(以較短者為準)
汽車及遊艇	6-2/3%至33-1/3%
永久業權土地	並無折舊

資產之剩餘價值、折舊方法及可使用年期於各報告日期檢討，在適當情況會作出調整。

倘一項資產之賬面值高於該資產之估計可收回金額，則該項資產立即撇減至其可收回金額。

按融資租賃持有之資產按與自有資產相同之基準於預計可使用年期或相關租期(以較短者為準)計算折舊。

報廢或出售盈虧按出售所得款項與資產賬面值之差額釐定，並於損益賬確認。

其後成本只有在該項目相關之未來經濟利益可能流入本集團，且該項目之成本能可靠計量時，方計入資產之賬面值或確認為獨立資產(視適用情況而定)。替換部份之賬面值則終止確認。維修及保養等所有其他成本，於其產生之財務期間自損益賬扣除。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.7 Property, plant and equipment (Continued)

Construction in progress represents assets under construction and is stated at cost less impairment losses. Cost comprises direct costs of construction as well as borrowing costs capitalised during the periods of construction and installation. Capitalisation of these costs ceases and the construction in progress is transferred to the appropriate class of property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of construction in progress until it is completed and ready for its intended use.

The buildings comprise a portion that is held to earn rentals and the other portion that is held for administrative purpose. As the portion held to earn rentals cannot be sold separately and is insignificant, the building is classified as owner-occupied property rather than investment property.

#### 2.8 Investment properties

Investment property is property held either to earn rentals or for capital appreciation or for both, but not held for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Properties under construction or development for future use as investment properties are classified as investment properties under construction. If the fair value cannot be reliably determined, the investment properties under construction will be measured at cost until such time as fair value can be determined or construction is completed.

Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

### 2. 主要會計政策概要(續)

#### 2.7 物業、廠房及設備(續)

在建工程指在建資產，並按成本值減任何減值虧損入賬。成本包括在建設及安裝期間之直接建設成本及撥充資本之借貸成本。當完成準備資產作擬定用途之絕大部分所有活動時，該等成本不再撥充資本，而在建工程則轉撥至適當類別物業、廠房及設備。在建工程毋需作折舊撥備，直至其完成及準備作其擬定用途為止。

該樓宇包括持作賺取租金部分及持作行政用途之其他部分。由於持作賺取租金部分不可分拆出售且並非重大，該樓宇分類為業主自用物業而非投資物業。

#### 2.8 投資物業

投資物業為持作賺取租金或資本增值或兩者兼有之物業，惟並非持作在一般業務過程中出售、用作生產或供應商品或服務或用作行政用途。投資物業於初步確認時按成本計量，而其後任何公允價值變動則於損益賬確認。

未來用作投資物業之在建或開發中物業乃分類為在建投資物業。倘公允價值無法可靠釐定，在建投資物業將按成本計量，直至能夠釐定公允價值或建設工程完成之時為止。

投資物業公允價值變動產生之損益於其產生年度之損益入賬。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.8 Investment properties (Continued)

Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of the retirement or disposal.

For a transfer from inventories to investment properties, any difference between the fair value of the property at that date and its previous carrying amount is recognised in profit or loss.

### 2.9 Operating lease prepayments and land use right

Upfront payments made to acquire land held under an operating lease are stated at costs less accumulated amortisation and any accumulated impairment losses. The determination if an arrangement is or contains a lease and the lease is an operating lease is detailed in note 2.17. 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.

### 2.10 Goodwill

Set out below are the accounting policies on goodwill arising on acquisition of a subsidiary. Accounting for goodwill arising on acquisition of investment in an associate is set out in note 2.4.

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.

## 2. 主要會計政策概要(續)

### 2.8 投資物業(續)

報廢或出售投資物業而產生之任何損益於報廢或出售年度之損益確認。

倘存貨轉入投資物業，物業於該日之公允價值與其先前賬面值之任何差額會於損益確認。

### 2.9 經營租賃預付款項及土地使用權

就收購根據經營租約持有之土地所作出預付款項乃以成本減累計攤銷及任何累計減值虧損列值。安排是否屬於租賃或是否包含租賃以及該租賃是否屬於經營租賃之釐定方式於附註2.17詳述。攤銷乃於租賃／使用權期內以直線法計算，惟倘若有另一種基準更能反映本集團透過利用有關土地可產生收益之時間模式則除外。

### 2.10 商譽

下文列載有關收購附屬公司所產生商譽之會計政策。收購聯營公司之投資所產生商譽之會計法載於附註2.4。

倘可識別資產及負債之公允價值超出所付代價、於收購對象任何非控股權益金額及收購方先前於收購對象所持股權之收購日期公允價值之公允價值總和，則超出部分在重估後於收購日期在損益賬確認。



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.10 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 (“CGUs”) 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 CGU to which goodwill has been allocated is tested for impairment annually, by comparing its carrying amount with its recoverable amount (see note 2.23), 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.

On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the amount of gain or loss on disposal.

### 2. 主要會計政策概要(續)

#### 2.10 商譽(續)

商譽乃按成本減減值虧損計量。就減值測試而言，收購所產生之商譽乃被分配到預期自收購所產生協同效益中受益之各有關現金產生單位(「現金產生單位」)。現金產生單位指可大致獨立於其他資產或資產組別產生現金流入之最小可識別資產組別。獲分配商譽之現金產生單位每年(以其賬面值與可收回金額(見附註2.23)進行比較)及於出現可能減值之跡象時進行減值測試。

就財政年度內收購產生之商譽而言，獲分配商譽之現金產生單位於該財政年度末前進行減值測試。倘現金產生單位之可收回金額少於其賬面值，則首先會分配減值虧損以減少該單位獲分配之任何商譽之賬面值，再根據該單位各項資產之賬面值按比例分配至該單位之其他資產。然而，分配至各項資產之虧損將不會導致個別資產之賬面值低於其公允價值減出售成本(若可計量)或使用價值(若可釐定)(取較高者)。任何商譽減值虧損於損益確認，且不會於往後期間撥回。

其後出售附屬公司時，於釐定出售之盈虧時將計及已資本化之商譽應佔金額。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.11 Other intangible assets and research and development activities

##### *Other intangible assets*

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a business combination is fair value at the date of acquisition. After initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on straight-line basis over their estimated useful lives. Amortisation commences when the intangible assets are available for use. The following useful lives are applied:

Computer software	4 years
Customer relationships	2 years
Development cost	2–4 years
Licenses, brand name and franchise right	8–10 years
Distribution channel	6.5 years

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the computer software to which it relates. All other expenditure is expensed as incurred.

Intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

Intangible assets, with finite and indefinite useful lives, are tested for impairment as described below in note 2.23.

### 2. 主要會計政策概要(續)

#### 2.11 其他無形資產及研發活動

##### *其他無形資產*

獨立收購之無形資產初步按成本確認。於業務合併中購入無形資產之成本為於收購日期之公允價值。初步確認後，具有有限使用年期之無形資產按成本減累計攤銷及任何累計減值虧損入賬。具有有限使用年期之無形資產之攤銷於其估計可使用年期以直線法計提撥備。無形資產於可使用時開始攤銷。以下為所應用之可使用年期：

電腦軟件	4年
與客戶關係	2年
開發成本	2–4年
牌照、品牌名稱及 特許經營權	8–10年
分銷渠道	6.5年

其後開支只會在與其相關之電腦軟件之未來經濟利益增加時方撥充資本。所有其他開支於產生時支銷。

具無限使用年期之無形資產按成本減任何其後累計減值虧損入賬。

具有有限及無限使用年期之無形資產根據下文附註2.23所述者作減值測試。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.11 Other intangible assets and research and development activities (Continued)

##### *Research and development costs*

Costs associated with research activities are expensed in profit or loss as they occur. Costs that are directly attributable to the development activities are recognised as intangible assets provided they meet the following recognition requirements:

- (i) demonstration of technical feasibility of the prospective product for internal use or sale;
- (ii) there is intention to complete the intangible asset and use or sell it;
- (iii) the Group's ability to use or sell the intangible asset is demonstrated;
- (iv) the intangible asset will generate probable economic benefits through internal use or sale;
- (v) sufficient technical, financial and other resources are available for completion; and
- (vi) the expenditure attributable to the intangible asset can be reliably measured.

Direct costs include employee costs incurred on development along with an appropriate portion of relevant overheads. The costs of internally generated developments are recognised as intangible assets. They are subject to the same subsequent measurement method as externally acquired intangible assets.

All other development costs are expensed as incurred.

### 2. 主要會計政策概要(續)

#### 2.11 其他無形資產及研發活動(續)

##### *研究及開發成本*

與研究活動相關之成本於產生時於損益賬支銷。開發活動直接應佔之成本於符合以下確認要求時確認為無形資產：

- (i) 顯示預期供內部使用或銷售之產品在技術上可行；
- (ii) 有意完成無形資產，並加以使用或出售；
- (iii) 顯示本集團有能力使用或出售該無形資產；
- (iv) 無形資產有可能透過內部使用或出售帶來經濟利益；
- (v) 備有足夠技術、財務及其他資源完成研發；及
- (vi) 能可靠計量無形資產應佔之開支。

直接成本包括開發過程中產生之僱員成本，以及適當部分之相關間接費用。開發產品產生之內部成本乃確認為無形資產。該資產其後之計量方法，與外購之無形資產相同。

所有其他開發成本於產生時支銷。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.12 Financial assets

The Group's accounting policies for financial assets other than investments in subsidiaries, associates and a joint venture are set out below.

Financial assets are classified into the following categories:

- financial assets at fair value through profit or loss
- loans and receivables
- held-to-maturity investments
- available-for-sale financial assets

Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at every reporting date.

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. Regular way purchases of financial assets are recognised on trade date. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Derecognition of financial assets occurs when the rights to receive cash flows from the financial assets expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

At each reporting date, financial assets are reviewed to assess whether there is objective evidence of impairment. If any such evidence exists, impairment loss is determined and recognised based on the classification of the financial asset.

## 2. 主要會計政策概要(續)

### 2.12 金融資產

本集團金融資產(除附屬公司、聯營公司及一間合營企業中之投資外)之會計政策呈列如下。

金融資產分為以下類別：

- 按公允價值於損益賬處理之金融資產
- 貸款及應收款項
- 持至到期投資
- 可供出售之金融資產

管理層於初步確認時根據收購金融資產之目的釐定其金融資產之分類，及(倘允許及適用)於各報告日期重新評估該分類。

所有金融資產僅於本集團成為工具合約條文之訂約方後，方可確認。日常購置之金融資產於交易日確認。金融資產最初確認時，乃按公允價值計量，倘投資並非按公允價值於損益賬中計算，則加直接應佔交易成本計量。

倘從金融資產收取現金流量之權利屆滿或轉讓及擁有權之絕大部分風險及回報已轉讓時，則會終止確認金融資產。

於各報告日期會審閱金融資產，以評估是否有客觀證據表明金融資產減值。倘出現任何該等證據，則根據金融資產之分類釐定及確認減值虧損。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.12 Financial assets (Continued)

(i) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss.

Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term, or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent pattern of short-term profit-making. 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.

Financial assets may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met:

- 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; or

### 2. 主要會計政策概要(續)

#### 2.12 金融資產(續)

(i) *按公允價值於損益賬處理之金融資產*

按公允價值於損益賬處理之金融資產包括持作買賣之金融資產及於最初確認時指定為按公允價值於損益賬處理之金融資產。

倘收購金融資產之目的為於短期內出售，或為已識別整體管理之金融工具組合一部分，且有證據顯示近期有賺取短期利潤模式，則分類為持作買賣。除非衍生工具(包括個別嵌入式衍生工具)指定作為有效對沖工具或財務擔保合約，否則亦列為持作買賣。

倘合約含有一項或以上嵌入式衍生工具，則整份合約可指定為按公允價值於損益賬處理之金融資產，惟倘嵌入式衍生工具不會令現金流量有重大變動或明確禁止單獨處理嵌入式衍生工具則除外。

符合以下條件之金融資產可在最初確認時指定為按公允價值於損益賬處理：

- 分類將消除或顯著減少因按不同基準計量資產或確認盈虧而造成之處理方法不一致情況；或

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.12 Financial assets (Continued)

(i) *Financial assets at fair value through profit or loss (Continued)*

- the assets are part of a group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy and information about the group of financial assets is provided internally on that basis to the key management personnel; or
- the financial asset contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, the financial assets included in this category are measured at fair value with changes in fair value recognised in profit or loss. Fair value is determined by reference to active market transactions or using a valuation technique where no active market exists. Fair value gain or loss does not include any dividend or interest earned on these financial assets. Dividend and interest income is recognised in accordance with the Group's policies in note 2.20 to these financial statements.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction cost. Gains and losses are recognised in the profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

## 2. 主要會計政策概要(續)

### 2.12 金融資產(續)

(i) *按公允價值於損益賬處理之金融資產(續)*

- 根據明文訂立之風險管理策略，該等資產為一類受管理而其表現乃按公允價值評估之金融資產其中部分，而有關該類別金融資產之資料均按該基準提供予內部主要管理人員；或
- 有關金融資產包含需要獨立入賬之嵌入式衍生工具。

於初步確認後，計入此類別之金融資產乃按公允價值計量，並於損益賬確認公允價值之變動。公允價值乃參考活躍市場交易或(倘無活躍市場)採用估值方法予以釐定。公允價值盈虧並不包括此等金融資產已賺取之股息或利息。該等股息及利息收入根據財務報表附註2.20所載本集團政策予以確認。

(ii) *貸款及應收款項*

貸款及應收款項乃指並非於活躍市場報價而具備固定或可釐定付款之非衍生金融資產。貸款及應收款項其後採用實際利率法按攤銷成本減任何減值虧損計算。攤銷成本經計及任何收購折讓或溢價後計算，並包括屬於實際利率及交易成本組成部分之各項費用。有關盈虧當貸款及應收款項被終止確認或減值時於損益賬確認，也透過攤銷確認。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.12 Financial assets (Continued)

(iii) *Available-for-sale financial assets*

Non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets are classified as available-for-sale financial assets.

All financial assets within this category are subsequently measured at fair value. Gain or loss arising from a change in the fair value excluding any dividend and interest income is recognised in other comprehensive income and accumulated separately in the available-for-sale financial assets revaluation reserve in equity, except for impairment losses (see the policy below) and foreign exchange gains and losses on monetary assets, until the financial asset is derecognised, at which time the cumulative gain or loss is reclassified from equity to profit or loss. Interest calculated using the effective interest method is 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.

(iv) *Held-to-maturity investments*

These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less any identified impairment losses.

### 2. 主要會計政策概要(續)

#### 2.12 金融資產(續)

(iii) *可供出售之金融資產*

不合資格列入任何其他類別金融資產之非衍生金融資產分類為可供出售之金融資產。

該類別所有金融資產其後按公允價值計量。公允價值變動(不包括任何股息及利息收入)產生之盈虧於其他全面收益確認,並於權益內可供出售金融資產重估儲備內分開累計,惟減值虧損(見下述政策)以及貨幣資產之匯兌收益及虧損除外,有關累計收益或虧損於金融資產終止確認時方由權益重新分類至損益賬。以實際利率法計算之利息於損益賬確認。

在活躍市場上並無報價且公允價值無法可靠計量之可供出售股本投資,與該等非上市股本工具有關並須以交付該等工具結算之衍生工具,則須按成本減任何已識別減值虧損計量。

(iv) *持至到期投資*

該等資產為具備固定或可釐定付款而本集團管理層有意及有能力持有至到期之非衍生金融資產。初步確認後,持至到期投資採用實際利率法按攤銷成本減任何可識別減值虧損計算。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.12 Financial assets (Continued)

#### *Impairment of financial assets*

At each reporting date, financial assets other than at fair value through profit or loss are reviewed to determine whether there is any objective evidence of impairment.

Objective evidence of impairment of individual financial assets includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

Loss events in respect of a group of financial assets include observable data indicating that there is a measurable decrease in the estimated future cash flows from the group of financial assets. Such observable data includes but not limited to adverse changes in the payment status of debtors in the group, national or local economic conditions that correlate with defaults on the assets in the group, and the failure to renegotiate the repayment terms of loan and receivables that would otherwise be past due or impaired.

## 2. 主要會計政策概要(續)

### 2.12 金融資產(續)

#### *金融資產之減值*

於各報告日期，本集團審閱並非按公允價值於損益賬處理之金融資產，以釐定是否有任何客觀減值證據。

個別金融資產減值之客觀證據包括本集團得悉下列一項或多項虧損事件之明顯數據：

- 債務人出現重大財政困難；
- 違反合約，例如拖欠或欠付利息或本金付款；
- 債務人可能會進行破產程序或其他財務重組；
- 科技、市場、經濟或法律環境出現對債務人有負面影響之重大變動；及
- 股本工具投資之公允價值大幅或長期下跌至低於其成本。

有關一組金融資產之虧損事件包括顯示該組金融資產之估計未來現金流量大幅減少之明顯數據。有關明顯數據包括但不限於該組債務人之付款狀況、與該組欠款資產相關之國家或地區經濟狀況之不利變動，以及未能重新磋商已逾期或減值之貸款及應收款項之還款期。



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.12 Financial assets (Continued)

##### *Impairment of financial assets (Continued)*

If any such evidence exists, the impairment loss is measured and recognised as follows:

(i) Financial assets at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the 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). The amount of the loss is recognised in profit or loss of the period in which the impairment occurs.

If, in subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss of the period in which the reversal occurs.

(ii) Available-for-sale financial assets

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, an amount is removed from equity and recognised in the profit or loss as impairment loss. That amount is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in the profit or loss.

### 2. 主要會計政策概要(續)

#### 2.12 金融資產(續)

##### *金融資產之減值(續)*

若存在任何該等證據，則按以下方式計量及確認減值虧損：

(i) 按攤銷成本計量之金融資產

倘有客觀證據顯示按攤銷成本列賬之貸款及應收款項出現減值虧損，則虧損金額按資產之賬面值與按金融資產之原實際利率(即最初確認時計算之實際利率)貼現之估計未來現金流量(不包括未產生之未來信貸虧損)現值兩者之差額計量。虧損金額於減值出現期間在損益賬確認。

倘若其後減值虧損金額減少，而有關減幅可客觀地與確認減值後發生之事件聯繫，則撥回過往確認之減值虧損，惟不得導致金融資產於撥回減值當日之賬面值超過如無確認減值之原有攤銷成本。撥回金額於撥回發生期間在損益賬中確認。

(ii) 可供出售之金融資產

當可供出售金融資產之公允價值減幅已直接於權益確認，且有客觀證據顯示資產已減值，有關數額將自權益剔除並於損益賬確認為減值虧損。該數額乃按資產收購成本(扣除任何本金還款及攤銷)與當時之公允價值兩者之差額，減去之前就該資產在損益賬確認之任何減值虧損計量。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.12 Financial assets (Continued)

*Impairment of financial assets (Continued)*

#### (ii) Available-for-sale financial assets (Continued)

Reversals in respect of investment in equity instruments classified as available-for-sale are not recognised in the profit or loss. The subsequent increase in fair value is recognised directly in other comprehensive income. Impairment losses in respect of debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversal of impairment losses in such circumstances are recognised in the profit of loss.

Financial assets other than financial assets at fair value through profit or loss, loans and receivables and held-to-maturity investments that are stated at amortised cost, impairment losses are written off against the corresponding assets directly. Where the recovery of loans and receivables is considered doubtful but not remote, the impairment losses for doubtful receivables are recorded using an allowance account. When the Group is satisfied that recovery of loans and receivables is remote, the amount considered irrecoverable is written off against loans and receivables directly and any amounts held in the allowance account in respect of that receivable are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

## 2. 主要會計政策概要(續)

### 2.12 金融資產(續)

*金融資產之減值(續)*

#### (ii) 可供出售之金融資產(續)

就歸類為可供出售之股本工具投資之撥回並不在損益賬中確認。日後之公允價值增加直接在其他全面收益中確認。若日後之公允價值增加能夠與減值虧損確認後發生之事件客觀相關，則債務證券之減值虧損將予撥回。在該等情況下，減值虧損之撥回於損益賬中確認。

就金融資產(按公允價值於損益賬處理之金融資產與按攤銷成本列賬之貸款及應收款項以及持至到期投資除外)而言，減值虧損乃直接與相應資產撇銷。倘貸款及應收款項被認為屬呆賬但並非不能收回，則屬呆賬之應收款項減值虧損會使用撥備賬列賬。當本集團信納不大可能收回貸款及應收款項時，則被認為屬不可收回之金額乃直接自貸款及應收款項撇銷，而於撥備賬內就有關應收款項持有之任何金額會予以撥回。其後收回過往計入撥備賬之金額自撥備賬撥回。撥備賬之其他變動及其後收回過往直接撇銷之金額乃於損益賬確認。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.13 Inventories

Inventories are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and applicable selling expenses.

(i) *Properties under development*

The cost of properties under development for sale comprises the acquisition cost of land, materials, labour and other direct expenses and an appropriate proportion of overheads, and capitalised finance cost (see note 2.26).

(ii) *Completed properties held for sale*

Cost is determined by apportionment of the total land and development costs for that development project attributable to the unsold properties.

(iii) *Food, beverages and merchandise goods*

Cost comprises the cost of purchased goods calculated using first-in, first-out ("FIFO") method.

(iv) *Projection equipment*

Cost comprises the manufacturing cost of product and the cost of purchased raw materials calculated using FIFO method.

(v) *Botanic-based personal care and fragrance products*

Cost comprises the manufacturing cost of product and the cost of purchased raw materials calculated using FIFO method.

#### 2.14 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, demand deposits with banks or other financial institutions, and short-terms highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of cash flow statement presentation, cash and cash equivalents include bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

### 2. 主要會計政策概要(續)

#### 2.13 存貨

存貨按成本及可變現淨值中之較低者入賬。可變現淨值乃以日常業務之估計售價減估計完工成本及適用銷售開支所得數額。

(i) *發展中物業*

發展中待售物業之成本包括土地之收購成本、物料、勞工及其他直接費用，以及適當比例之間接費用及已資本化之融資成本(見附註2.26)。

(ii) *已落成待售物業*

成本乃按未出售物業應佔該發展項目之土地及發展成本總額之比例釐定。

(iii) *食品、飲料及商品*

成本(包括購入貨物成本)以先進先出(「先進先出」)法計算。

(iv) *投影設備*

成本(包括製造產品成本及購入原材料成本)以先進先出法計算。

(v) *草本個人護理及香水產品*

成本(包括製造產品成本及購入原材料成本)以先進先出法計算。

#### 2.14 現金及等同現金項目

現金及等同現金項目包括銀行現金及庫存現金、銀行或其他金融機構之活期存款，以及原到期日為三個月或以下可隨時轉換為已知數額現金且價值變動風險較少之短期高度流動性投資。就現金流量報表呈報而言，現金及等同現金項目包括按要求償還及屬本集團現金管理主要部分之銀行透支。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.15 Financial liabilities

The Group's financial liabilities include bank and other borrowings, trade and other payables, convertible and exchangeable bonds and finance lease liabilities. They are included in line items in the statement of financial position as bank and other borrowings, finance lease liabilities, trade payables, other employee benefits, other payables and accruals, amount due to a director, amounts due to associates, amounts due to related parties, convertible and exchangeable bonds and financial liabilities at fair value through profit or loss.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All related finance costs are recognised in accordance with the Group's accounting policy for finance costs (see note 2.26).

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

#### *Borrowings*

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

## 2. 主要會計政策概要(續)

### 2.15 金融負債

本集團之金融負債包括銀行及其他借貸、應付貿易款項及其他應付款項、可換股及可交換債券以及融資租賃負債。此等項目在財務狀況報表內分別列入銀行及其他借貸、融資租賃負債、應付貿易款項、其他僱員福利、其他應付款項及應計費用、欠一名董事款項、欠聯營公司款項、欠關連方款項、可換股及可交換債券以及按公允價值於損益賬處理之金融負債。

金融負債於本集團成為工具之合約條文訂約方時確認。所有相關融資成本根據本集團有關融資成本之會計政策確認(見附註2.26)。

金融負債乃於有關負債承擔被解除或註銷或屆滿時終止確認。

倘一項現有金融負債被相同借貸人按基本上不同之條款提供之其他債項取代，或現有負債條款被重大修改，該取代或修改會被視作終止確認原有負債及確認一項新負債來處理，且各賬面值間之差額會在損益賬確認。

#### *借貸*

借貸初步按公允價值扣除交易成本確認。其後借貸按攤銷成本列賬；所得款項(扣除交易成本)與贖回價值間之任何差額於借貸期內使用實際利率法於損益賬內確認。

除非本集團擁有無條件權利延遲至報告日期後至少12個月償付負債，否則借貸分類為流動負債。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.15 Financial liabilities (Continued)

##### *Trade and other payables*

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method.

##### *Convertible and exchangeable bonds*

Convertible bonds with conversion options which are not settled by exchanging a fixed amount of cash for a fixed number of the Company's shares comprise a derivative component and a liability component.

At initial recognition, the derivative component of the convertible bonds is measured at fair value. Any excess of the proceeds over the amount initially recognised as the derivative component is recognised as the liability component. Transaction costs relating to the issue of the convertible bonds are allocated to the liability and derivative components in proportion to the allocation of proceeds. The portion of the transaction costs relating to the liability component is recognised initially as part of the liability component. The portion relating to the derivative component is recognised immediately in profit or loss.

The derivative component is subsequently remeasured at fair value, with changes in fair value recognised immediately in profit or loss. The liability component is subsequently measured at amortised cost. The interest expense recognised in profit or loss on the liability component is calculated using the effective interest method.

##### *Finance lease liabilities*

Finance lease liabilities are measured at initial value less the capital element of lease repayments (see note 2.17).

### 2. 主要會計政策概要(續)

#### 2.15 金融負債(續)

##### *應付貿易款項及其他應付款項*

應付貿易款項及其他應付款項初步按公允價值確認，其後使用實際利率法按攤銷成本計量。

##### *可換股及可交換債券*

附帶兌換權(並非透過以定額現金交換本公司一定數量之股份結算)之可換股債券包括衍生部分及負債部分。

於初步確認時，可換股債券衍生部分按公允價值計量。所得款項超出初步確認為衍生部分之金額之部分確認為負債部分。與發行可換股債券有關之交易成本按所得款項分配比例分配至負債部分及衍生部分。與負債部分相關之部分交易成本初步確認為負債部分其中一部分。與衍生部分相關之部分於損益中即時確認。

衍生部分其後按公允價值重新計量，公允價值變動於損益中即時確認。負債部分其後按攤銷成本計量。就負債部分於損益確認之利息開支按實際利率法計算。

##### *融資租賃負債*

融資租賃負債乃按初始價值減租賃還款之本金部分計量(見附註2.17)。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.16 Financial guarantees issued

A financial guarantee contract is a contract that requires the issuer (or guarantor) to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred revenue is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised if and when it becomes probable that the holder of the guarantee will call upon the Group under the guarantee and the amount of that claim on the Group is expected to exceed the current carrying amount i.e. the amount initially recognised less accumulated amortisation, where appropriate.

#### 2.17 Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) *Classification of assets leased to the Group*

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

### 2. 主要會計政策概要(續)

#### 2.16 已發出之財務擔保

財務擔保合約指持有人要求發行人(或擔保人)支付指定金額,以賠償持有人因指定債務人未能按債務工具條款如期還款所造成損失之合約。

當本集團發出財務擔保時,財務擔保之公允價值初步於其他應付款項中確認為遞延收入。如發出擔保時已收或應收代價,代價乃根據本集團有關資產類別適用之政策確認。若並無已收或應收代價,於初步確認遞延收益時會即時在損益中確認開支。

初步確認為遞延收入之擔保金額於擔保期在損益中攤銷,作為來自已發出財務擔保之收入。此外,如擔保持有人有可能根據擔保要求本集團還款,及向本集團索償之金額預期超逾現行賬面值(即初步確認之金額減累計攤銷(如適用)),則確認撥備。

#### 2.17 租賃

倘本集團釐定一項安排(不論由一宗交易或一系列交易組成)附有權利可於協定期間內使用一項特定資產或多項資產以換取一項或多項付款,則該安排屬於或包含一項租賃。該釐定乃根據對該安排之內容評估而作出,而不論該安排是否為法定租賃形式。

(i) *租予本集團資產之分類*

倘本集團根據租賃持有資產,而其中擁有權絕大部分風險及利益均轉移至本集團,乃分類為根據融資租賃持有之資產。不會向本集團轉移擁有權絕大部分風險及利益之租賃乃分類為經營租賃。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.17 Leases (Continued)

(ii) *Assets acquired under finance leases*

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments of such assets, are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligation under finance leases.

Subsequent accounting for assets held under finance lease agreements corresponds to those applied to comparable acquired assets. The corresponding finance lease liability is reduced by lease payments less finance charges.

Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

(iii) *Operating lease charges as the lessee*

Where the Group has the 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 time 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.

(iv) *Assets leased out under operating leases as the lessor*

Assets leased out under operating leases are measured and presented according to the nature of the assets. 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 over the lease term on the same basis as the rental income.

### 2. 主要會計政策概要(續)

#### 2.17 租賃(續)

(ii) *根據融資租賃購買之資產*

倘若本集團根據融資租賃購入資產使用權，乃按租賃資產之公允價值或該等資產之最低應付租賃款之現值兩者之較低者計入物業、廠房及設備內，而相應之負債在扣除融資費用後，則列作融資租賃之債務。

根據融資租賃協議所持資產之其後會計處理，與可資比較之收購資產所應用者一致。相應之融資租賃負債將按租金付款減融資費用減少。

租金付款內含之融資費用於租賃期自損益賬扣除，使各會計期間之融資費用佔責任餘額之比率大致相同。

(iii) *作為承租人之經營租賃費用*

倘本集團以經營租賃持有資產使用權，則租賃費用將於租賃期間按直線法從損益中扣除，惟倘有另一種更能反映租賃資產衍生之利益模式之基準除外。已收取之租金優惠乃於損益賬內確認為應付累計租賃款項淨額之組成部分。或然租金於產生之會計期間計入損益賬。

(iv) *作為出租人根據經營租賃租出之資產*

根據經營租賃租出之資產按資產性質計量及呈列。磋商及安排經營租賃產生之初期直接成本計入所出租資產之賬面值，並於租期內按租金收入之相同基準確認為開支。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.17 Leases (Continued)

- (iv) *Assets leased out under operating leases as the lessor (Continued)*

Rental income receivable from operating leases is recognised in profit or loss on a straight-line basis over the periods covered by the lease term, except where an alternative basis is more representative of the time pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable.

### 2.18 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

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, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent liabilities are recognised in the course of the allocation of purchase price to the assets and liabilities acquired in a business combination. They are initially measured at fair value at the date of acquisition, unless the fair value cannot be measured reliably, and subsequently measured at the higher of the amount that would be recognised in a comparable provision as described above and the amount initially recognised less any accumulated amortisation, if appropriate.

## 2. 主要會計政策概要(續)

### 2.17 租賃(續)

- (iv) 作為出租人根據經營租賃租出之資產(續)

根據經營租賃應收租金收入於租期所涉及期間按直線法於損益賬中確認，惟倘有另一基準能更清晰顯示自使用出租資產取得之利益時間模式則作別論。授出之租賃優惠於損益賬確認為應收租金淨額總和之一部分。

### 2.18 撥備及或然負債

倘本集團因過往事件而須承擔現有法定或推定責任，而履行該責任時有可能須耗用經濟利益，且涉及該責任之金額可作可靠估計，則確認有關撥備。若貨幣之時間價值屬重大，則撥備按履行該責任預計所需開支之現值列賬。

所有撥備於各報告日期檢討並調整以反映現時之最佳估計。

倘經濟利益流出之可能性較低，或無法對有關數額作出可靠估計，便會作為或然負債披露，惟經濟利益流出之可能性極低則除外。倘本集團之責任須視乎某宗或多宗本集團並不能完全控制之未來不確定事件是否發生才能確定是否存在，亦會披露為或然負債，惟經濟利益流出之可能性極低則除外。

或然負債乃於將購買價分配至在業務合併中所購入資產及負債之過程中確認。除非公允價值未能可靠計量，否則或然負債應於收購日期按公允價值初步予以計量，並在其後按上述類似條文中將予確認之金額與最初確認之金額減任何累計攤銷(如適用)兩者之較高者計量。



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.19 Share capital

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share premium (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

#### 2.20 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods, rendering of services and the use by others of the Group's assets yielding interest and dividends, net of rebates and discounts. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised as follows:

Revenue arising from the sale of properties held for sale is recognised when the risks and rewards of the properties are transferred to the purchasers, which is when the construction of relevant properties has been completed and the properties have been delivered to the purchasers pursuant to the sales agreement and collectability of related receivables is reasonably assured. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the statement of financial position under receipt in advance and deferred revenue.

Sales of goods are recognised upon transfer of the significant risks and rewards of ownership to the customer. This is usually taken as the time when the goods are delivered and the customer has accepted the goods.

Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. When services are performed by an indeterminate number of acts over a specified period of time, revenue is recognised on a straight-line basis over the specified period of time unless there is evidence that some other method better represents the stage of completion.

### 2. 主要會計政策概要(續)

#### 2.19 股本

普通股乃分類為權益。股本採用已發行股份之面值釐定。任何與發行股份相關之交易成本，於屬股本交易之直接應佔遞增成本情況下，自股份溢價(減任何相關所得稅利益)中扣除。

#### 2.20 收益確認

收益包括銷售貨品已收取或應收取代價、提供服務及其他人士使用本集團資產產生之利息及股息，並扣除回佣及折扣之公允價值。收益在經濟利益有可能流向本集團，而有關收益及成本(如適用)能可靠計量時，按以下基準確認：

來自持作出售之物業銷售收益於物業之風險及回報轉嫁予買方時，即當有關物業建設工程已完成而物業已根據出售協議送交買方，而相關應收款項已獲合理保證可予收回之時，予以確認。就已出售物業於收益確認日期前收取之訂金及供款於財務狀況報表內列作預收款項及遞延收益。

銷售貨品收益在擁有權之重大風險及回報轉移至客戶時確認，通常於貨品交付及客戶收取貨物時進行。

服務銷售額於提供服務之會計期間，參考特定交易根據實際提供之服務佔所提供總服務之比例評估之完成階段確認。倘服務乃於一段指定時期內透過不確定數量行動進行，除非有證據顯示有其他更佳方法表示完成階段，否則收益按直線基準於該等指定時期確認。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.20 Revenue recognition (Continued)

Ticket income from the sale of tickets owned and controlled by the Group is recognised as income when the ticket is issued.

Sales of confectionery, merchandise and souvenir are recognised when goods are delivered.

Interest income is recognised on a time-proportion basis using the effective interest method.

Dividend income is recognised when the right to receive payment is established.

### 2.21 Receipt in advance and deferred revenue

Receipt in advance and deferred revenue consists primarily of deposits and instalments received on properties sold prior to the date of revenue recognition, deferred revenue from prepaid service fees received from customers and fair value of bonus liabilities granted to customers in accordance with the announced bonus point scheme and the Group's past experience on the level of redemption of points. Revenue from deposits and instalments received on properties sold is recognised when the properties have been delivered to the purchasers pursuant to the sales agreement and collectability of related receivables is reasonably assured. Revenue from prepaid service fees and bonus liabilities are recognised when the relevant services are rendered.

### 2.22 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants are deferred and recognised in profit or loss over the period necessary to match them with the costs that the grants are intended to compensate. Government grants relating to the purchase of assets are included in liabilities as deferred government grants in the statement of financial position and are recognised in profit or loss on a straight-line basis over the expected lives of the related assets.

Government grants relating to income is presented in gross under "Other operating income" in profit or loss.

## 2. 主要會計政策概要(續)

### 2.20 收益確認(續)

銷售本集團擁有及控制之售票所得售票收入，於發出售票時確認為收益。

糖果、商品及紀念品之銷售額於貨品交付時確認。

利息收入乃採用實際利率法按時間比例基準確認。

股息收入於收款權利確立時確認。

### 2.21 預收款項及遞延收益

預收款項及遞延收益主要包括確認收益日期前出售物業所收取按金及分期付款，向客戶收取之預付服務費用之遞延收益及按照已公佈之獎賞積分計劃以及本集團根據過往之積分兌換水平而釐定授予客戶之獎賞責任之公允價值。來自出售物業所收取按金及分期付款之收益於物業根據銷售協議交付予買方及有合理保證可收回相關應收款項時進行確認。預付服務費用之收入及獎賞責任在提供相關服務時確認。

### 2.22 政府撥款

當合理確保將收取撥款且本集團將遵守全部附帶條件，來自政府之撥款按其公允價值確認。政府撥款會遞延處理且於需要與彼等擬補償之成本作出配對期間於損益確認。關於購買資產之政府撥款於財務狀況報表內計入負債，列為遞延政府撥款，並以直線法於有關資產之估計年期於損益確認。

關於收入之政府撥款之總額於損益賬呈列為「其他經營收入」。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.23 Impairment of non-financial assets

Goodwill arising on an acquisition of subsidiary, other intangible assets, property, plant and equipment, prepaid land lease payments under operating leases, non-current portion of deposits and, interests in subsidiaries, associates and a joint venture are subject to impairment testing.

Goodwill and other 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 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. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market 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 CGU). As a result, some assets are tested individually for impairment and some are tested at CGU level. Goodwill in particular is allocated to those CGUs 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.

Impairment losses recognised for CGUs, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the CGU, except that the carrying value of an asset will not be reduced below its individual fair value less cost to sell, or value in use, if determinable.

### 2. 主要會計政策概要(續)

#### 2.23 非金融資產減值

收購附屬公司產生之商譽、其他無形資產、物業、廠房及設備、經營租賃下之預付土地租賃費、按金之非流動部分以及於附屬公司、聯營公司及一間合營企業之權益須進行減值測試。

不論是否有任何減值跡象，商譽及無限使用年期或該等尚未可供使用之其他無形資產均須最少每年進行一次減值測試。所有其他資產於有任何跡象顯示資產賬面值可能無法收回時進行減值檢測。

當資產之賬面值高於其可收回金額時，高出金額作為減值虧損被立即確認為開支。可收回金額為公允價值(反映市場情況)減去銷售成本與使用價值之較高者。評估使用價值時，以除稅前貼現率計算預計未來現金流量之現值，而該貼現率反映當時市場對貨幣時值之評估及該項資產之特有風險。

就評估減值而言，若一項資產所產生之現金流入不能獨立於其他資產所產生現金流入，可收回金額則以能獨立產生現金流入之最細資產類別(即現金產生單位)釐定。因此，部分資產個別進行減值測試，部分則在現金產生單位層次進行測試。特別是商譽，會被分配至預期可從相關業務合併之協同效應中獲益，及代表集團內為內部管理目的而監控商譽之最低單位之現金產生單位。

就已分配商譽之現金產生單位確認之減值虧損初步計入商譽之賬面值。除資產賬面值將不會調減至低於其個別公允價值減銷售成本或使用價值(如可釐定)外，任何剩餘減值虧損按比例自該現金產生單位之其他資產扣除。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.23 Impairment of non-financial assets (Continued)

An impairment loss on goodwill is not reversed in subsequent periods. In respect of other assets, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### 2.24 Non-current assets held for sale and disposal groups

Non-current assets and disposal groups are classified as held for sale when:

- they are available for immediate sale;
- management is committed a plan to sell;
- it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn;
- an active programme to locate a buyer has been initiated;
- the asset or disposal group is being marketed at a reasonable price in relation to its fair value; and
- a sale is expected to complete within 12 months from the date of clarification.

### 2. 主要會計政策概要(續)

#### 2.23 非金融資產減值(續)

商譽之減值虧損不可於往後期間撥回。就其他資產而言，倘用以釐定資產可收回金額之估計出現有利變動，減值虧損予以撥回，惟資產之賬面值不得超過倘並無確認減值虧損原應釐定之賬面值(經扣除折舊或攤銷)。

#### 2.24 持作出售之非流動資產及出售組別

如果出現以下情況，非流動資產及出售組別則分類為持作出售：

- 其可供立即出售；
- 管理層承諾計劃出售；
- 計劃不大可能有重大改變或撤回；
- 已經開始積極尋找買家之計劃；
- 資產或出售組別按相對其公允價值而言屬合理之價格進行市場推廣；及
- 預期將會於澄清日期起計12個月內完成有關出售。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.24 Non-current assets held for sale and disposal groups (Continued)

Non-current assets and disposal groups classified as held for sale are measured at the lower of:

- their carrying amount immediately prior to being classified as held for sale in accordance with the Group's accounting policy; and
- fair value less costs to sell.

Following their classification as held for sale, non-current assets (including those in a disposal group) are not depreciated.

The results of operations disposed of during the year are included in profit or loss up to the date of disposal.

#### 2.25 Employee benefits

##### (i) Short-term employee benefits

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

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

##### (ii) Retirement benefits

The Group operates several staff retirement schemes for employees in Hong Kong and Mainland China, the People's Republic of China ("PRC"), comprising defined contribution pension schemes and a Mandatory Provident Fund ("MPF") scheme. The assets of these schemes are held separately from those of the Group in independently administered funds. The retirement schemes are generally funded by payments from employees and by the relevant subsidiaries of the Group.

### 2. 主要會計政策概要(續)

#### 2.24 持作出售之非流動資產及出售組別(續)

分類為持作出售之非流動資產及出售組別按以下兩者中之較小者計量：

- 其於緊接被分類為持作出售前根據本集團會計政策釐定之賬面值；及
- 公允價值減銷售成本。

於其被分類為持作出售後，非流動資產(包括出售組別內者)不予折舊。

年內出售之業務在損益賬內之業績計至出售日期為止。

#### 2.25 僱員福利

##### (i) 短期僱員福利

僱員應享年假乃於應計予僱員時確認，並就截至報告日期止僱員提供服務所享有年假之估計負債提撥準備。

病假及產假等非累計補假僅於休假時方予確認。

##### (ii) 退休福利

本集團為香港及中國內地之僱員提供數項員工退休計劃，包括界定供款退休金計劃及強制性公積金(「強積金」)計劃。該等計劃之資產與本集團之資產分開保管，由獨立管理基金持有。退休計劃之資金一般來自僱員及本集團有關附屬公司之供款。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.25 Employee benefits (Continued)

#### (ii) Retirement benefits (Continued)

The subsidiaries operating in Mainland China are required to participate in the defined contribution retirement scheme for their employees, organised by the relevant local government authorities. They are required to make contributions to the retirement schemes at a rate of 10% to 22% (depending on the locations of the subsidiaries) of basic salaries of their employees and there are no other further obligations to the Group.

Before 1 December 2000, the Group operated a defined contribution retirement scheme (the "ORSO Scheme") in Hong Kong for all qualified employees. The rate of contribution payable by the Group was 5% of the individual employees' monthly basic salaries. The Group's contributions under the ORSO Scheme were reduced by contributions forfeited by those employees who left the scheme prior to vesting fully in the contributions. There are no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

The Mandatory Provident Fund Schemes Authority has approved the ORSO Scheme as a Mandatory Provident Fund Exempted Occupational Retirement Scheme under the Mandatory Provident Fund Schemes Ordinance (the "MPF Schemes Ordinance"). With effect from 1 December 2000, the MPF Scheme was also set up under the MPF Schemes Ordinance for existing staff who opt for this scheme and eligible staff recruited on or after that date. When the underlying staff elects the MPF Scheme, pension scheme benefits attributed to the staff under the ORSO Scheme remain unchanged in the MPF Scheme. Under the MPF Scheme, eligible employees are required to contribute 5% of their monthly basic salaries whereas the Group's monthly contribution will be 5% of the relevant employee's basic salaries with a maximum monthly contribution of HK\$1,500 (2016: HK\$1,500). There are no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

## 2. 主要會計政策概要(續)

### 2.25 僱員福利(續)

#### (ii) 退休福利(續)

於中國內地經營之附屬公司須為彼等之僱員參與由有關地方政府機關統籌之界定供款退休計劃，並須按其僱員之基本薪金之10%至22%(取決於附屬公司所在地)向退休計劃作出供款，而本集團並無其他進一步責任。

於2000年12月1日前，本集團為其所有合資格僱員於香港設立一個界定供款退休金計劃(「職業退休計劃」)。本集團應付供款之比率為每名個別僱員每月基本薪金之5%。本集團根據職業退休計劃作出之供款，可以因僱員於可享有供款所得全部權益前退出該計劃而沒收之供款扣減。於支付定額供款後，本集團並無任何須支付進一步供款之法定或推定責任。

強制性公積金計劃管理局根據強制性公積金計劃條例(「強積金條例」)批准職業退休計劃為強積金獲豁免職業退休計劃。由2000年12月1日起，本集團亦根據強積金條例設立強積金計劃。強積金計劃乃為選擇參與該計劃之現有員工及於該日或之後聘用之合資格員工而設。當相關員工選用強積金計劃，根據職業退休計劃屬於員工之職業退休計劃利益於強積金計劃中維持不變。根據強積金計劃，合資格僱員須按其每月基本薪金5%供款，而本集團之每月供款將為有關僱員基本薪金之5%，每月供款上限為1,500港元(2016年：1,500港元)。於支付固定供款後，本集團並無任何須支付進一步供款之法定或推定責任。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.25 Employee benefits (Continued)

(ii) *Retirement benefits (Continued)*

Contributions to defined contribution retirement plans are recognised as an expense in profit or loss when the services are rendered by the employees. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short term nature.

(iii) *Share-based employee compensation*

All share-based payment arrangements granted after 7 November 2002 and had not vested on 1 January 2005 are recognised in the financial statements. The Group operates equity-settled share-based compensation plans for remuneration of its employees.

All employee services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

All share-based compensation is recognised as an expense in profit or loss over the vesting period if vesting conditions apply, or recognised as an expense in full at the grant date when the equity instruments granted vest immediately unless the compensation qualifies for recognition as asset, with a corresponding increase in share option reserve in equity. If vesting conditions apply, the expense is recognised over the vesting period, based on the best available estimate of the number of equity instruments expected to vest. Non-market vesting conditions are included in assumptions about the number of equity instruments that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of equity instruments expected to vest differs from previous estimates.

### 2. 主要會計政策概要(續)

#### 2.25 僱員福利(續)

(ii) *退休福利(續)*

界定供款退休金計劃之供款於僱員提供服務時在損益賬確認為開支。負債及資產可能於繳付不足或預繳時確認，並因其通常屬短期性質而計入流動負債或流動資產。

(iii) *以股份支付之僱員報酬*

所有於2002年11月7日之後授出且於2005年1月1日尚未歸屬之以股份支付之安排，均在財務報表中確認。本集團設立以權益結算、以股份支付之補償計劃為其僱員提供薪酬。

所有僱員提供之服務用以換取任何以股份支付之報酬乃按公允價值計量，並間接經參考已授出之購股權釐定。該等服務之價值於授出日評定，且不計及任何非市場歸屬條件(例如，盈利能力及銷售增長目標)之影響。

除有關賠償符合資格確認為資產外，所有以股份支付之賠償於歸屬期在損益賬確認為開支(若歸屬條件適用)，或於授出之股本工具即時歸屬時在授出日期悉數確認為開支，並在權益(購股權儲備)作相應增加。倘應用歸屬條件，則開支會於歸屬期內按照預期歸屬之股本工具數目之最佳可得估計確認。於假設預期將予以行使之權益工具時會計入非市場歸屬條件。倘有任何跡象顯示預期歸屬之股本工具數目與過往之估計不同，則會於其後修訂估計。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.25 Employee benefits (Continued)

#### (iii) Share-based employee compensation (Continued)

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to capital reserve. After vesting date, when the vested share options are later forfeited or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

### 2.26 Capitalisation of borrowing costs

Borrowing costs attributable to the acquisition, construction or production of qualifying asset 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 capitalized. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 2.27 Accounting for income taxes

Income tax for the year comprises current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of income tax expense in profit or loss.

## 2. 主要會計政策概要(續)

### 2.25 僱員福利(續)

#### (iii) 以股份支付之僱員報酬(續)

購股權獲行使時，之前已於購股權儲備中確認之金額將轉至資本儲備。於歸屬日期後，倘已歸屬購股權被沒收或於屆滿日未獲行使，之前已於購股權儲備中確認之金額將轉至保留溢利。

### 2.26 借貸成本撥充資本

需要相當長時間方可作擬定用途或可供銷售的收購、興建或生產合資格資產而產生之借貸成本撥作該等資產的部分成本。特定借貸在用作該等資產開支前暫作投資所賺取之收入自撥充資本之借貸成本中扣除。所有其他借貸成本於其發生期間之損益確認。

### 2.27 所得稅之會計處理方法

年內所得稅包括即期及遞延稅項。

即期所得稅資產及／或負債包括現行或過往呈報期間與財務機關有關而於報告日期尚未支付之應付責任或應收申索。該等金額乃根據年內應課稅溢利按相關財政期間適用之稅率及稅法計算。即期稅項資產或負債之所有變動於損益賬確認為所得稅開支一部分。



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.27 Accounting for 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 assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the reporting date.

Changes in deferred tax assets or liabilities are recognised in profit or loss, or in other comprehensive income or directly in equity if they relate to items that are charged or credited to other comprehensive income or directly to equity.

### 2. 主要會計政策概要(續)

#### 2.27 所得稅之會計處理方法(續)

本集團乃就資產及負債在財務申報上之賬面值與稅務上之相應金額兩者間之暫時差額確認遞延稅項。除商譽及不足以影響會計溢利或應課稅溢利之已確認資產及負債外，遞延稅項負債會就所有應課稅暫時差額確認。遞延稅項資產乃在可能有應課稅溢利可用於抵銷可扣稅暫時差額之情況下確認。

倘因商譽或因初步確認(並非業務合併)某項不影響應課稅或會計溢利或虧損之交易之資產及負債而產生暫時差額，則遞延稅項資產及負債不予確認。

就投資於附屬公司、聯營公司及合營企業產生之應課稅暫時差額確認為遞延稅項負債，惟倘若本集團能夠控制該暫時差額之撥回，以及有關暫時差額不大可能於可見未來撥回則另作別論。

遞延稅項乃按預期於負債清償或資產變賣期間適用之稅率計算(不作貼現)，惟有關稅率必須為於報告日期已頒行或實質上已頒行之稅率。

遞延稅項資產或負債之變動於損益賬確認，或倘與於其他全面收益扣除或計入其他全面收益或直接自權益扣除或計入權益之項目有關，則於其他全面收益或權益確認。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.28 Segment reporting

The Group identifies operating segments and prepare 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 product and service lines.

The Group has identified the following reportable segments:

- (a) Enterprise cloud services\*
- (b) Property development
- (c) Culture and media services
- (d) Internet lifestyle platform\*\*
- (e) Innovative business

\* By virtue of the all-rounded internet-based services, e-commerce and total Internet+ resolutions offered for small and medium-sized enterprises and clients in the PRC, the Group remained adamant about the provision of cloud service for the development of digitalisation and smart operation, and has successfully launched a series of leading to enable cloud services corporate digitalisation and smart operation in the industry after prolonged exploration and unremitting efforts. Therefore, the segment and its revenue has changed its name from "Corporate IT application services" to "Enterprise cloud services" as cloud service has been becoming core of the business.

\*\* This segment has gradually transformed itself into a media-driven IT enterprise from a media company. The purpose of this segment is to build an internet lifestyle platform and attract traffic with media content. Its commercial value will be realised through advertising, local lifestyle services and other means. Therefore, the name of the segment is amended from "New media" to "Internet lifestyle platform" to adapt its commercial strategy.

## 2. 主要會計政策概要(續)

### 2.28 分部呈報

本集團定期向執行董事報告內部財務資料，以供彼等就本集團業務組成部分之資源分配作決定，以及供彼等檢討該等組成部分之表現，而本集團則根據該等資料劃分經營分部及編製分部資料。向執行董事報告之內部財務資料之業務組成部分乃按照本集團之主要產品及服務類別釐定。

本集團已劃分以下可呈報分部：

- (a) 企業雲服務\*
- (b) 房地產開發
- (c) 文化與傳播服務
- (d) 互聯網生活平台\*\*
- (e) 創意商業

\* 本分部在向中國中小企業及客戶提供全方位的互聯網基礎服務、電子商務和互聯網+整體解決方案的基礎上，本集團經過長期探索和持續推進雲服務、數字化智慧經營進程，成功推出了一系列業內領先的賦能企業數字化智慧經營的雲服務，並致力於將其作為業務發展的核心方向。因此，該業務分部及其收益名稱由「企業IT應用服務」變更為「企業雲服務」。

\*\* 此分部逐漸由媒體公司轉型為以媒體為主要驅動的互聯網企業。此分部旨在構建互聯網生活平台，以媒體內容吸引流量，並將通過廣告、本地生活服務等方式實現商業價值。因此，該分部之名稱由「新媒體」修訂為「互聯網生活平台」以迎合其商業策略。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.28 Segment reporting (Continued)

Information about other business activities and operating segments that are not reportable are combined and disclosed in "all other segments". All other segments included trading of securities and property management.

Each of these operating segments is managed separately as each of the product and service lines requires different resources as well as marketing approaches. All inter-segment transfers are carried out at arm's length prices.

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, except that:

- Certain bank and other interest income
- Certain finance costs
- Income tax expense
- Corporate income and expenses which are not directly attributable to the business activities or any operating segment

are not included in arriving at the operating results of the operating segment.

Segment assets include all assets but amounts due from related parties, amounts due from associates and available-for-sale financial assets. In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment, which primarily applies to the Group's headquarter.

Segment liabilities exclude corporate liabilities which are not directly attributable to the business activities of any operating segment and are not allocated to a segment. These include provision for tax, bank and other borrowings and amounts due to a director/associates.

No asymmetrical allocations have been applied to reportable segments.

### 2. 主要會計政策概要(續)

#### 2.28 分部呈報(續)

有關其他不作可呈報業務活動及經營分部之資料均合併及披露於「所有其他分部」，所有其他分部包括證券買賣及物業管理。

由於各個產品及服務類別所需資源以及市場推廣方式並不相同，上述各經營分部乃分開管理。所有分部間轉讓乃按公平價格進行。

本集團根據香港財務報告準則第8號就報告分部業績採用之計量政策與根據香港財務報告準則於財務報表所採用者相同，惟：

- 若干銀行及其他利息收入
- 若干融資成本
- 所得稅開支
- 並非直接歸入業務活動或任何經營分部之企業收益及開支

於計算經營分部之經營業績時並不包括在內。

分部資產包括除應收關連方款項、應收聯營公司款項及可供出售之金融資產以外之所有資產。此外，並非直接歸入任何經營分部之業務活動之企業資產(主要適用於本集團總部)並不分配至分部。

分部負債不包括並非直接歸入任何經營分部之業務活動之企業負債，且不會分配至分部。此等項目包括稅項撥備、銀行及其他借貸，以及欠一名董事／聯營公司之款項。

並無對可呈報分部採用非對稱之分配。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.29 Related parties

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions apply:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

## 2. 主要會計政策概要(續)

### 2.29 關連人士

- (a) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：
- (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響；或
  - (iii) 為本集團或本公司母公司之主要管理層成員。
- (b) 倘符合下列任何條件，即實體與本集團有關連：
- (i) 該實體與本公司屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)。
  - (ii) 一間實體為另一實體之聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。
  - (iii) 兩間實體均為同一第三方之合營企業。
  - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
  - (v) 實體為本集團或與本集團有關連之實體就僱員利益設立之離職福利計劃。
  - (vi) 實體受(a)所識別人土控制或受共同控制。
  - (vii) 於(a)(i)所識別人土對實體有重大影響力或屬該實體(或該實體之母公司)主要管理層成員。
  - (viii) 向本集團或本集團之母公司提供主要管理層成員服務之實體或其所屬集團之任何成員公司。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.29 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.

### 3. ADOPTION OF NEW/AMENDED HKFRSs

#### 3.1 Adoption of new/amended HKFRSs — effective 1 January 2017

In the current year, the Group has applied for the first time the following new/amended HKFRSs issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 January 2017:

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Annual Improvements to HKFRSs 2014–2016 Cycle	Amendments to HKFRS 12, Disclosure of Interests in Other Entities

#### Amendments to HKAS 7 — Disclosure Initiative

The amendments introduce an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities.

A reconciliation between the opening and closing balances of these items is provided in note 41(b). Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in note 41(b), the application of these amendments has had no impact on the Group's consolidated financial statements.

### 2. 主要會計政策概要(續)

#### 2.29 關連人士(續)

某一人士之近親指預期可影響該人士與實體進行買賣或於買賣時受該人士影響之有關家族成員，並包括：

- (i) 該名人士之子女及配偶或家庭夥伴；
- (ii) 該名人士之配偶或家庭夥伴之子女；及
- (iii) 該名人士或該名人士之配偶或家庭夥伴之受養人。

### 3. 採納新訂／經修訂香港財務報告準則

#### 3.1 採納新訂／經修訂香港財務報告準則 — 自2017年1月1日起生效

於本年度，本集團已首次應用以下由香港會計師公會頒佈與本集團於2017年1月1日開始之年度期間之財務報表有關及生效之新訂／經修訂香港財務報告準則：

香港會計準則第7號之修訂	披露計劃
香港會計準則第12號之修訂	就未變現虧損確認遞延稅項資產
2014年至2016年周期香港財務報告準則之年度改進	香港財務報告準則第12號於其他實體之權益披露之修訂

#### 香港會計準則第7號之修訂 — 披露計劃

該等修訂引入額外披露事項，使財務報表使用者能評估因融資活動所造成之負債變動。

該等項目期初及期末結餘之對賬載於附註41(b)。為與有關修訂之過渡條文一致，本集團並未披露過往一年之比較資料。除附註41(b)之額外披露外，應用該等修訂對本集團綜合財務報表並無影響。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.1 Adoption of new/amended HKFRSs — effective 1 January 2017 (Continued)

*Amendments to HKAS 12 — Recognition of Deferred Tax Assets for Unrealised Losses*

The amendments relate to the recognition of deferred tax assets and clarify some of the necessary considerations, including how to account for deferred tax assets related to debt instruments measured at fair value.

The adoption of the amendments has no impact on these financial statements as the clarified treatment is consistent with the manner in which the Group has previously recognised deferred tax assets.

*Annual Improvements to HKFRSs 2014–2016 Cycle — Amendments to HKFRS 12, Disclosure of Interests in Other Entities*

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 12, Disclosure of Interests in Other Entities, to clarify that the disclosure requirements of HKFRS 12, other than the requirements to disclose summarised financial information, also apply to an entity's interests in other entities classified as held for sale or discontinued operations in accordance with HKFRS 5, Non-Current Assets Held for Sale and Discontinued Operations.

The adoption of the amendments to HKFRS 12 has no impact on these financial statements as the latter treatment is consistent with the manner in which the Group has previously dealt with disclosures relating to its interests in other entities classified as held for sale or discontinued operations in accordance with HKFRS 5.

### 3. 採納新訂／經修訂香港財務報告 準則(續)

#### 3.1 採納新訂／經修訂香港財務報告 準則 — 自2017年1月1日起生效 (續)

*香港會計準則第12號之修訂 — 就未變現虧損確認遞延稅項資產*

有關修訂乃關於確認遞延稅項資產及澄清若干必要代價，包括如何計算與按公允價值計量之債務工具相關之遞延稅項資產。

由於已澄清處理與本集團過往確認遞延稅項資產之方式一致，採納該等修訂對該等財務報表並無影響。

*2014年至2016年周期香港財務報告準則之年度改進 — 香港財務報告準則第12號於其他實體之權益披露之修訂*

根據年度改進過程頒佈的該等修訂對現時並不明確的多項準則作出微細及不急切的修改。其中包括對香港財務報告準則第12號於其他實體之權益披露之修訂，以釐清香港財務報告準則第12號的披露規定(披露財務資料概要除外)亦適用於實體根據香港財務報告準則第5號持作銷售之非流動資產及已終止經營業務分類為持作出售之其他實體或已終止經營業務之權益。

由於後者處理與本集團先前處理有關其於其他實體之權益(根據香港財務報告準則第5號分類為持作出售或已終止經營業務)之披露方式貫徹一致，採納香港財務報告準則第12號之修訂對該等財務報表並無影響。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.2 Impact of new/amended HKFRSs which are issued but not yet effective

The following new/amended HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Annual Improvements to HKFRSs 2014–2016 Cycle	Amendments to HKAS 28, Investments in Associates and Joint Ventures <sup>1</sup>
Amendments to HKFRS 2	Classification and Measurement of Share-Based Payment Transactions <sup>1</sup>
HKFRS 9	Financial Instruments <sup>1</sup>
HKFRS 15	Revenue from Contracts with Customers <sup>1</sup>
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15) <sup>1</sup>
Amendments to HKAS 40	Transfers of Investment Property <sup>1</sup>
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration <sup>1</sup>
Amendments to HKFRS 9	Prepayment Features with Negative Compensation <sup>2</sup>
HKFRS 16	Leases <sup>2</sup>
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2018

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2019

<sup>3</sup> 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 continues to be permitted.

### 3. 採納新訂／經修訂香港財務報告準則(續)

#### 3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則之影響

下列可能與本集團財務報表有關之新訂／經修訂香港財務報告準則已經頒佈，惟尚未生效亦未經本集團提早採納。本集團目前擬於該等修訂生效之日期應用有關修訂。

2014年至2016年周期香港財務報告準則之年度改進	香港會計準則第28號聯營公司及合營企業的投資之修訂 <sup>1</sup>
香港財務報告準則第2號之修訂	以股份為基礎之付款交易之分類及計量 <sup>1</sup>
香港財務報告準則第9號	金融工具 <sup>1</sup>
香港財務報告準則第15號	來自客戶合約收益 <sup>1</sup>
香港財務報告準則第15號之修訂	來自客戶合約收益(香港財務報告準則第15號之澄清) <sup>1</sup>
香港會計準則第40號之修訂	投資物業轉撥 <sup>1</sup>
香港(國際財務報告詮釋委員會)－詮釋第22號	外匯交易及預付代價 <sup>1</sup>
香港財務報告準則第9號之修訂	具有負補償之提前償付特徵 <sup>2</sup>
香港財務報告準則第16號	租賃 <sup>2</sup>
香港(國際財務報告詮釋委員會)－詮釋第23號	所得稅處理之不確定性 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 <sup>3</sup>

<sup>1</sup> 於2018年1月1日或之後開始之年度期間生效

<sup>2</sup> 於2019年1月1日或之後開始之年度期間生效

<sup>3</sup> 該等修訂原定於2016年1月1日或之後開始之期間生效。生效日期現已被遞延／移除。提早應用該等修訂仍獲准許。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.2 Impact of new/amended HKFRSs which are issued but not yet effective (Continued)

*Annual Improvements to HKFRSs 2014–2016 Cycle — Amendments to HKAS 28, Investments in Associates and Joint Ventures*

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 28, Investments in Associates and Joint Ventures, clarifying that a Venture Capital organisation's permissible election to measure its associates or joint ventures at fair value is made separately for each associate or joint venture.

*Amendments to HKFRS 2 — Classification and Measurement of Share-Based Payment Transactions*

The amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a net settlement feature for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

*HKFRS 9 — Financial Instruments*

HKFRS 9 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").

### 3. 採納新訂／經修訂香港財務報告準則(續)

#### 3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則之影響(續)

*2014年至2016年周期香港財務報告準則之年度改進 — 香港會計準則第28號聯營公司及合營企業的投資之修訂*

根據年度改進過程頒佈的該等修訂本對現時並不明確的多項準則作出微細及不急切之修改。其中包括對香港會計準則第28號於聯營公司及合營公司投資之修訂，該修訂澄清風險資本機構可選擇按公允價值計量其聯營公司或合營公司時，可分別對每間聯營公司或合營公司作出有關選擇。

*香港財務報告準則第2號之修訂 — 以股份為基礎之付款交易之分類及計量*

該等準則對下列會計處理作出規定：計量以現金結算以股份支付交易之歸屬及非歸屬條件之影響；就預扣稅責任有淨額結算特徵之以股份支付交易；及使交易由現金結算更改分類為權益結算之股份支付交易之條款及條件修訂。

*香港財務報告準則第9號 — 金融工具*

香港財務報告準則第9號引進有關金融資產分類及計量之新要求。按業務模式持有而目的為收取合約現金流之債務工具(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允價值於其他全面收益處理(「按公允價值於其他全面收益處理」)。實體可於初步確認時作出不可撤銷之選擇，按公允價值於其他全面收益處理並非持作買賣之股本工具。所有其他債務及股本工具按公允價值於損益賬處理(「按公允價值於損益賬處理」)。



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.2 Impact of new/amended HKFRSs which are issued but not yet effective (Continued)

*HKFRS 9 — Financial Instruments (Continued)*

HKFRS 9 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 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 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

Based on the Group's financial instruments and risk management policies as at 31 December 2017, the directors of the Company anticipate to have potential impact on initial application of HKFRS 9 in respect of certain equity securities classified as available-for-sale investment carried at fair value. These securities qualified for designation as measured at FVTOCI under HKFRS 9, however, the Group plans not to elect the option for the designation and will measure these securities at fair value with subsequent fair value gains or losses to be recognised in profit or loss. The other financial assets and financial liabilities will continue to be measured on the same bases as are currently measured under HKAS 39.

In addition, the directors of the Company also anticipate that the application of the expected credit loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group's financial assets measured at amortised costs and other items that subject to the impairment provisions upon application of HKFRS 9 by the Group. However, the directors of the Company do not anticipate that the application of the expected credit loss model of HKFRS 9 will have material impact on the opening retained profits balance at 1 January 2018.

### 3. 採納新訂／經修訂香港財務報告 準則(續)

#### 3.2 已頒佈但尚未生效之新訂／經修 訂香港財務報告準則之影響(續)

*香港財務報告準則第9號 — 金融工具  
(續)*

香港財務報告準則第9號包括就並非按公允價值於損益賬處理之所有金融資產納入新預期虧損減值模式(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號貫徹香港會計準則第39號有關金融負債之確認、分類及計量規定,惟就指定為按公允價值於損益賬處理之金融負債而言,因該負債之信貸風險變動而引致之公允價值變動金額乃於其他全面收益中確認,除非此舉將產生或擴大會計錯配。此外,香港財務報告準則第9號保留香港會計準則第39號有關不再確認金融資產及金融負債之規定。

根據本集團於2017年12月31日之金融工具及風險管理政策,本公司董事預計就若干分類為按公允價值列賬之可供出售投資之股本證券初步應用香港財務報告準則第9號有潛在影響。根據香港財務報告準則第9號,該等證券符合資格指定為按公允價值於其他全面收益處理,然而,本集團不擬選擇指定按公允價值於其他全面收益處理證券,而將按公允價值計量該等證券,並將隨後公允價值收益或虧損於損益賬中確認。其他金融資產及金融負債將繼續按現時與根據香港會計準則第39號計量者相同之基準計量。

此外,本公司董事亦預計應用香港財務報告準則第9號的預期信貸虧損模式將導致提早就有關本集團按攤銷成本計量之金融資產及於本集團應用香港財務報告準則第9號時須作出減值撥備之其他項目尚未產生之信貸損失作出撥備。然而,本公司董事並不預期應用香港財務報告準則第9號的預期信貸虧損模式將會對於2018年1月1日之期初保留溢利結餘有重大影響。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.2 Impact of new/amended HKFRSs which are issued but 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-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to 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.

In 2016, the HKICPA issued clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

### 3. 採納新訂／經修訂香港財務報告 準則(續)

#### 3.2 已頒佈但尚未生效之新訂／經修 訂香港財務報告準則之影響(續)

*香港財務報告準則第15號 — 來自客戶  
合約收益*

有關新訂準則設立單一收益確認框架。框架之核心原則為實體應確認收益，以說明實體按反映交換商品及服務預期所得代價之金額向客戶轉讓所承諾商品或服務。香港財務報告準則第15號取代現有收益確認指引，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號規定確認收益所應用之五個步驟：

- 第一步：識別與客戶訂立之合約
- 第二步：識別合約中之履約責任
- 第三步：釐定交易價
- 第四步：按各履約責任分配交易價
- 第五步：於履行各履約責任後確認收益

香港財務報告準則第15號包括對可能改變目前根據香港財務報告準則之做法之特定收益相關事宜之特定指引。有關準則亦顯著加強有關收入之定性及定量披露。

於2016年，香港會計師公會頒佈對香港財務報告準則第15號的澄清，有關履行責任之識別方式、應用委託人或代理人；及發牌應用指引。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.2 Impact of new/amended HKFRSs which are issued but not yet effective (Continued)

*HKFRS 15 — Revenue from Contracts with Customers (Continued)*

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised goods or services in the contract. HKFRS 15 identifies 3 situations in which control of the promised goods or service is regarded as being transferred over time:

- (a) the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs;
- (b) the entity's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
- (c) the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15, the entity recognise revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that will be considered in determining when the transfer of control occurs.

### 3. 採納新訂／經修訂香港財務報告 準則(續)

#### 3.2 已頒佈但尚未生效之新訂／經修 訂香港財務報告準則之影響(續)

*香港財務報告準則第15號 — 來自客戶  
合約收益(續)*

根據香港財務報告準則第15號，收益於客戶獲得合約的承諾貨物或服務的控制權時確認。香港財務報告準則第15號確定了以下對承諾貨物或服務的控制權被視為隨時間轉移的三種情況：

- (a) 當客戶於實體履約時同時接受及使用實體履約所提供的利益時；
- (b) 當實體履約創造或改良一項於資產被創造或改良時由客戶控制的資產(如在建工程)時；或
- (c) 當實體的履約並無創造對實體而言具替代用途的資產，且該實體對迄今完成的履約付款具有可執行權利時。

倘合約條款及實體活動並不屬於該三種情況中的任何一種，則根據香港財務報告準則第15號，實體於某一指定時間點(即控制權轉移時)就銷售貨物或服務確認收益。風險的轉移及所有權的回報僅為於釐定控制權轉移發生時將考慮的其中一項指標。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.2 Impact of new/amended HKFRSs which are issued but not yet effective (Continued)

*HKFRS 15 — Revenue from Contracts with Customers (Continued)*

The directors of the Company have assessed the impact on application of HKFRS 15 and anticipate an impact on revenue for the following areas:

##### **For the sale of properties**

- The Group has considered all the relevant facts and circumstances in assessing whether the property sales contracts contain significant financing component, including the difference between the amount of promised consideration and the cash selling price of the property; and the combined effect of the expected length of time between the Group transfers the property to the customer and the customer pays for the property and the prevailing interest rates in the relevant market. As a practical expedient in HKFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component when the transfer of properties are expected to be completed within one year from date of payment made by customers. Accordingly, the directors of the Company expect that the significant financing component included in the property sales contracts would have potential financial impact on the retained earnings, opening balance of inventory of properties and pre-sale deposits of the Group at 1 January 2018.
- Currently, the Group expensed off the costs associated with obtaining the property sales contracts with customers. Under the requirement of HKFRS 15, incremental costs of obtaining a contract is eligible for capitalisation as deferred contract costs if they meet certain criteria. Accordingly, the directors of the Company expect a recognition of deferred contract costs would result in an increase in opening retained profits and recognition of deferred taxation liabilities at 1 January 2018.

### 3. 採納新訂／經修訂香港財務報告 準則(續)

#### 3.2 已頒佈但尚未生效之新訂／經修 訂香港財務報告準則之影響(續)

*香港財務報告準則第15號 — 來自客戶  
合約收益(續)*

本公司董事已評估應用香港財務報告準則第15號之影響，並預期對以下方面之收益造成影響：

##### **銷售物業**

- 本集團於評估物業銷售合約是否載有重大融資組成部分(包括已承諾代價金額與該物業現金售價之間之差額)時，已考慮所有相關因素及情況；以及本集團向客戶轉讓物業與客戶就物業付款之間之預期所需時間及相關市場現行利率之合併影響。作為香港財務報告準則第15號中實用的權宜之策，由於轉讓物業預期將於客戶付款日期起計一年內完成，本集團並無就重大融資組成部分調整代價之已承諾金額。因此，本公司董事預期，計入物業銷售合約之重大融資組成部分將對本集團於2018年1月1日之保留溢利、物業存貨期初結餘及預售按金造成潛在財務影響。
- 目前，本集團支銷與取得客戶物業銷售合約有關之成本。根據香港財務報告準則第15號之規定，倘符合若干條件，則取得合約所增加之成本合資格資本化為遞延合約成本。因此，本公司董事預期，確認遞延合約成本將導致期初保留溢利增加及確認於2018年1月1日之遞延稅項負債。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.2 Impact of new/amended HKFRSs which are issued but not yet effective (Continued)

*HKFRS 15 — Revenue from Contracts with Customers (Continued)*

##### **For the provision of enterprise cloud services**

The adoption of HKFRS 15 may have impact on the timing and amount of revenue recognition of the Group's enterprise cloud services. However, a more detailed analysis is required to determine the extent of the impact.

Other than the abovementioned sources of revenue, the directors of the Company anticipate the application of HKFRS 15 will not have a material impact on the timing and amounts of revenue recognised in the respective reporting period.

In addition, the application of HKFRS 15 in the future may result in more disclosures in the consolidated financial statements. The directors of the Company intend to apply the limited retrospective method with cumulative effect of initial application recognised in opening balance of equity at 1 January 2018.

*Amendments to HKFRS 15 — Revenue from Contracts with Customers (Clarifications to HKFRS 15)*

The amendments to HKFRS 15 included clarifications on identification of performance obligations; application of principal versus agent; licenses of intellectual property; and transition requirements.

*Amendments to HKAS 40, Investment Property — Transfers of Investment Property*

The amendments clarify that to transfer to or from investment properties there must be a change in use and provides guidance on making this determination. The clarification states that a change of use will occur when a property meets, or ceases to meet, the definition of investment property and there is supporting evidence that a change has occurred.

The amendments also re-characterise the list of evidence in the standard as a non-exhaustive list, thereby allowing for other forms of evidence to support a transfer.

### 3. 採納新訂／經修訂香港財務報告 準則(續)

#### 3.2 已頒佈但尚未生效之新訂／經修 訂香港財務報告準則之影響(續)

*香港財務報告準則第15號 — 來自客戶  
合約收益(續)*

##### **提供企業雲服務**

採納香港財務報告準則第15號或會對本集團企業雲服務確認收益之時間及金額造成影響。然而，釐定有關影響程度需要更詳細分析。

除上述收益來源外，本公司董事預計應用香港財務報告準則第15號將不會對於相關報告期間確認收益之時間及金額產生重大影響。

此外，日後應用香港財務報告準則第15號或須於綜合財務報表作出更多披露。本公司董事擬應用有限追溯法，而首次應用之累計影響於2018年1月1日之權益期初結餘確認。

*香港財務報告準則第15號之修訂 — 來自客戶合約收益(香港財務報告準則第15號之澄清)*

香港財務報告準則第15號之修訂包括澄清對履行責任之識別方式；應用委託人或代理人；知識產權許可；及過渡規定。

*香港會計準則第40號之修訂 — 投資物業轉撥*

該等修訂澄清投資物業轉入及轉出所需用途改變，並就作出釐定提供指引。有關澄清指當物業符合或不再符合投資物業之定義及有證據顯示用途改變，則出現用途改變。

該等修訂亦將該準則的證據列表重新定性為非詳盡列表，因此，其他形式的證據亦可證明有關轉撥。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.2 Impact of new/amended HKFRSs which are issued but not yet effective (Continued)

*HK(IFRIC)-Int 22 — Foreign Currency Transactions and Advance Consideration*

The Interpretation provides guidance on determining the date of the transaction for determining an exchange rate to use for transactions that involve advance consideration paid or received in a foreign currency and the recognition of a non-monetary asset or non-monetary liability. The Interpretations specifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part thereof) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

*Amendments to HKFRS 9 — Prepayment Features with Negative Compensation*

The amendments clarify that prepayable financial assets with negative compensation can be measured at amortised cost or at fair value through other comprehensive income if specified conditions are met — instead of at fair value through profit or loss.

*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 not 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.

### 3. 採納新訂／經修訂香港財務報告準則(續)

#### 3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則之影響(續)

香港(國際財務報告詮釋委員會)－詮釋第22號－外匯交易及預付代價

該等詮釋就為釐定用於涉及以外幣支付或收取預付代價交易之匯率而釐定交易日期，以及確認非貨幣資產或非貨幣負債提供指引。該等詮釋指明，釐定初步確認相關資產、開支或收入(或當中部分)所使用匯率之交易日期為實體初步確認支付或收取預付代價產生的非貨幣資產或非貨幣負債之日。

香港財務報告準則第9號之修訂－具有負補償之提前償付特徵

該等修訂澄清在符合特別條件下，具有負補償之可預付金融資產可按攤銷成本或按公允價值於其他全面收益處理，而非按公允價值於損益賬處理。

香港財務報告準則第16號－租賃

香港財務報告準則第16號由生效當日起將取代香港會計準則第17號租賃及相關詮釋，其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個月之所有租賃確認資產及負債，除非相關資產為低價值資產則作別論。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，並將租賃負債之現金還款分類為本金部分及利息部分，以於現金流量表內呈列。此外，使用權資產及租賃負債初步按現值基準計量。計量包括不可撤銷租賃付款，亦包括承租人合理地肯定將行使選擇權延續租賃或不行使選擇權終止租賃之情況下，將於選擇權期間內作出之付款。此會計處理方法與承租人會計法顯著不同，後者適用於根據舊有準則香港會計準則第17號分類為經營租賃之租賃。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.2 Impact of new/amended HKFRSs which are issued but not yet effective (Continued)

*HKFRS 16 — Leases (Continued)*

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 at 31 December 2017, the Group has non-cancellable operating lease commitments of HK\$15,220,199,000. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

In addition, the Group currently considers refundable rental deposits paid of HK\$381,430,000 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits paid would be included in the carrying amount of right-of-use assets.

### 3. 採納新訂／經修訂香港財務報告準則(續)

#### 3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則之影響(續)

*香港財務報告準則第16號 — 租賃(續)*

就出租人會計法而言，香港財務報告準則第16號大致繼承香港會計準則第17號之出租人會計法規定。因此，出租人繼續將其租賃分類為經營租賃及融資租賃，並且對兩類租賃進行不同之會計處理。

於2017年12月31日，本集團存在不可撤銷經營租賃承擔15,220,199,000港元。初步評估指出該等安排將符合租賃之定義。應用香港財務報告準則第16號時，本集團將就所有該等租賃確認使用權資產及相關負債，除非彼等列入低價值或短期租賃則作別論。

此外，本集團目前將可退還租金按金381,430,000港元視為香港會計準則第17號適用之租賃項下之權利及責任。根據香港財務報告準則第16號項下租賃付款之定義，有關按金並非就相關資產使用權之付款，因此，有關按金之賬面值可能調整至攤銷成本，而有關調整被視為額外租賃付款。已付可退還租金按金之調整將計入使用權資產之賬面值。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.2 Impact of new/amended HKFRSs which are issued but not yet effective (Continued)

*HK(IFRIC)-Int 23 — Uncertainty over Income Tax Treatments*

The Interpretation supports the requirements of HKAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes.

Under the Interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the “most likely amount” or the “expected value” approach, whichever better predicts the resolution of the uncertainty.

*Amendments to HKFRS 10 and HKAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors’ interests in the joint venture or associate.

The Group is not yet in a position to state whether other new pronouncements will result in substantial changes to the Group’s accounting policies and financial statements.

### 3. 採納新訂／經修訂香港財務報告 準則(續)

#### 3.2 已頒佈但尚未生效之新訂／經修 訂香港財務報告準則之影響(續)

*香港(國際財務報告詮釋委員會) — 詮釋第23號 — 所得稅處理之不確定性*

該詮釋透過就如何反映所得稅會計處理涉及不確定性影響提供指引，以支持香港會計準則第12號所得稅之規定。

根據該詮釋，實體須釐定分別或集中考慮各項不確定稅項處理，以更準確預測不確定性因素解決方法。實體亦須假設稅務機關將會查驗其有權查驗之金額，並在作出該等查驗時全面得知所有相關資料。倘實體釐定稅務機關可能會接受一項不確定稅項處理，實體應按與其稅務申報相同之方式計量即期及遞延稅項。倘實體釐定稅務機關不可能會接受一項不確定稅項處理，則採用「最可能金額」或「預期值」(以更準確預測不確定因素解決方法者為準)反映釐定稅項涉及之不確定因素。

*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*

該等修訂澄清實體向其聯營公司或合營企業出售或注入資產時，將予確認之收益或虧損程度。當交易涉及一項業務，則須確認全數收益或虧損。反之，當交易涉及不構成一項業務之資產，則僅須就不相關投資者於合營企業或聯營公司之權益確認收益或虧損。

本集團尚未能說明其他新公告是否將會導致本集團之會計政策及財務資料出現重大變動。



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### 4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

##### *Depreciation and amortisation*

The Group depreciates and amortises property, plant and equipment and intangible assets other than goodwill on a straight-line basis over the estimated useful life, and after taking into account their estimated residual values, 2.5% to 33- $\frac{1}{3}$ % per annum and 10% to 50% per annum, respectively, commencing from the date on which the assets are available for use. The estimated useful life reflects the directors' estimate of the periods that the Group intend to derive future economic benefits from the use of the Group's property, plant and equipment and intangible assets other than goodwill.

##### *Provision for impairment of receivables*

The policy for the provision for impairment of receivables of the Group is based on the evaluation of collectibility and aging analysis of accounts and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional provision for impairment may be required.

### 4. 重要會計估計及判斷

估計及判斷須根據過往經驗及其他因素(包括有關情況下相信為合理之未來事件預期)作出，並會持續進行評估。

#### 4.1 重要會計估計及假設

本集團就未來作出估計及假設。顧名思義，由此得出之會計估計將甚少等同相關實際結果。下文論述具有重大風險導致下個財政年度內資產及負債之賬面值須作重大調整之估計及假設：

##### *折舊及攤銷*

本集團對物業、廠房及設備以及不包括商譽之無形資產，按估計可使用年期以直線法進行折舊及攤銷，並於經計及其估計剩餘價值後，由該資產可供使用當日起分別按2.5%至33- $\frac{1}{3}$ %及10%至50%之年率折舊及攤銷。估計可使用年期反映董事對本集團擬自使用本集團物業、廠房及設備及不包括商譽之無形資產而獲得未來經濟利益之期間之估計。

##### *應收款項減值撥備*

本集團之應收款項減值撥備政策乃根據對賬目之可收回性之評估及賬齡分析以及管理層之判斷作出。評估該等應收款項最終能否變現需作出大量判斷，包括每名客戶目前之信譽及過往收款情況。倘本集團客戶之財務狀況將會惡化並損害其還款能力，則或須作出額外減值撥備。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### 4.1 Critical accounting estimates and assumptions (Continued)

*Net realisable value of completed properties held for sale and properties under development*

Management determines the net realisable value of completed properties held for sale and properties under development by using prevailing market data such as most recent sale transactions, anticipated costs to completion and valuation reports provided by independent qualified professional valuers.

*Impairment of goodwill*

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in note 2.23. The recoverable amounts of cash-generating units have been determined based on value in use calculations. These calculations require the use of estimates about future cash flows and discount rates. In the process of estimating expected future cash flows management makes assumptions about future revenues and profits. These assumptions relate to future events and circumstances. The actual results may vary and may cause a material adjustment to the carrying amount of goodwill within the next financial year. Determining the appropriate discount rate involves estimating the appropriate adjustment for market risk and for asset specific risk factors. Details of the estimates of the recoverable amounts of cash generating units containing goodwill are disclosed in note 21.

*Impairment of assets*

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Indefinite life intangible assets are tested for impairment annually and at other times when such indicator exists. Other 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 must estimate the expected future cash flows from the asset or CGU and choose a suitable discount rate in order to calculate the present value of those cash flows.

### 4. 重要會計估計及判斷(續)

#### 4.1 重要會計估計及假設(續)

*已落成待售物業以及發展中物業之可變現淨值*

管理層利用當時之市場數據，如最近銷售交易、估計落成成本及獨立合資格專業估值師提供之估值報告釐定已落成待售物業及發展中物業之可變現淨值。

*商譽減值*

本集團根據附註2.23所載會計政策，每年檢測商譽是否已減值。現金產生單位之可收回金額乃根據使用價值計算方法釐定。該等計算方法需估計未來現金流及貼現率。於估計未來現金流之過程中，管理層就未來收益及溢利作出假設。該等假設與未來事項及情況有關。實際結果可能存在差異，且可能對下個財政年度內商譽之賬面值帶來重大調整。釐定合適貼現率涉及對市場風險及資產特定風險因素作出合適調整。估計包括商譽之現金產生單位之可收回款項詳情於附註21披露。

*資產減值*

本集團於各報告日期評估所有非金融資產是否有任何減值跡象。具無限年期之無形資產須每年及於存在該跡象之其他時間進行減值測試。其他非金融資產於有跡象顯示賬面值可能無法收回時測試減值。管理層計算使用價值時，須估計資產或現金產生單位之預期未來現金流量，並選用合適之折現率以計算現金流量之現值。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### 4.1 Critical accounting estimates and assumptions (Continued)

##### *Impairment of interests in associates*

Management assesses impairment of interests in associates at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Business value calculations performed in assessing recoverable amounts incorporate a number of key estimates and assumptions about future events, which are subject to uncertainty and might materially differ from the actual results. In making these key estimates and judgements, the management takes into consideration assumptions that are mainly based on market condition existing at the reporting dates and appropriate market and discount rates. These estimates are regularly compared to actual market data and actual transactions entered into by the Group.

##### *Current tax and deferred tax*

The Group is subject to income taxes in the PRC. Significant judgement is required in determining the amount of the provision for taxation and the timing of payment of the related taxations. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises taxes based on estimates of the likely outcome with reference to current tax laws and practices. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses will be recognised when management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred tax assets and taxation in the periods in which such estimate is changed.

### 4. 重要會計估計及判斷(續)

#### 4.1 重要會計估計及假設(續)

##### *於聯營公司之權益減值*

管理層於各報告日期透過評估本集團可能出現資產減值之特定情況評估於聯營公司之權益減值。倘存在導致減值之因素，則會釐定資產之可收回金額。評估可收回金額時計算之商業價值時，會納入多項有關未來事件之主要估計及假設，有關未來事件涉及不確定因素，並可能與實際結果極為不同。作出此等主要估計及判斷時，管理層考慮主要基於報告日期當時之市況及適當市場及貼現率之假設。本集團會定期將此等估計與實際市場數據及本集團訂立之實際交易作比較。

##### *即期稅項及遞延稅項*

本集團須繳納中國所得稅。釐定稅項撥備金額及支付相關稅項之時間須作出重大判斷。一般業務過程中有大量交易及計算無法確切釐定最終稅額。本集團參考現行稅法及慣例，根據估計可能出現之結果確認稅項。若該等事項最終之稅項與最初記錄之金額不同，其差額將影響作出有關釐定期間之所得稅及遞延稅項撥備。

管理層認為可能存在可用暫時差額或稅項虧損予以抵銷之未來應課稅溢利時，則確認與暫時差額及稅項虧損相關之遞延稅項資產。當預期與原有估計者不同，該等差額將影響於該等估計出現變動期間之遞延稅項資產及稅項之確認。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### 4.2 Critical judgements in applying the Group's accounting policies

##### *Current tax and deferred tax*

The Group is subject to land appreciation tax ("LAT") in the PRC. However, the implementation and settlement of this tax varies among various tax jurisdictions in cities of the PRC, and the Group has not finalised its LAT calculation and payments with any local tax authorities in the PRC. Accordingly, significant judgement is required in determining the amount of the land appreciation and its related LAT. The Group recognised LAT based on management's best estimates according to their understanding on the tax rules.

##### *Going concern*

The Group's financial statements are prepared using the going concern basis which assumes the Group will be able to realise their assets and discharge their liabilities in the normal course of business. The application of the going concern basis requires the Company's directors making judgements in estimating future cashflows of the Group and likelihood of outcomes of contingent matters.

The operating and capital expenditure of the Group is funded by cash flow from operations, internal liquidity and financing by banks and other parties. The Group maintains a sufficient liquidity comprises cash and cash equivalents and other liquid assets. Taking into account of available banking facilities obtained during the year, the directors consider that all contractual and estimated obligations and operational requirements would be met.

##### *Research and development activities*

Careful judgment by the Group's management is applied when deciding whether the recognition requirements for development costs have been met. This is necessary as the economic success of any product development is uncertain and may be subject to future technical problems at the time of recognition. Judgments are based on the best information available at each reporting date. In addition, all internal activities related to the research and development of new software products are continuously monitored by the Group's management.

### 4. 重要會計估計及判斷(續)

#### 4.2 應用本集團會計政策時之重要判斷

##### *即期稅項及遞延稅項*

本集團須繳納中國土地增值稅(「土地增值稅」)。然而，中國城市不同稅收管轄區對土地增值稅之執行及結算不盡相同，而本集團尚未與中國任何地方稅務機關落實其土地增值稅之計算及付款方法。因此，須作出重大判斷以釐定土地增值額及其相關土地增值稅。本集團根據管理層以其對稅務規則之理解所作最佳估計確認土地增值稅。

##### *持續經營*

本集團財務報表乃按假設本集團將可於日常業務過程中變現其資產及償還其負債之持續經營基準編製。應用持續經營基準需要本公司董事於估計本集團未來現金流及或然事項結果之可能性時作出判斷。

本集團之營運及資本開支乃以經營業務現金流入、內部流動資金及來自銀行及其他方之融資撥付。本集團維持充裕流動資金，包括現金及等同現金項目以及其他流動資產。考慮到年內可取得之銀行融資，董事認為，將能夠應付所有合約及估計債務及經營需求。

##### *研究及開發活動*

本集團管理層於決定開發成本是否符合確認條件時會作出審慎判斷。由於在作出確認時，任何產品開發能否成功獲得經濟效益屬未知之數，且於未來可能遇到技術問題，故必須作出審慎判斷。判斷乃根據於各報告日期可取得之最佳資料作出。此外，本集團管理層不斷監察所有關於研究及開發新軟件產品之內部活動。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### 4.2 Critical judgements in applying the Group's accounting policies (Continued)

##### Control through contractual arrangement

Notwithstanding the lack of equity ownership in 北京新網數碼信息技術有限公司 (Beijing Xinnet Cyber Information Company Limited) ("Xinnet") and its existing subsidiary (collectively as "Xinnet Group"), the Group is able to control, recognise and receive all the economic benefits of the business of Beijing Xinnet Group as the Group (1) shall have all requisite power and unrestricted rights, acting as a principal, to control and manage all aspects, at its sole decision and its own benefit, over Beijing Xinnet Group by virtue of the power of attorney; and (2) shall have right to assume all profits of Beijing Xinnet Group under the management and technology services agreement. In view of the foregoing reasons, the Group has determined that it has the practical ability to unilaterally direct the relevant activities of the Beijing Xinnet Group and significant benefits derived from Beijing Xinnet Group and therefore has consolidated the Beijing Xinnet Group as wholly-owned subsidiaries.

### 5. REVENUE AND OTHER OPERATING INCOME

- (a) The Group's revenue represents revenue from its principal activities as set out below:

### 4. 重要會計估計及判斷(續)

#### 4.2 應用本集團會計政策時之重要判斷(續)

##### 透過架構安排之控制權

儘管未能取得北京新網數碼信息技術有限公司(「新網」)及其現有附屬公司(統稱「新網集團」)股本擁有權，本集團有權控制、確認及接收新網集團經營業務所得一切經濟利益，原因為本集團(1)獲授權委託書賦予一切所需權力及不受限制權利，作為一位主理人，可於各方面全權及以其利益作決定控制及管理新網集團；及(2)有權根據管理及技術服務協議接收新網集團全部利潤。基於上述原因，本集團確定，其擁有實際權力單方面指引新網集團之相關活動及新網集團產生之重大利益，故已將新網集團列作全資附屬公司綜合入賬。

### 5. 收益及其他經營收入

- (a) 本集團之收益指來自其主要業務之下列各項收益：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元 (Re-presented) (經重列)
Sales of properties and car parks	物業及車位銷售	9,866,583	4,524,877
Enterprise cloud services	企業雲服務	829,346	818,098
Property management services	物業管理服務	63,343	45,901
Sales of decoration materials	裝修材料銷售	91,483	-
Film distribution services	電影發行服務	80,382	9,838
Cinema ticketing income	票房收入	3,117,471	2,519,510
Sales of food and beverages	食品及飲料銷售	493,048	343,610
Cinema advertising income	影院廣告收入	220,223	135,291
Sales and leases of projection equipment	放映設備銷售及租賃	12,796	33,466
Digital media technology services	數碼媒體科技服務	226,223	183,031
Publication of magazines and advertising income	出版雜誌及廣告收入	21,299	26,107
Sales of botanic-based personal care and fragrance products	草本個人護理及香水產品銷售	874,472	407,755
Innovative catering services	創新餐飲服務	4,216	3,386
		<b>15,900,885</b>	9,050,870

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 5. REVENUE AND OTHER OPERATING INCOME (Continued)

(b) Other operating income:

#### 5. 收益及其他經營收入(續)

(b) 其他經營收入：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元 (Re-presented) (經重列)
Bank interest income	銀行利息收入	217,224	82,353
Other interest income	其他利息收入	24,092	35,557
Interest income on financial assets not at fair value through profit or loss	並非按公允價值於損益賬處理之金融資產利息收入	241,316	117,910
Gain on fair value change on financial assets at fair value through profit or loss	按公允價值於損益賬處理之金融資產公允價值變動收益	13,834	781
Gain on trading of financial assets at fair value through profit or loss	買賣按公允價值於損益賬處理之金融資產收益	34,192	-
Exchange gain	匯兌收益	-	16,675
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	32	181
Rental income	租金收入	24,820	12,344
Government grants (Note)	政府撥款(附註)	111,772	135,213
Dividend income	股息收入	6,464	-
Sundry income	雜項收入	154,481	86,189
		<b>586,911</b>	369,293

Note: Government grants have been received from the PRC governmental bodies in the form of the subsidies to cinema operations and subsidise the development of IT business in the PRC. The purpose of the subsidy is to encourage innovation by granting financial assistance to commercial entities who are operating cinema and have research and development projects that meet certain criteria. There are no unfulfilled conditions or contingencies attaching to these grants.

附註：主要自中國政府機關收取之政府撥款乃以補貼形式發放予於中國之影院業務及資助IT業務發展。發放補貼旨在透過向從事影院業務以及研究及開發項目且達到一定條件之商業機構給予經濟援助，藉以推動創新。該等撥款並無附帶未達成條件或是或然責任。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 6. SEGMENT INFORMATION

The executive directors have identified the Group's five (2016: five) product and service lines as operating segments as further described in note 2.28.

These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results.

### 6. 分部資料

誠如附註2.28進一步所述，執行董事已識別本集團五(2016年：五)條產品及服務線為經營分部。

此等經營分部以經調整分部經營業績為基準監察及作出策略性決策。

		Enterprise cloud services	Property development	Culture and media services	2017 Internet lifestyle platform	Innovative business	All other segments	Total
		企業雲服務	房地產開發	文化與傳播服務	互聯網生活平台	創意商業	其他分部	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Revenue	收益							
From external customers	來自對外客戶	829,346	9,958,066	4,150,143	21,299	878,688	63,343	15,900,885
From inter-segments	來自分部間	3,899	-	54,563	224,951	17,818	7,287	308,518
<b>Reportable and all other segments revenue</b>	<b>可呈報及所有其他分部收益</b>	<b>833,245</b>	<b>9,958,066</b>	<b>4,204,706</b>	<b>246,250</b>	<b>896,506</b>	<b>70,630</b>	<b>16,209,403</b>
<b>Reportable and all other segments (loss)/profit before income tax</b>	<b>可呈報及所有其他分部所得稅前(虧損)/溢利</b>	<b>(66,363)</b>	<b>5,820,449</b>	<b>(600,860)</b>	<b>(322,491)</b>	<b>(528,570)</b>	<b>23,092</b>	<b>4,325,257</b>
Bank interest income	銀行利息收入	1,152	105,972	6,544	13	663	15,674	130,018
Other interest income	其他利息收入	591	-	1	-	-	15,327	15,919
Interest income on financial assets not at fair value through profit or loss	並非按公允價值於損益賬處理之金融資產利息收入	1,743	105,972	6,545	13	663	31,001	145,937
Finance costs	融資成本	(6,338)	(439,109)	(227,554)	-	(11,049)	(2,480)	(686,530)
Depreciation and amortisation	折舊及攤銷	(65,415)	(8,651)	(829,880)	(16,021)	(54,218)	(1,122)	(975,307)
Loss on deemed disposal of an associate	視作出售一間聯營公司之虧損	(162)	-	-	-	-	-	(162)
(Loss)/Gain on disposal of property, plant and equipment	出售物業、廠房及設備之(虧損)/收益	(52)	(160)	33	-	(3)	-	(182)
Share of results of associates	應佔聯營公司業績	(1,040)	(307)	14,260	-	-	-	12,913
Share of result of a joint venture	應佔一間合營企業業績	-	-	165	-	-	-	165
Fair value change on financial liability at fair value through profit or loss	按公允價值於損益賬處理之金融負債公允價值變動	-	-	26,809	-	-	-	26,809
Income tax credit/(expenses)	所得稅抵免/(開支)	915	(2,613,258)	18,673	-	(366)	(660)	(2,594,696)
<b>Reportable and all other segments assets</b>	<b>可呈報及所有其他分部資產</b>	<b>1,187,978</b>	<b>26,853,288</b>	<b>11,014,755</b>	<b>76,538</b>	<b>1,987,794</b>	<b>1,960,132</b>	<b>43,080,485</b>
Interests in associates	於聯營公司之權益	41,128	35,767	68,698	-	-	-	145,593
Interest in a joint venture	於一間合營企業之權益	-	-	5,413	-	-	-	5,413
Additions to non-current segment assets during the year	年內添置非流動分部資產	71,485	2,190	915,467	8,552	171,130	4,326	1,173,150
<b>Reportable and all other segments liabilities</b>	<b>可呈報及所有其他分部負債</b>	<b>(502,157)</b>	<b>(16,883,989)</b>	<b>(5,977,926)</b>	<b>(16,195)</b>	<b>(833,685)</b>	<b>(154,906)</b>	<b>(24,368,858)</b>

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 6. SEGMENT INFORMATION (Continued)

### 6. 分部資料(續)

		Enterprise cloud services 企業雲服務 HK\$'000 千港元	Property development 房地產開發 HK\$'000 千港元	Culture and media services 文化與 傳播服務 HK\$'000 千港元 (Re-presented) (經重列)	2016 Internet Lifestyle platform 互聯網 生活平台 HK\$'000 千港元	Innovative business 創意商業 HK\$'000 千港元	All other segments 所有 其他分部 HK\$'000 千港元	Total 總計 HK\$'000 千港元 (Re-presented) (經重列)
Revenue	收益							
From external customers	來自對外客戶	818,098	4,524,877	3,224,746	26,107	411,141	45,901	9,050,870
From inter-segments	來自分部間	-	-	-	146,962	7,016	7,474	161,452
<b>Reportable and all other segments revenue</b>	<b>可呈報及所有其他分部收益</b>	818,098	4,524,877	3,224,746	173,069	418,157	53,375	9,212,322
<b>Reportable and all other segments (loss)/profit before income tax</b>	<b>可呈報及所有其他分部 所得稅前(虧損)/溢利</b>	(18,913)	2,695,432	170,322	(253,523)	(87,257)	(10,431)	2,495,630
Bank interest income	銀行利息收入	587	28,964	16,411	8	33	7,942	53,945
Other interest income	其他利息收入	-	31,566	-	-	-	-	31,566
Interest income on financial assets not at fair value through profit or loss	並非按公允價值於損益賬處理之 金融資產利息收入	587	60,530	16,411	8	33	7,942	85,511
Finance costs	融資成本	(6,587)	(353,036)	(141,199)	-	(1,464)	-	(502,286)
Depreciation and amortisation	折舊及攤銷	(56,294)	(4,225)	(439,800)	(10,800)	(14,392)	(507)	(526,018)
Gain on deemed disposal of an associate	視作出售一間聯營公司之收益	-	595,270	-	-	-	-	595,270
(Loss)/Gain on disposal of property, plant and equipment	出售物業、廠房及設備之 (虧損)/收益	(12)	(120)	181	(55)	(1,311)	-	(1,317)
Share of results of associates	應佔聯營公司業績	(1,192)	(48,007)	12,773	-	-	-	(36,426)
Share of result of a joint venture	應佔一間合營企業業績	-	-	(116)	-	-	-	(116)
Fair value change on financial liability at fair value through profit or loss	按公允價值於損益賬處理之 金融負債公允價值變動	-	-	48,374	-	-	-	48,374
Income tax credit/(expenses)	所得稅抵免/(開支)	776	(1,081,092)	(25,537)	-	(1,125)	-	(1,106,978)
<b>Reportable and all other segments assets</b>	<b>可呈報及所有其他分部資產</b>	1,084,933	21,644,705	4,783,262	68,745	1,887,109	596,472	30,065,226
Interests in associates	於聯營公司之權益	235	33,265	46,463	-	-	-	79,963
Additions to non-current segment assets during the year	年內添置非流動分部資產	91,847	4,015	1,285,061	28,607	44,963	1,141	1,455,634
<b>Reportable and all other segments liabilities</b>	<b>可呈報及所有其他分部負債</b>	(511,921)	(14,860,935)	(4,217,791)	(11,568)	(741,820)	(31,484)	(20,375,519)



## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 6. SEGMENT INFORMATION (Continued)

The totals presented for the Group's operating segments are reconciled to the Group's key financial figures as presented in the financial statements as follows:

#### 6. 分部資料(續)

本集團經營分部呈報之總額與本集團於財務報表呈列之主要財務數字對賬如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元 (Re-presented) (經重列)
Reportable segments revenue	可呈報分部收益	<b>16,138,773</b>	9,158,947
All other segments revenue	所有其他分部收益	<b>70,630</b>	53,375
Elimination of inter-segment revenue	分部間收益對銷	<b>(308,518)</b>	(161,452)
Group revenue	本集團收益	<b>15,900,885</b>	9,050,870
Reportable segments results before income tax	所得稅前可呈報分部業績	<b>4,302,165</b>	2,506,061
All other segments results before income tax	所得稅前所有其他分部業績	<b>23,092</b>	(10,431)
Bank interest income	銀行利息收入	<b>87,206</b>	28,408
Other interest income	其他利息收入	<b>8,173</b>	3,991
Interest income on financial assets not at fair value through profit or loss	並非按公允價值於損益賬處理之 金融資產利息收入	<b>95,379</b>	32,399
Finance costs	融資成本	<b>(137,201)</b>	(14,428)
Depreciation and amortisation	折舊及攤銷	<b>(4,858)</b>	(3,831)
Unallocated corporate expenses	未分配企業開支	<b>(62,187)</b>	(109,213)
Profit before income tax	所得稅前溢利	<b>4,216,390</b>	2,400,557

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 6. SEGMENT INFORMATION (Continued)

#### 6. 分部資料(續)

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Reportable segments assets	可呈報分部資產	<b>41,120,353</b>	29,468,754
All other segments assets	所有其他分部資產	<b>1,960,132</b>	596,472
Amount due from an associate	應收一間聯營公司款項	-	530
Amounts due from related parties	應收關連方款項	-	167,560
Available-for-sale financial assets	可供出售之金融資產	<b>131,558</b>	324
Pledged and restricted bank deposits	已抵押及受限制銀行存款	<b>2,063,134</b>	1,908,435
Other financial and corporate assets	其他金融及企業資產	<b>1,617,872</b>	604,976
Group assets	本集團資產	<b>46,893,049</b>	32,747,051
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Reportable segments liabilities	可呈報分部負債	<b>24,213,952</b>	20,344,035
All other segments liabilities	所有其他分部負債	<b>154,906</b>	31,484
Amount due to a director	欠一名董事款項	<b>9,878</b>	30,108
Provision for tax	稅項撥備	<b>148,618</b>	131,391
Bank and other borrowings	銀行及其他借貸	<b>15,088,724</b>	6,715,488
Other corporate liabilities	其他企業負債	<b>81,721</b>	288,546
Group liabilities	本集團負債	<b>39,697,799</b>	27,541,052

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 6. SEGMENT INFORMATION (Continued)

The Group's revenues from external customers and its non-current assets (other than deferred tax assets, financial instruments, amount due from a related party and pledged and restricted bank deposits) are divided into the following geographical areas:

#### Revenue from external customers

		2017 HK\$'000 千港元	2016 HK\$'000 千港元 (Re-presented) (經重列)
Mainland China (domicile)	中國內地(註冊地)	15,040,442	8,628,932
Hong Kong	香港	134,199	115,678
North America	北美	386,728	143,751
Europe	歐洲	147,684	69,592
Australia	澳洲	93,625	48,598
Others	其他	98,207	44,319
Total	總計	15,900,885	9,050,870

### 6. 分部資料(續)

來自對外客戶之本集團收益及其非流動資產(遞延稅項資產、金融工具、應收一名關連方款項以及已抵押及受限制銀行存款除外)按下列地區劃分：

#### 來自對外客戶之收益

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Mainland China (domicile)	中國內地(註冊地)	11,314,670	6,025,474
Hong Kong	香港	169,103	827,037
North America	北美	746,521	491,890
Europe	歐洲	125,659	11,026
Australia	澳洲	89,337	26,517
Others	其他	202,341	91,931
Total	總計	12,647,631	7,473,875

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 6. SEGMENT INFORMATION (Continued)

##### Non-current assets (Continued)

The geographical location of customers is based on the location at which the services were provided or the goods were delivered. The geographical location of the non-current assets is based on the physical and operating location of the assets. The Company is an investment holding company incorporated in Bermuda where the Group does not have any activities, the Group has the majority of its operations and workforce in Mainland China, and therefore, Mainland China is considered as the Group's country of domicile for the purpose of the disclosures as required by HKFRS 8 Operating Segments.

During the year ended 31 December 2017 and 2016, the Group did not derive more than 10% of the Group's total revenue from any single customer.

#### 7. FINANCE COSTS

#### 6. 分部資料(續)

##### 非流動資產(續)

客戶之地區位置乃按提供服務或商品付運之地點劃分。非流動資產之地區位置乃按資產之實際及經營地點劃分。本公司為於百慕達註冊成立之投資控股公司，本集團於當地並無任何業務，本集團大部分業務及員工均位於中國內地，因此，就作出香港財務報告準則第8號經營分部之披露而言，本集團視中國內地為本集團之註冊國家。

截至2017年及2016年12月31日止年度，本集團並無自任何單一客戶取得超過本集團總收益10%之收入。

#### 7. 融資成本

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Interest on bank and other borrowings	銀行及其他借貸之利息	1,253,594	821,562
Interest on convertible and exchangeable bonds	可換股及可交換債券之利息	104,549	55,468
Interest on finance leases	融資租賃之利息	7,974	6,803
Total finance costs on financial liabilities not at fair value through profit or loss	並非按公允價值於損益賬處理之金融負債融資成本總額	1,366,117	883,833
Less: Amount capitalised to properties under development*	減：就發展中物業資本化之金額*	(542,386)	(367,119)
		823,731	516,714

\* Finance costs have been capitalised at a rate of 5.04% to 7.35% (2016: 5.14% to 11.35%) per annum.

\* 融資成本乃按年率5.04%至7.35% (2016年：5.14%至11.35%) 資本化。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 8. PROFIT BEFORE INCOME TAX

#### 8. 所得稅前溢利

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Profit before income tax is arrived at after charging:	所得稅前溢利已扣除以下各項：		
Amortisation of intangible assets other than goodwill*	不包括商譽之無形資產攤銷*	<b>67,049</b>	18,528
Auditors' remuneration	核數師薪酬		
— Audit service	— 審核服務	<b>14,385</b>	8,051
— Other service	— 其他服務	<b>2,633</b>	6,946
Cost of sales of properties and car parks	物業及車位出售成本	<b>3,306,215</b>	1,792,880
Cost of provision of enterprise cloud services	提供企業雲服務成本	<b>154,847</b>	139,709
Cost of provision of property management services	提供物業管理服務成本	<b>50,960</b>	35,022
Cost of sales of decoration materials	裝修材料銷售成本	<b>81,524</b>	-
Cost of provision of film distribution services	提供電影發行服務成本	<b>112,259</b>	18,306
Cost of cinema ticketing	票房成本	<b>1,330,723</b>	1,070,795
Cost of sales of food and beverages	食品及飲料銷售成本	<b>142,149</b>	103,496
Cost of cinema advertising	影院廣告成本	<b>1,764</b>	-
Cost of sales and leases of projection equipment	放映設備銷售及租賃成本	<b>14,099</b>	30,691
Cost of digital media technology services	數碼媒體科技服務成本	<b>13,904</b>	21,791
Cost of publication of magazine and advertising	出版雜誌及廣告成本	<b>227,254</b>	170,999
Cost of sales of botanic-based personal care and fragrance products	草本個人護理及香水產品銷售成本	<b>325,268</b>	166,229
Cost of innovative catering services	創新餐飲服務成本	<b>2,046</b>	1,306
Cost of sales and services provided	銷售及提供服務之成本	<b>5,763,012</b>	3,551,224
Depreciation of owned assets*	自置資產折舊*	<b>901,155</b>	507,240
Depreciation of leased assets*	租賃資產折舊*	<b>11,448</b>	3,564

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 8. PROFIT BEFORE INCOME TAX (Continued)

### 8. 所得稅前溢利(續)

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Write-off of deposits, prepayments and other receivables*	按金、預付款項及其他應收款項撇銷*	15,707	319
Write-off of property, plant and equipment*	物業、廠房及設備撇銷*	142,574	11,092
Write-off of intangible assets other than goodwill*	不包括商譽之無形資產撇銷*	670	-
Minimum lease payments	最低租賃付款	763,997	654,467
Contingent rentals	或然租金	20,574	20,478
Operating lease recognised as expenses	經營租賃確認為開支	784,571	674,945
Operating lease charges on prepaid land lease*	預付土地租賃之經營租賃費用*	513	517
Direct operating expenses arising from investment properties that generated rental income during the year	年內產生租金收入之投資物業產生之直接營運開支	3,106	2,670
Direct operating expenses arising from investment properties that did not generate rental income during the year	年內並無產生租金收入之投資物業產生之直接營運開支	-	9,210
Provision for impairment of trade receivables*	應收貿易款項減值撥備*	2,920	5,390
Provision for impairment of deposits, prepayments and other receivables*	按金、預付款項及其他應收款項減值撥備*	3,570	16,080
Provision for impairment of intangible assets other than goodwill*	不包括商譽之無形資產減值撥備*	5,707	-
Provision for impairment of interest in an associate*	於一間聯營公司之權益減值撥備*	-	6,373
Provision for impairment of goodwill*	商譽減值撥備*	79,612	34,473
Provision for impairment of inventories*	存貨減值撥備*	-	4,397
Provision for impairment of property, plant and equipment*	物業、廠房及設備減值撥備*	125,762	-
Research and development expenses*	研究及開發開支*	63,592	37,332

\* included in other operating expenses

\* 計入其他經營開支

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 9. INCOME TAX EXPENSE

#### 9. 所得稅開支

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
The income tax expense comprises:	所得稅開支包括：		
Current tax	即期稅項		
— Hong Kong Profits Tax	— 香港利得稅		
Tax charge for the year	年內稅項支出	11,192	11,974
Under-provision in respect of prior years	以往年度撥備不足	1,040	77
— PRC Enterprise Income Tax ("EIT")	— 中國企業所得稅(「企業所得稅」)		
Tax charge for the year	年內稅項支出	1,492,792	336,002
Under-provision in respect of prior years	以往年度撥備不足	1,116	—
— Taxation for other jurisdictions	— 其他司法權區之稅項		
Tax charge for the year	年內稅項支出	366	502
— PRC LAT	— 中國土地增值稅		
Tax charge for the year	年內稅項支出	1,578,909	889,189
		<b>3,085,415</b>	1,237,744
Deferred tax	遞延稅項		
— Credit for the year	— 於年內計入	(471,460)	(115,579)
		<b>2,613,955</b>	1,122,165

Hong Kong Profits Tax has been provided at the rate of 16.5% (2016: 16.5%) on the estimated assessable profit for the year.

香港利得稅乃按年度估計應課稅溢利以16.5%(2016年：16.5%)之稅率作出撥備。

PRC EIT has been provided on the estimated assessable profits of subsidiaries operating in Mainland China at 25% (2016: 25%), unless preferential rates are applicable in the cities where the subsidiaries are located.

除非附屬公司所在城市設有優惠稅率，否則於中國內地經營之附屬公司估計應課稅溢利，已按25%(2016年：25%)之稅率作出中國企業所得稅撥備。

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

於其他司法權區所產生稅項乃按相關司法權區之現行稅率計算。

PRC LAT is levied at progressive rates from 30% to 60% (2016: 30% to 60%) on the estimated appreciation of land value, being the proceeds of sales of properties less deductible expenditure including cost of land use rights and development and construction expenditure.

中國土地增值稅乃就土地價值之估計增值(即出售物業所得款項減可扣稅開支，包括土地使用權成本以及開發及建築成本)按介乎30%至60%(2016年：30%至60%)之累進稅率計算。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 9. INCOME TAX EXPENSE (Continued)

Reconciliation between income tax expense and accounting profit at applicable tax rates is as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Profit before income tax	所得稅前溢利	4,216,390	2,400,557
Tax on profit before taxation, calculated at the rates applicable to profits in the tax jurisdictions concerned	稅前溢利之稅項(按所在稅務司法管轄區適用溢利稅率計算)	1,175,546	589,196
Tax effect of non-deductible expenses	不可扣減開支之稅務影響	190,440	48,161
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(91,352)	(116,658)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	218,071	25,866
Utilisation of tax loss previously not recognised	動用過往未確認之稅項虧損	(10,822)	(149,278)
Tax effect of PRC LAT	中國土地增值稅之稅務影響	(394,727)	(222,297)
Tax effect of temporary differences not recognised	未確認暫時差額之稅務影響	(54,266)	57,909
PRC LAT	中國土地增值稅	1,578,909	889,189
Under-provision in respect of prior years	以往年度撥備不足	2,156	77
Income tax expense	所得稅開支	2,613,955	1,122,165

#### 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：

#### 10. DIVIDEND

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2017 of 0.23 HK cents per ordinary share (2016: 0.20 HK cents per ordinary share), in an aggregate amount of approximately HK\$157,885,000 (2016: approximately HK\$137,291,000), has been proposed by the directors of the Company and is subject to the approval of the shareholders in the forthcoming annual general meeting.

#### 10. 股息

報告期結束後，本公司董事建議派付截至2017年12月31日止年度之末期股息為每股普通股0.23港仙(2016年：每股普通股0.20港仙)，合共金額約為157,885,000港元(2016年：約137,291,000港元)，須待股東於應屆股東周年大會上批准後方可作實。



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 11. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to the owners of the Company of HK\$1,708,027,000 (2016: HK\$1,359,553,000) and on 68,645,535,794 (2016: 68,645,535,794) ordinary shares in issue during the year.

The calculation of diluted earnings per share is based on the profit for the year attributable to the owners of the Company and adjusted to reflect the interests, unrealised exchange difference and fair value change of embedded derivatives on the convertible and exchangeable bonds and loss attributable to non-controlling interests. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, which is the same as the basic earnings per share calculation.

Diluted earnings per share for the year ended 31 December 2017 and 31 December 2016 are the same as the basic earnings per share as the convertible and exchangeable bonds outstanding during the year had an anti-dilutive effect on the basic earnings per share.

### 12. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

### 11. 每股盈利

每股基本盈利乃按本公司擁有人應佔溢利1,708,027,000港元(2016年:1,359,553,000港元)及年內已發行普通股68,645,535,794股(2016年:68,645,535,794股)計算。

每股攤薄盈利乃按本公司擁有人應佔年內溢利計算，並經調整以反映可換股及可交換債券之利息、未變現匯兌差額及嵌入式衍生工具公允價值變動以及非控股權益應佔虧損。計算所用普通股加權平均數即用作計算每股基本盈利之年內已發行普通股數目。

截至2017年12月31日及2016年12月31日止年度之每股攤薄盈利與每股基本盈利相同，乃由於年內尚未行使之可換股及可交換債券對每股基本盈利有反攤薄影響。

### 12. 僱員福利開支(包括董事酬金)

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Directors' fee (note 44(a))	董事袍金(附註44(a))	675	959
Wages and salaries	工資及薪金	1,787,714	1,183,081
Pension costs — defined contribution plans	退休金成本 — 定額供款計劃	135,278	98,926
Staff welfare	員工福利	119,168	76,865
<b>Total employee benefit expenses</b>	<b>僱員福利開支總額</b>	<b>2,042,835</b>	1,359,831

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 13. PROPERTY, PLANT AND EQUIPMENT

### 13. 物業、廠房及設備

		Buildings	Leasehold improvements, furniture, fixtures and equipment	Motor vehicles and yachts	Freehold land	Total
		樓宇	租賃物業裝修、傢俬、裝置及設備	汽車及遊艇	永久業權土地	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>Year ended 31 December 2017</b>	<b>截至2017年12月31日止年度</b>					
Opening net carrying amount	期初賬面淨值	573,826	3,431,089	22,504	48,671	4,076,090
Additions	添置	104,126	1,055,588	1,927	-	1,161,641
Acquisition of subsidiaries (note 42)	收購附屬公司(附註42)	98,288	1,272,914	-	-	1,371,202
Transfer from investment properties (note 14)	自投資物業轉撥(附註14)	137,361	-	-	-	137,361
Disposal	出售	-	(157)	(484)	-	(641)
Write-off	撇銷	-	(142,574)	-	-	(142,574)
Depreciation	折舊	(43,088)	(863,559)	(5,956)	-	(912,603)
Provision for impairment	減值撥備	-	(125,762)	-	-	(125,762)
Exchange differences	匯兌差額	48,498	248,578	1,221	796	299,093
<b>Closing net carrying amount</b>	<b>期終賬面淨值</b>	<b>919,011</b>	<b>4,876,117</b>	<b>19,212</b>	<b>49,467</b>	<b>5,863,807</b>
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>					
Cost	成本	1,088,420	7,346,928	48,329	49,467	8,533,144
Accumulated depreciation	累計折舊	(169,409)	(2,340,231)	(29,117)	-	(2,538,757)
Accumulated impairment	累計減值	-	(130,580)	-	-	(130,580)
<b>Net carrying amount</b>	<b>賬面淨值</b>	<b>919,011</b>	<b>4,876,117</b>	<b>19,212</b>	<b>49,467</b>	<b>5,863,807</b>

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 13. PROPERTY, PLANT AND EQUIPMENT (Continued)

### 13. 物業、廠房及設備(續)

		Buildings 樓宇 HK\$'000 千港元	Leasehold improvements, furniture, fixtures and equipment 租賃物業裝修、傢俬、裝置及設備 HK\$'000 千港元	Motor vehicles and yachts 汽車及遊艇 HK\$'000 千港元	Freehold land 永久業權土地 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2016	於2016年1月1日					
Cost	成本	668,524	3,797,566	41,830	-	4,507,920
Accumulated depreciation	累計折舊	(87,461)	(1,235,466)	(19,265)	-	(1,342,192)
Net carrying amount	賬面淨值	581,063	2,562,100	22,565	-	3,165,728
Year ended 31 December 2016	截至2016年12月31日止年度					
Opening net carrying amount	期初賬面淨值	581,063	2,562,100	22,565	-	3,165,728
Additions	添置	35,825	1,361,935	1,913	-	1,399,673
Acquisition of subsidiaries (note 42)	收購附屬公司(附註42)	41,660	191,317	5,025	52,899	290,901
Transfer to non-current assets held-for-sale (note 19)	轉撥至持作出售非流動資產(附註19)	(10,091)	-	(132)	(3,544)	(13,767)
Disposal	出售	-	(1,518)	-	-	(1,518)
Write-off	撤銷	-	(11,092)	-	-	(11,092)
Depreciation	折舊	(35,748)	(469,405)	(5,651)	-	(510,804)
Exchange differences	匯兌差額	(38,883)	(202,248)	(1,216)	(684)	(243,031)
Closing net carrying amount	期終賬面淨值	573,826	3,431,089	22,504	48,671	4,076,090
At 31 December 2016 and 1 January 2017	於2016年12月31日及2017年1月1日					
Cost	成本	690,268	5,001,961	44,513	48,671	5,785,413
Accumulated depreciation	累計折舊	(116,442)	(1,570,872)	(22,009)	-	(1,709,323)
Net carrying amount	賬面淨值	573,826	3,431,089	22,504	48,671	4,076,090

At the end of the year, the Group reassessed cinemas with poor operating and financial performance, and made a provision for impairment of approximately HK\$125,762,000 (2016: nil) for certain cinemas after the assessment.

The net carrying amount of the Group's property, plant and equipment includes an amount of HK\$118,604,000 (2016: HK\$73,442,000) in respect of assets held under finance leases.

於年末，本集團重新評估營運及財務表現欠佳之影院，並於評估後就若干影院作出減值撥備約125,762,000港元(2016年：無)。

本集團物業、廠房及設備之賬面淨值包括118,604,000港元(2016年：73,442,000港元)之融資租賃下持有之資產。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 14. INVESTMENT PROPERTIES

#### 14. 投資物業

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
<b>Fair value</b>	<b>公允價值</b>		
At 1 January	於1月1日	<b>230,394</b>	179,372
Transfer from completed properties held for sale to investment properties	已落成待售物業撥入投資物業	-	20,895
Transfer to property, plant and equipment (note 13)	轉撥至物業、廠房及設備 (附註13)	<b>(137,361)</b>	-
Fair value change	公允價值變動	<b>2,137</b>	30,127
Exchange differences	匯兌差額	<b>17,278</b>	-
<b>At 31 December</b>	<b>於12月31日</b>	<b>112,448</b>	230,394

The fair value of the Group's investment properties at 31 December 2017 and 2016 have been arrived at on market value basis carried out by 深圳市世聯土地房地產評估有限公司北京分公司, an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Management has reviewed the independent property valuation and compared it with its own assumptions, with reference to comparable sales transaction data where such information is available, and has concluded that the independent property valuation of the Group's investment property portfolio is reasonable.

本集團投資物業於2017年及2016年12月31日之公允價值乃由獨立估值師深圳市世聯土地房地產評估有限公司北京分公司按市值基準進行，該獨立估值師持有認可相關專業資格，近期亦有評估投資物業所在地點及類別之經驗。

管理層已對獨立物業估值進行審閱，並將之與其自有假設作比較，當中參考過可資比較銷售交易數據之可得資料，認為本集團投資物業組合之獨立物業估值合理。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 14. INVESTMENT PROPERTIES (Continued)

#### Fair value hierarchy

The Group's investment properties are measured at fair value. These investment properties are completed commercial properties in Mainland China. In 2017 and 2016, there were no transfers between different levels within the fair value hierarchy:

### 14. 投資物業(續)

#### 公允價值層級

本集團之投資物業按公允價值計量。該等投資物業為中國內地之已落成商業物業。於2017年及2016年，公允價值層級不同層級之間並無轉撥。

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
<b>Fair value hierarchy</b>	<b>公允價值層級</b>		
Level 3	第3級	<b>112,448</b>	230,394
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
<b>Fair value — level 3</b>	<b>公允價值 — 第3級</b>		
At 1 January	於1月1日	<b>230,394</b>	179,372
Transfer from completed properties held for sale to investment properties	已落成待售物業撥入投資物業	—	20,895
Transfer to property, plant and equipment (note 13)	轉撥至物業、廠房及設備(附註13)	<b>(137,361)</b>	—
Fair value change	公允價值變動	<b>2,137</b>	30,127
Exchange differences	匯兌差額	<b>17,278</b>	—
<b>At 31 December</b>	<b>於12月31日</b>	<b>112,448</b>	230,394

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 14. INVESTMENT PROPERTIES (Continued)

##### Valuation processes and techniques underlying management's estimate of fair value:

The valuation of the Group's completed investment property portfolio is derived by capitalising the rental income derived from existing tenancies with due provision for reversionary income potential and by making reference to recent comparable sales transactions available in the relevant property market.

The fair values of the Group's investment properties are sensitive to changes in both observable and unobservable inputs. If estimated rental income increase, the fair values increase. If the expected vacancy rates increase, the fair values decreased. The opposite is true for decreases in these inputs.

The Group reviews the valuations performed by the independent valuer for financial reporting purposes. Discussions of valuation processes and results are held between management and the independent valuer at least once every half year, in line with the Group's half year reporting dates.

##### Information about fair value measurements using significant unobservable inputs (Level 3):

#### 14. 投資物業(續)

##### 管理層估算公允價值所採用估值程序及方法

本集團已落成投資物業組合的估值是將現有租約所得租金收入資本化，並為約滿後新訂租金之潛在收入變化作出適當備付，以及參考相關物業市場近期可資比較買賣交易而得出。

本集團投資物業之公允價值會同時受到可觀察及不可觀察輸入數據之變化所影響。倘估計租金收入上升，公允價值將會上升。倘預期空置率增加，公允價值將會減少。如該等輸入數據下降，情況則相反。

本集團會審核獨立估值師為財務報告用途而進行之估值。為配合本集團之半年度報告，管理層與獨立估值師最少每半年就估值程序及結果進行商討。

##### 關於使用重要不可觀察輸入數據進行公允價值計量之資料(第3級):

	Valuation technique(s) 估值方法	Significant unobservable inputs 重要不可觀察輸入數據	Range 範圍
<b>At 31 December 2017</b> <b>於2017年12月31日</b>			
Commercial properties in PRC 中國商業物業	Direct comparison approach 直接比較法	Estimated market price (per square meter) 估計市價(每平方米)	<b>RMB100,000 to RMB140,000</b> <b>人民幣 100,000 元 至人民幣 140,000 元</b>
	Income approach 收入法	Estimated rental income (per square meter) 估計租金收入(每平方米)	<b>RMB420</b> <b>人民幣 420 元</b>
		Expected vacancy rate 預期空置率	<b>5%</b> <b>5%</b>
		Rental growth rate 租金增長率	<b>3%</b> <b>3%</b>
		Discount rate 貼現率	<b>6%</b> <b>6%</b>

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 14. INVESTMENT PROPERTIES (Continued)

### 14. 投資物業(續)

	Valuation technique(s) 估值方法	Significant unobservable inputs 重要不可觀察輸入數據	Range 範圍
<b>At 31 December 2016</b> <b>於2016年12月31日</b>			
Commercial properties in PRC 中國商業物業	Direct comparison approach 直接比較法	Estimated market price (per square meter) 估計市價(每平方米)	RMB100,000 to RMB130,000 人民幣100,000元 至人民幣130,000元
	Income approach 收入法	Estimated rental income (per square meter) 估計租金收入(每平方米)	RMB375 人民幣375元
		Expected vacancy rate 預期空置率	10% 10%
		Rental growth rate 租金增長率	3% 3%
		Discount rate 貼現率	6% 6%

Fair value is determined by a weighted average result of the direct comparison approach and the income approach. Under the direct comparison approach, fair value is estimated with reference to the recent transactions for similar commercial units in the proximity with adjustments for the differences in transaction dates, building age, floor area etc. Under the income approach, fair value is estimated by the discounted cash flow method, based on the estimated rental value of the commercial units. The valuation takes account of expected vacancy rates and rental growth rates of the commercial units. The discount rates have been adjusted for the condition and location of the buildings.

The fair value measurement is based on the above properties' highest and best use, which does not differ from their actual use.

Investment properties are pledged to banks to secure a mortgage loan and general banking facilities granted to the Group (note 47(c)).

公允價值乃按直接比較法及收入法之加權平均結果釐定。根據直接比較法，公允價值乃參照鄰近類似商業單位之近期交易估計，並就交易日期、樓齡及建築面積等差異作出調整。根據收入法，公允價值乃基於商業單位之估計租金價值按折讓現金流方法估計。估計計及商業單位之預期空置率及租金增長率。貼現率已就樓宇情況及位置作出調整。

公允價值計量乃依據上述物業之最高及最佳且與其實際用途並無差別之用途得出。

投資物業質押予銀行，作為本集團獲授之按揭貸款及一般銀行融資之抵押(附註47(c))。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 15. PREPAID LAND LEASE PAYMENTS UNDER OPERATING LEASES

The Group's interests in leasehold land/land use rights represent prepaid operating lease payments and their carrying amounts are analysed as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
At 1 January	於1月1日	23,429	25,521
Amortisation	攤銷	(513)	(517)
Exchange differences	匯兌差額	1,690	(1,575)
<b>At 31 December</b>	<b>於12月31日</b>	<b>24,606</b>	23,429

#### 15. 經營租賃下之預付土地租賃費

本集團於租賃土地／土地使用權之權益指預付經營租賃費，其賬面值分析如下：

#### 16. INTERESTS IN SUBSIDIARIES

Particulars of the principal subsidiaries at 31 December 2017 are as follows:

#### 16. 於附屬公司之權益

於2017年12月31日主要附屬公司之詳情如下：

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立／成立及 經營國家／地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本／ 註冊資本詳情	Percentage of capital held by the Company 本公司所持股本百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
China Enterprise ASP Limited ("CE ASP") 中國企業網控股有限公司(「中國企業網」)	Hong Kong 香港	Paid-up share capital of HK\$14,037,400 繳足股本14,037,400港元	-	64.45%	Investment holding 投資控股
Dadi Cinema (HK) Limited 大地影院(香港)有限公司	Hong Kong 香港	Paid-up share capital of HK\$7,500 繳足股本7,500港元	-	100%	Investment holding, film distribution and production 投資控股、電影發行及製作
Dadi Media Limited 大地傳播有限公司	Hong Kong 香港	Paid-up share capital of HK\$2 繳足股本2港元	-	64.45%	Investment holding 投資控股
Dadi Media (HK) Limited 大地傳播(香港)有限公司	Hong Kong 香港	Paid-up share capital of HK\$1 繳足股本1港元	100%	-	Investment holding 投資控股
Dadi News Media (HK) Limited 大地傳媒(香港)有限公司	Hong Kong 香港	Paid-up share capital of HK\$1 繳足股本1港元	100%	-	Investment holding 投資控股



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 16. INTERESTS IN SUBSIDIARIES (Continued)

### 16. 於附屬公司之權益(續)

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of capital held by the Company 本公司所持股本百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Duowei Media (HK) Limited 多維傳媒(香港)有限公司	Hong Kong 香港	Paid-up share capital of HK\$1 繳足股本1港元	-	100%	News media 新聞傳播
Goalrise Investments Limited Goalrise Investments Limited	British Virgin Islands ("BVI") 英屬維爾京群島 (「英屬維爾京 群島」)	1 ordinary share of US\$1 each 1股每股面值1美元之 普通股	100%	-	Trading of securities 證券買賣
Hongkong New Media Interactive Advertising Co., Limited 香港新米迪互動廣告有限公司	Hong Kong 香港	Paid-up share capital of HK\$100 繳足股本100港元	-	64.45%	Investment holding and information technology business 投資控股及資訊科技業務
Liu Wan Development (BVI) Company Limited 六灣開發(BVI)有限公司	BVI 英屬維爾京群島	215,000,000 ordinary shares of US\$1 each 215,000,000股 每股面值 1美元之普通股	-	100%	Investment holding 投資控股
Liu Wan Investment Company Limited 六灣投資有限公司	Hong Kong 香港	Paid-up share capital of US\$2 繳足股本2美元	-	100%	Investment holding 投資控股
Nan Hai Development Limited 南海發展有限公司	Hong Kong 香港	Paid-up share capital of HK\$3,000,000,002 繳足股本 3,000,000,002港元	100%	-	Investment holding 投資控股
Robina Profits Limited Robina Profits Limited	BVI 英屬維爾京群島	1 ordinary share of US\$1 each 1股每股面值1美元之 普通股	-	64.45%	Investment holding 投資控股
Sino-i Technology Limited ("Sino-i") 中國數碼信息有限公司(「中國數碼」)	Hong Kong 香港	Paid-up share capital of HK\$240,596,986 繳足股本 240,596,986港元	-	64.45%	Investment holding 投資控股

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 16. INTERESTS IN SUBSIDIARIES (Continued)

### 16. 於附屬公司之權益(續)

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of capital held by the Company 本公司所持股本百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
View Power Investments Limited	BVI	1 ordinary share of US\$1 each	100%	–	Investment holding
View Power Investments Limited	英屬維爾京群島	1股每股面值1美元之 普通股			投資控股
HK01 Company Limited (formerly known as WeMedia01 (HK) Limited)	Hong Kong	Paid-up share capital of HK\$1	–	100%	News media
香港01有限公司(前稱香港零一媒體有限公司)	香港	繳足股本1港元			新聞傳播
Wise Advance Investments Limited	BVI	1 ordinary share of US\$1 each	100%	–	Investment holding
Wise Advance Investments Limited	英屬維爾京群島	1股每股面值1美元之 普通股			投資控股
中企動力科技股份有限公司(“中企動力”)(note a)	PRC	RMB242,369,720	–	64.45%	Information technology business
中企動力科技股份有限公司(「中企動力」)(附註a)	中國	人民幣242,369,720元			資訊科技業務
數碼慧谷置業管理股份有限公司(note a)	PRC	RMB689,171,334	–	59.53%	Information technology business
數碼慧谷置業管理股份有限公司(附註a)	中國	人民幣689,171,334元			資訊科技業務
北京新米迪廣告有限公司(formerly known as 北京中企動力廣告有限公司)(note b)	PRC	RMB21,000,000	–	58.07%	Information technology business
北京新米迪廣告有限公司(前稱北京中企 動力廣告有限公司)(附註b)	中國	人民幣21,000,000元			資訊科技業務
Xinnet*(note b)	PRC	RMB45,000,000	–	N/A*	Information technology business
新網*(附註b)	中國	人民幣45,000,000元		不適用*	資訊科技業務
深圳市半島城邦物業管理有限公司(note b)	PRC	RMB10,000,000	–	100%	Property management
深圳市半島城邦物業管理有限公司(附註b)	中國	人民幣10,000,000元			物業管理
深圳半島城邦置業有限公司(formerly known as 深圳市金益田實業發展有限公司) ("半島城邦置業")(note b)(note d)	PRC	RMB18,000,000	–	100%	Property development
深圳半島城邦置業有限公司(前稱 深圳市金益田實業發展有限公司) (「半島城邦置業」)(附註b)(附註d)	中國	人民幣18,000,000元			房地產開發

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 16. INTERESTS IN SUBSIDIARIES (Continued)

### 16. 於附屬公司之權益(續)

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of capital held by the Company 本公司所持股本百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
深圳半島城邦房地產開發有限公司 (note c)	PRC	RMB110,000,000	-	100%	Investment holding and property development
深圳半島城邦房地產開發有限公司(附註c)	中國	人民幣110,000,000元			投資控股及房地產開發
深圳市海諾誠裝飾工程有限公司 (note b)	PRC	RMB10,000,000	-	100%	Decoration service
深圳市海諾誠裝飾工程有限公司(附註b)	中國	人民幣10,000,000元			裝飾服務
天津美智瀚辰貿易有限公司 (note b)	PRC	RMB25,000,000	-	100%	Sales of decoration materials
天津美智瀚辰貿易有限公司(附註b)	中國	人民幣25,000,000元			裝修材料銷售
廣東大地影院建設有限公司 (note b)	PRC	RMB1,146,427,999	-	90.10%	Operation of digital cinemas
廣東大地影院建設有限公司(附註b)	中國	人民幣1,146,427,999元			數碼影院經營
廣東自由人影城管理有限公司 (note b)	PRC	RMB10,000,000	-	90.10%	Operation of digital cinemas
廣東自由人影城管理有限公司(附註b)	中國	人民幣10,000,000元			數碼影院經營
大地影院發展有限公司 (note b)	PRC	RMB214,000,000	-	90.10%	Operation of digital cinemas
大地影院發展有限公司(附註b)	中國	人民幣214,000,000元			數碼影院經營
陝西大地影院建設有限公司 (formerly known as 陝西西影大地影院建設有限公司) (note b)	PRC	RMB30,000,000	-	90.10%	Operation of digital cinemas
陝西大地影院建設有限公司(前稱陝西西影 大地影院建設有限公司)(附註b)	中國	人民幣30,000,000元			數碼影院經營
大地時代電影文化傳播(北京)有限公司 (note b)	PRC	RMB40,000,000	-	100%	Investment holding
大地時代電影文化傳播(北京)有限公司(附註b)	中國	人民幣40,000,000元			投資控股
大地時代電影發行有限公司 (note b)	PRC	RMB1,000,000	-	100%	Film distribution
大地時代電影發行有限公司(附註b)	中國	人民幣1,000,000元			電影發行
時代廣告(北京)有限公司 (note b)	PRC	RMB10,000,000	-	90.10%	Providing advertising services
時代廣告(北京)有限公司(附註b)	中國	人民幣10,000,000元			提供廣告服務
數碼辰星科技發展(北京)有限公司 (note b)	PRC	RMB150,000,000	-	100%	Trading of movie projectors and providing digital media technology services
數碼辰星科技發展(北京)有限公司(附註b)	中國	人民幣150,000,000元			買賣電影投影機及提供 數碼媒體科技服務
重慶煥揚影院管理有限公司 (note b)	PRC	RMB19,000,000	-	90.10%	Operation of digital cinemas
重慶煥揚影院管理有限公司(附註b)	中國	人民幣19,000,000元			數碼影院經營

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 16. INTERESTS IN SUBSIDIARIES (Continued)

### 16. 於附屬公司之權益(續)

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of capital held by the Company 本公司所持股本百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
重慶嘉裕影視傳媒有限公司 (note b) 重慶嘉裕影視傳媒有限公司 (附註 b)	PRC 中國	RMB21,000,000 人民幣 21,000,000 元	-	90.10%	Operation of digital cinemas 數碼影院經營
重慶雄都影院有限公司 (formerly known as 重慶雄都影院投資有限公司) (note b) 重慶雄都影院有限公司 (前稱重慶雄都影院投資 有限公司) (附註 b)	PRC 中國	RMB18,000,000 人民幣 18,000,000 元	-	90.10%	Operation of digital cinemas 數碼影院經營
Listar Properties Limited	BVI 英屬維爾京群島	20,000,000 ordinary shares of US\$1 each 20,000,000 股 每股面值 1 美元之普通股	-	100%	Investment holding 投資控股
廣州東鏡新城房地產有限公司 (note c) 廣州東鏡新城房地產有限公司 (附註 c)	PRC 中國	US\$42,000,000 42,000,000 美元	-	100%	Property development 房地產開發
CE Holdings Limited ("Crabtree & Evelyn") CE Holdings Limited (「Crabtree & Evelyn」)	BVI 英屬維爾京群島	114,249,495 ordinary shares of US\$1 each 114,249,495 股 每股面值 1 美元之普通股	-	70%	Investment holding 投資控股
Crabtree & Evelyn, Ltd.	United States of America 美國	494,068 shares of common stock 420,677 shares of preferred stock of US\$100 each issued and fully paid, respectively 494,068 股普通股 420,677 股 每股面值 100 美元 已發行及繳足優先股	-	70%	Manufacturing, retailing and distribution of toiletries 製造、零售及分銷盥洗用品
Crabtree & Evelyn (Overseas) Limited	The United Kingdom 英國	100,000 ordinary shares of £1 each 4,707,500 redeemable preference shares of £0.10 each 19,000,000 redeemable preference shares of £1 each 100,000 股每股面值 1 英鎊之普通股 4,707,500 股每股面值 0.10 英鎊之可贖回優先股 19,000,000 股每股面值 1 英鎊之可贖回優先股	-	70%	Retailing and distribution of toiletries 零售及分銷盥洗用品

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 16. INTERESTS IN SUBSIDIARIES (Continued)

### 16. 於附屬公司之權益(續)

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of capital held by the Company 本公司所持股本百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Crabtree & Evelyn (Hong Kong) Limited	Hong Kong	Paid-up share capital of HK\$1,000,000	-	70%	Retailing and distribution of toiletries
Crabtree & Evelyn (Hong Kong) Limited	香港	繳足股本 1,000,000 港元			零售及分銷盥洗用品
Crabtree & Evelyn, Australia Pty Limited	Australia	300,000 ordinary shares of AUD1 each	-	70%	Retailing and distribution of toiletries
Crabtree & Evelyn, Australia Pty Limited	澳洲	300,000 股每股面值 1 澳元普通股			零售及分銷盥洗用品
C&E Canada Inc.	Canada	Class B: 200 shares Class C: 895 shares Class D: 4,380 shares	-	70%	Retailing and distribution of toiletries
C&E Canada Inc.	加拿大	乙類：200 股 丙類：895 股 丁類：4,380 股			零售及分銷盥洗用品
City Entertainment Corporation Limited	Hong Kong	Paid up share capital of HK\$1,170,000,000	-	100%	Investment holding
橙天嘉禾影城有限公司	香港	繳足股本 1,170,000,000 港元			投資控股
橙天嘉禾影城(中國)有限公司(note c)	PRC	RMB648,000,000	-	99.27%	Investment holding and operation of digital cinemas
橙天嘉禾影城(中國)有限公司(附註c)	中國	人民幣 648,000,000 元			投資控股及數碼影院經營
北京橙天嘉禾祥雲影城管理有限公司(note b)	PRC	RMB1,000,000	-	99.27%	Investment holding and operation of digital cinemas
北京橙天嘉禾祥雲影城管理有限公司(附註b)	中國	人民幣 1,000,000 元			投資控股及數碼影院經營
上海星濠影城有限公司(note b)	PRC	RMB15,000,000	-	99.27%	Operation of digital cinemas
上海星濠影城有限公司(附註b)	中國	人民幣 15,000,000 元			數碼影院經營
福建中瑞文化投資有限責任公司(note b)	PRC	RMB30,000,000	-	90.10%	Investment holding
福建中瑞文化投資有限責任公司(附註b)	中國	人民幣 30,000,000 元			投資控股
福建中瑞國際影視有限公司(note b)	PRC	RMB30,000,000	-	90.10%	Investment holding and operation of digital cinemas
福建中瑞國際影視有限公司(附註b)	中國	人民幣 30,000,000 元			投資控股及數碼影院經營
Amber Treasure Ventures Limited	BVI	1 ordinary share of US\$1 each	100%	-	Debt issue
Amber Treasure Ventures Limited	英屬維爾京群島	1 股每股面值 1 美元之普通股			債務發行

\* controlled through contractual arrangement with effective interests of 64.45%.

\* 透過架構協議控制，實際權益為 64.45%

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 16. INTERESTS IN SUBSIDIARIES (Continued)

The above table lists out the subsidiaries of the Company as at 31 December 2017 which, in the opinion of the directors, principally affected the Group's results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Notes:

- (a) These subsidiaries are registered as joint stock limited company under the law of PRC.
- (b) These subsidiaries are registered as limited liability company under the law of PRC.
- (c) These subsidiaries are registered as Sino-foreign co-operative joint venture under the law of PRC.
- (d) During the year ended 31 December 2016, the Group had transferred 90% equity interest in 半島城邦置業 at cost to a financial institution under an arrangement of borrowing, and such equity interest will be transferred back to the Group at the same cost once the borrowing is fully repaid. As the control of the said subsidiary was retained by the Group, the Group accounted for the transaction as a borrowing and no disposal of subsidiary was booked.

During the year ended 31 December 2017, the Group repaid the borrowing and the 90% equity interest in 半島城邦置業 had been transferred back to the Group.

Except for the convertible and exchangeable bonds set out in note 31 and two credit enhanced notes as set out in note 29(c), the subsidiaries had not issued any debt securities at the end of the year.

### 16. 於附屬公司之權益(續)

上表列出本公司於2017年12月31日之附屬公司，而董事認為該等附屬公司對本集團本年度業績構成主要影響或構成本集團資產淨值之重大部分。董事認為，提供其他附屬公司之詳情會導致資料過於冗長。

附註：

- (a) 該等附屬公司根據中國法律註冊為股份有限公司。
- (b) 該等附屬公司根據中國法律註冊為有限責任公司。
- (c) 該附屬公司根據中國法律註冊為中外合作合資企業。
- (d) 截至2016年12月31日止年度，本集團根據借貸安排按成本向一間財務機構轉讓半島城邦置業之90%股權，有關股權將於悉數償還借貸後按相同成本轉回本集團。由於本集團仍保留上述附屬公司之控制權，本集團將交易入賬為借貸，而並非入賬為出售附屬公司。

截至2017年12月31日止年度，本集團已償還有關借貸，而半島城邦置業之90%股權已重新轉讓予本集團。

除附註31所載可換股及可交換債券以及附註29(c)所載兩批信用增強票據外，於年結日，附屬公司並無發行任何債務證券。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 17. INTERESTS IN ASSOCIATES

#### 17. 於聯營公司之權益

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Share of net assets other than goodwill	應佔不包括商譽之資產淨值	115,895	79,728
Goodwill	商譽	29,698	6,608
Less: provision for impairment	減：減值撥備	-	(6,373)
Balance at 31 December	於12月31日結餘	145,593	79,963

Particulars of the associate at 31 December 2017 and 31 December 2016 are as follows:

於2017年12月31日及2016年12月31日之聯營公司詳情如下：

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of capital held by the Company 本公司所持股本百分比		Principal activities 主要業務
			2017	2016	
Genius Reward Company Limited * Genius Reward Company Limited*	Hong Kong 香港	Paid-up capital of HK\$200 繳足股本200港元	32.2%	32.2%	Inactive 暫無業務
五洲電影發行有限公司("Wuzhou") * 五洲電影發行有限公司("五洲") *	PRC 中國	RMB50,000,000 人民幣50,000,000元	22.5%	22.5%	Film distribution 電影發行
北京東方大地影視投資管理有限公司 * 北京東方大地影視投資管理有限公司 *	PRC 中國	RMB5,000,000 人民幣5,000,000元	47.5%	47.5%	Investment holding and management 投資控股及管理
北京東方大地文化產業發展中心 (有限合夥)("Dongfangdadi") 北京東方大地文化產業發展中心 (有限合夥)("東方大地")	PRC 中國	RMB180,000,000 人民幣180,000,000元	38.38%	38.38%	Consultation, film production and project management 顧問、電影製作及 項目管理
Emperor Dadi Film Distribution Limited * 英皇大地電影發行有限公司*	Hong Kong 香港	Paid-up capital of HK\$2 繳足股本2港元	50%	50%	Film distribution 電影發行
成都夠用雲科技有限公司("成都夠用")* (note a) 成都夠用雲科技有限公司 (「成都夠用」)*(附註a)	PRC 中國	RMB2,000,000 人民幣2,000,000元	-	12.89%	Information technology business 資訊科技業務

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 17. INTERESTS IN ASSOCIATES (Continued)

### 17. 於聯營公司之權益(續)

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of capital held by the Company 本公司所持股本百分比		Principal activities 主要業務
			2017	2016	
深圳天基絲路航天產業發展有限公司*	PRC	RMB 500,000,000	33%	33%	Inactive
深圳天基絲路航天產業發展有限公司*	中國	人民幣500,000,000元			暫無業務
華影天下(天津)電影發行有限 責任公司*(note b)	PRC	RMB100,000,000	12%	-	Film distribution
華影天下(天津)電影發行有限 責任公司*(附註b)	中國	人民幣100,000,000元			電影發行
惠州太東橙天嘉禾影城有限公司*	PRC	RMB1,000,000	40%	-	Operating of digital cinemas
惠州太東橙天嘉禾影城有限公司*	中國	人民幣1,000,000元			數碼影院經營
成都阿商信息技術有限公司*(note b)	PRC	RMB1,977,429	19.3%	-	Information technology business
成都阿商信息技術有限公司*(附註b)	中國	人民幣1,977,429元			資訊科技業務
好哇網(成都)信息技術股份有限公司 (note b)	PRC	RMB50,000,000	6.45%	-	Information technology business
好哇網(成都)信息技術股份有限公司 (附註b)	中國	人民幣50,000,000元			資訊科技業務
北京易企賣科技有限公司*	PRC	RMB93,255	32.2%	-	Information technology business
北京易企賣科技有限公司*	中國	人民幣93,255元			資訊科技業務

\* unlisted limited liability company

\* 非上市有限責任公司

Notes:

附註：

- (a) Although the Group's equity interest in 成都夠用 was less than 20%, as at 31 December 2016, 成都夠用's articles of association allow the Group to appoint one director to the board. The directors of the Company therefore consider they have power to exercise significant influence and treated the interest in 成都夠用 as an associate. On 30 March 2017, the Group acquired an additional 55% equity interest in 成都夠用 from a non-controlling shareholder. Together with the equity interest acquired by the Group in prior year, the Group is able to exercise control over 成都夠用 and 成都夠用 became a subsidiary of the Group since that date.
- (b) The Group's equity interest in these companies are less than 20%. However, articles of association allow the Group to appoint directors to the board. The directors of the Company therefore consider they have power to exercise significant influence. As such, the Group has accounted for these companies as interests in associates.

- (a) 雖然本集團於成都夠用之股權少於20%，在2016年12月31日，成都夠用之組織章程細則允許本集團委任董事會其中一名董事。因此，本公司董事認為，彼等有權行使重大影響力，並將於成都夠用之權益按聯營公司處理。於2017年3月30日，本集團向非控股股東收購成都夠用額外55%股權。連同本集團於過往年度所收購之股權，本集團可於成都夠用行使控制權，故自該日起成都夠用成為本集團之附屬公司。
- (b) 本集團於該等公司之股權少於20%。然而，組織章程細則允許本集團委任董事會之董事，故本公司董事認為，彼等有權行使重大影響力。因此，本集團將該等公司入賬列作於聯營公司之權益。



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 17. INTERESTS IN ASSOCIATES (Continued)

The summarised financial information of the Group's material associates extracted from their management accounts, adjusted for fair value adjustments made at the time of acquisition and for differences in accounting policies, if any, are as follows:

### 17. 於聯營公司之權益(續)

有關本集團主要聯營公司摘自其管理賬目並就收購時所作公允價值調整及會計政策差異而作出調整後(如有)之財務資料概要如下:

		Dongfangdadi 東方大地		Wuzhou 五洲	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元	2017 HK\$'000 千港元	2016 HK\$'000 千港元
<b>Summarised statement of financial position:</b>	<b>財務狀況報表概要:</b>				
Non-current assets	非流動資產	-	84	1,484	4,365
Current assets	流動資產	139,411	132,973	604,458	910,149
Current liabilities	流動負債	(12)	(11)	(444,772)	(800,228)
Non-current liabilities	非流動負債	-	-	-	-
<b>Summarised statement of comprehensive income:</b>	<b>全面收益報表概要:</b>				
Revenue	收益	-	-	751,570	1,408,607
(Losses)/Profit for the year	年內(虧損)/溢利	(3,532)	(1,029)	69,311	51,866
Other comprehensive income for the year	年內其他全面收益	9,885	(10,656)	22,714	(13,450)
Total comprehensive income for the year	年內全面收益總額	6,353	(11,685)	92,025	38,416
Investment withdrawal of original shareholders	原股東撤回投資	-	(60,415)	-	-
Dividends paid to shareholders	已付股東股息	-	-	(45,141)	(81,957)
<b>Dividend received from an associate</b>	<b>已收一間聯營公司股息</b>	-	-	11,067	19,834
<b>Reconciled to the Group's interests in the associates:</b>	<b>本集團於聯營公司之權益之對賬:</b>				
Gross amounts of net assets of the associates	聯營公司資產淨額毛額	139,399	133,046	161,170	114,286
Group's effective interest	本集團實際權益	38.38%	38.38%	22.5%	22.5%
Group's share of net assets of the associates	本集團應佔聯營公司資產淨額	53,501	51,063	36,263	25,714
<b>Carrying amount in the consolidated financial statements</b>	<b>綜合財務報表之賬面值</b>	<b>53,501</b>	51,063	<b>36,263</b>	25,714

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 17. INTERESTS IN ASSOCIATES (Continued)

The summarised financial information of the Group's immaterial associates (in aggregate) extracted from their management accounts, adjusted for fair value adjustments made at the time of acquisition and for differences in accounting policies, are as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Summarised statement of comprehensive income:	全面收益報表概要：		
Losses for the year	年內虧損	(6,659)	(1,591)
Other comprehensive income for the year	年內其他全面收益	3,784	(3,830)
Total comprehensive income for the year	年內全面收益總額	(2,875)	(5,421)

Note:

The Group has discontinued recognition of its share of losses of associates. The amount of unrecognised share of losses of the associates for the year and accumulated unrecognised share of losses of the associates amounted to HK\$296,000 (2016: HK\$429,000) and HK\$4,899,000 (2016: HK\$4,603,000) respectively.

#### 17. 於聯營公司之權益(續)

有關本集團非主要聯營公司(合計)就收購時所作公允價值調整及會計政策差異而作出調整後之財務資料概要(摘自其管理賬目)如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Summarised statement of comprehensive income:	全面收益報表概要：		
Losses for the year	年內虧損	(6,659)	(1,591)
Other comprehensive income for the year	年內其他全面收益	3,784	(3,830)
Total comprehensive income for the year	年內全面收益總額	(2,875)	(5,421)

附註：

本集團終止確認其應佔若干聯營公司虧損。年內未確認應佔聯營公司虧損之金額及未確認應佔聯營公司虧損之累計金額分別為296,000港元(2016年：429,000港元)及4,899,000港元(2016年：4,603,000港元)。

#### 18. INTEREST IN A JOINT VENTURE

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	5,061	2,160
Share of result of a joint venture	應佔一間合營企業業績	165	(116)
Exchange differences	匯兌差額	187	5
Dissolution of a joint venture	解散一間合營企業	-	(2,049)
		5,413	-

In July 2017, the Group completed the acquisition of City Entertainment Corporation Limited, which holds 49% equity interest and voting right in 常州幸福藍海橙天嘉禾影城有限公司("常州幸福"). 常州幸福 is a separate structured vehicle incorporated and operating in PRC. The principal activity of the joint venture is cinema operation.

#### 18. 於一間合營企業之權益

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	5,061	2,160
Share of result of a joint venture	應佔一間合營企業業績	165	(116)
Exchange differences	匯兌差額	187	5
Dissolution of a joint venture	解散一間合營企業	-	(2,049)
		5,413	-

於2017年7月，本集團完成收購橙天嘉禾影城有限公司。橙天嘉禾影城有限公司於常州幸福藍海橙天嘉禾影城有限公司("常州幸福")持有49%股權及投票權。常州幸福為於中國註冊成立及營運之獨立結構實體。合營企業之主要業務為影院營運。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 18. INTEREST IN A JOINT VENTURE (Continued)

In November 2014, the Group set up a joint venture with 2 business partners. The Group hold 40% equity interest and voting right in the joint venture, 東方大地影視產業投資基金管理無錫有限公司(“影視基金”), a separate structured vehicle incorporated and operating in PRC. The primary activity of the joint venture is investment in film industry. The joint venture was dissolved during the year ended 31 December 2016.

The summarised financial information of the Group's joint venture extracted from its management accounts, adjusted for differences in accounting policies, are as follows:

#### 18. 於一間合營企業之權益(續)

於2014年11月，本集團與兩名業務夥伴成立合營企業。本集團於合營企業東方大地影視產業投資基金管理無錫有限公司(「影視基金」，於中國註冊成立及營運之獨立結構實體)持有40%股權及投票權。合營企業之主要業務為電影投資。截至2016年12月31日止年度，合營企業已解散。

有關本集團之合營企業就會計政策差異而作出調整後之財務資料概要(摘自其管理賬目)如下：

		常州幸福		影視基金	
		2017	2016	2017	2016
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>Summarised statement of financial position:</b>	<b>財務狀況報表概要：</b>				
Non-current assets	非流動資產	7,087	-	-	-
Current assets	流動資產	15,853	-	-	-
Current liabilities	流動負債	(11,689)	-	-	-
Non-current liabilities	非流動負債	(204)	-	-	-
Included in the above amounts are:	計入上述款項為：				
Cash and cash equivalents	現金及等同現金項目	12,565	-	-	-
<b>Summarised statement of comprehensive income:</b>	<b>全面收益報表概要：</b>				
Revenue	收益	9,812	-	-	-
Profit/(Loss) for the year	年內溢利/(虧損)	329	-	-	(290)
Other comprehensive income for the year	年內其他全面收益	389	-	-	-
Total comprehensive income for the year	年內全面收益總額	718	-	-	(290)
Included in the above amounts are:	計入上述款項為：				
Depreciation and amortisation	折舊及攤銷	(1,061)	-	-	-
Administrative expenses	行政開支	(289)	-	-	(312)
Interest income	利息收入	37	-	-	22
Income tax credit	所得稅抵免	122	-	-	-
<b>Reconciled to the Group's interests in a joint venture:</b>	<b>與本集團於合營企業之權益對賬：</b>				
Gross amounts of net assets of the joint venture	合營企業資產淨值毛額	11,047	-	-	-
Group's effective interest	本集團實際權益	49%	-	-	-
Group's share of net assets of the joint venture	本集團應佔合營企業資產淨值	5,413	-	-	-
<b>Carrying amount in the consolidated financial statements</b>	<b>綜合財務報表之賬面值</b>	<b>5,413</b>	-	-	-

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 19. NON-CURRENT ASSETS HELD FOR SALE

In November 2016, the Group decided to cease the running of a warehouse of the Group's botanic-based personal care and fragrance product business located in Wales due to geographical relocation. The Group has actively marketed the freehold land and premises of the warehouse which meets the classification definition of HKFRS 5 as held for sale. The operation of the warehouse was ceased on 31 March 2017 and the Group continues to locate potential buyer for the freehold land and premises throughout the year ended 31 December 2017.

#### 20. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

#### 19. 持作出售之非流動資產

於2016年11月，由於地域配置，本集團決定終止營運本集團位於威爾士之草本個人護理及香水產品業務之倉庫。本集團積極推銷倉庫所在永久業權土地及物業，並符合香港財務報告準則第5號之定義可分類為持作出售。倉庫於2017年3月31日終止營運，而本集團於截至2017年12月31日止年度期間繼續尋找永久業權土地及物業之潛在買家。

#### 20. 按金、預付款項及其他應收款項

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Deposits and prepayments	按金及預付款項	2,535,754	2,190,302
Other receivables	其他應收款項	1,386,521	1,035,898
		<b>3,922,275</b>	3,226,200
Less: Provision for impairment of other receivables	減：其他應收款項減值撥備	<b>(27,480)</b>	(43,851)
		<b>3,894,795</b>	3,182,349
Less: Non-current portion	減：非流動部分		
Long term rental deposits	長期租賃之按金	<b>(381,430)</b>	(210,862)
Guarantee deposit and other receivables	保證按金及其他應收款項	<b>(462,739)</b>	(188,791)
Deposits for purchase of property, plant and equipment	購進物業、廠房及設備之訂金	<b>(57,681)</b>	(39,239)
		<b>(901,850)</b>	(438,892)
		<b>2,992,945</b>	2,743,457

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 20. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (Continued)

Impairment losses in respect of other receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against other receivables directly. The movement in the provision for impairment of other receivables is as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
At 1 January	於1月1日	43,851	45,096
Write-back for impairment during the year	年內減值撥回	(21,142)	-
Provision for impairment	減值撥備	3,570	16,080
Amount written off as uncollectible	撇銷為不可收回之款項	(1,302)	(14,907)
Exchange differences	匯兌差額	2,503	(2,418)
<b>At 31 December</b>	<b>於12月31日</b>	<b>27,480</b>	43,851

At each of the reporting dates, the Group's other receivables are individually assessed for impairment. The Group encountered difficulties in the collection of certain other receivables and appropriate provision for impairment had been made against these other receivables. The individually impaired receivables are recognised based on the credit history of its debtors, their financial position and record of delinquency in payments, and current market conditions. Consequently, specific impairment provision was recognised. The Group does not hold any collateral over these balances. Except for the amount impaired, none of the above assets is either past due or impaired.

### 20. 按金、預付款項及其他應收款項 (續)

其他應收款項之減值虧損計入撥備賬，除非本集團信納日後收回該款項之可能性極微，在此情況下，有關減值虧損將直接於其他應收款項中撇銷。其他應收款項減值撥備變動如下：

於各報告日期，本集團其他應收款項已按個別情況作減值評估。本集團於收取若干其他應收款項時遇到困難，並已就此等其他應收款項作出適當減值撥備。個別已減值應收款項乃根據該等債務人之信貸記錄、彼等之財政狀況及拖欠還款記錄以及現行市況確認。因此，本集團已確認特定減值撥備。本集團並無就該等結餘持有任何抵押品。除已減值款項外，上述資產概無逾期或減值。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 21. INTANGIBLE ASSETS

### 21. 無形資產

		Computer software	Development cost	Goodwill	Licenses, brand names and franchise right	Others	Total
		電腦軟件	開發成本	商譽	牌照、品牌名稱及特許經營權	其他	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2016	於2016年1月1日						
Cost	成本	340,854	126,244	114,661	39,619	1,080	622,458
Accumulated depreciation	累計折舊	(291,337)	(95,932)	-	(8,931)	-	(396,200)
Accumulated impairment	累計減值	-	-	(2,441)	-	-	(2,441)
Net carrying amount	賬面淨值	49,517	30,312	112,220	30,688	1,080	223,817
Year ended 31 December 2016	截至2016年12月31日止年度						
Opening net carrying amount	期初賬面淨值	49,517	30,312	112,220	30,688	1,080	223,817
Additions	添置	6,849	41,669	-	-	7,756	56,274
Acquisition of subsidiaries (note 42)	收購附屬公司(附註42)	-	-	2,387,933	416,137	9,540	2,813,610
Provision for impairment	減值撥備	-	-	(34,473)	-	-	(34,473)
Amortisation charge for the year	年內攤銷支出	(7,684)	(4,599)	-	(6,191)	(54)	(18,528)
Exchange differences	匯兌差額	(2,932)	(3,495)	(5,888)	(3,456)	(169)	(15,940)
Closing net carrying amount at 31 December 2016	於2016年12月31日之期終賬面淨值	45,750	63,887	2,459,792	437,178	18,153	3,024,760
At 31 December 2016 and 1 January 2017	於2016年12月31日及2017年1月1日						
Cost	成本	344,452	167,913	2,496,706	454,122	18,378	3,481,571
Accumulated depreciation	累計折舊	(298,702)	(104,026)	-	(16,944)	(225)	(419,897)
Accumulated impairment	累計減值	-	-	(36,914)	-	-	(36,914)
Net carrying amount	賬面淨值	45,750	63,887	2,459,792	437,178	18,153	3,024,760
<b>Year ended 31 December 2017</b>	<b>截至2017年12月31日止年度</b>						
Opening net carrying amount	期初賬面淨值	<b>45,750</b>	<b>63,887</b>	<b>2,459,792</b>	<b>437,178</b>	<b>18,153</b>	<b>3,024,760</b>
Additions	添置	<b>47,185</b>	<b>21,877</b>	<b>-</b>	<b>7,808</b>	<b>16,657</b>	<b>93,527</b>
Acquisition of subsidiaries (note 42)	收購附屬公司(附註42)	<b>4,130</b>	<b>-</b>	<b>2,712,754</b>	<b>538,160</b>	<b>58,853</b>	<b>3,313,897</b>
Provision for impairment	減值撥備	<b>(177)</b>	<b>(5,530)</b>	<b>(79,612)</b>	<b>-</b>	<b>-</b>	<b>(85,319)</b>
Amortisation charge for the year	年內攤銷支出	<b>(10,308)</b>	<b>(13,389)</b>	<b>-</b>	<b>(40,446)</b>	<b>(2,906)</b>	<b>(67,049)</b>
Write-off	撇銷	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(670)</b>	<b>(670)</b>
Exchange differences	匯兌差額	<b>3,193</b>	<b>4,916</b>	<b>107,403</b>	<b>40,161</b>	<b>3,264</b>	<b>158,937</b>
<b>Closing net carrying amount at December 2017</b>	<b>於2017年12月期終賬面淨值</b>	<b>89,773</b>	<b>71,761</b>	<b>5,200,337</b>	<b>982,861</b>	<b>93,351</b>	<b>6,438,083</b>
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>						
Cost	成本	<b>401,459</b>	<b>192,653</b>	<b>5,316,862</b>	<b>1,039,187</b>	<b>97,192</b>	<b>7,047,353</b>
Accumulated depreciation	累計折舊	<b>(311,502)</b>	<b>(115,150)</b>	<b>-</b>	<b>(56,326)</b>	<b>(3,841)</b>	<b>(486,819)</b>
Accumulated impairment	累計減值	<b>(184)</b>	<b>(5,742)</b>	<b>(116,525)</b>	<b>-</b>	<b>-</b>	<b>(122,451)</b>
<b>Net carrying amount</b>	<b>賬面淨值</b>	<b>89,773</b>	<b>71,761</b>	<b>5,200,337</b>	<b>982,861</b>	<b>93,351</b>	<b>6,438,083</b>

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 21. INTANGIBLE ASSETS (Continued)

For the purpose of the annual impairment test, the carrying amount of goodwill is allocated to the following CGUs:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Property development	房地產開發	1,526,825	1,484,856
Innovative business — Retailing	創意商業 — 零售	676,698	750,641
Enterprise cloud services	企業雲服務	83,320	77,964
Culture and media services — Cinema business	文化與傳播服務 — 影院業務	2,913,494	146,331
<b>Net carrying amount at 31 December</b>	<b>於12月31日之賬面淨值</b>	<b>5,200,337</b>	2,459,792

The recoverable amounts for the CGUs of “Enterprise cloud services” and “Culture and media services” were determined based on value in use calculations, covering a detailed five years financial budgets which was approved by management, cash flows for certain CGUs are extrapolated using an estimated weighted average growth rate stated below, which does not exceed the long-term growth rate for the business in which the CGU operates.

The key assumptions used for value in use calculations for the year are as follows:

### 21. 無形資產(續)

就年度減值檢測而言，商譽之賬面值分配至下列現金產生單位：

「企業雲服務」及「文化與傳播服務」之現金產生單位之可收回金額根據使用價值方法計算，當中涵蓋經管理層批准之五年詳細財政預算，若干現金產生單位之現金流量乃使用下列估計加權平均增長率推斷，並無超逾現金產生單位所經營業務之長期增長率。

用於計算該年度使用價值之主要假設如下：

		Enterprise cloud services 企業雲服務		Culture and media services — cinema business 文化與傳播服務 — 影院業務	
		2017	2016	2017	2016
Revenue growth rates	收益增長率	8%–11%	5%–13%	3%–32%	11%–18%
Pre-tax discount rates	除稅前貼現率	13%–18%	13%–22%	13%	19%
Growth rates used to extrapolate cashflows beyond the budgeted years	用作推斷預算年度以外現金流量之增長率	0%–3%	0%–3%	3%	1%

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 21. INTANGIBLE ASSETS (Continued)

The budgeted gross margin and net profit margin were determined by the management for each individual CGU based on past performance and its expectations for market development.

The growth rate used for each of the above CGU is determined by reference to the average growth rate for the corresponding industry to which the CGU belongs.

The discount rates used are pre-tax and reflect specific risks relating to the relevant CGU.

Based on the assessment, no impairment loss on goodwill was recognised during the year ended 31 December 2017 and 31 December 2016.

The recoverable amounts for the CGU of "Property development" of 東鏡 was determined based on value in use calculations, covering a detailed five years financial budgets which was approved by management, cash flows for CGU are extrapolated using projection of future cash flows generated from the sales of properties less cost to completion prepared from the financial budgets.

Below are the key assumptions used for the discounted cash flow calculation:

		Property development 房地產開發	
		2017	2016
Estimated market price (per square meter)	估計市價(每平方米)	<b>RMB16,000 人民幣 16,000元</b>	RMB11,000 to RMB13,000 人民幣 11,000元至 人民幣 13,000元
Pre-tax discount rate	除稅前貼現率	<b>59%</b>	36%

The estimated market price was determined by the management based on the market information at location nearby the construction project.

The discount rates used are pre-tax and reflect the cost of capital of the property development segment.

Based on the assessment, no impairment loss on goodwill (2016: impairment loss of HK\$34,473,000) was recognised to profit or loss during the year.

#### 21. 無形資產(續)

預算邊際毛利及邊際純利乃由管理層按過往表現及其對市場發展之預期就各個個別現金產生單位釐定。

以上各現金產生單位採用之增長率乃參考該等現金產生單位所屬相應行業之平均增長率釐定。

所用貼現率為除稅前並反映與相關現金產生單位有關之特定風險。

根據評估，截至2017年12月31日及2016年12月31日止年度概無確認商譽減值虧損。

東鏡之「房地產開發」現金產生單位之可收回金額根據使用價值方法計算，當中涵蓋經管理層批准之五年詳細財政預算，現金產生單位之現金流量乃使用預測銷售物業所得現金流量減財政預算所編製落成成本推斷。

下列為用於計算貼現現金流量之主要假設：

		Property development 房地產開發	
		2017	2016
Estimated market price (per square meter)	估計市價(每平方米)	<b>RMB16,000 人民幣 16,000元</b>	RMB11,000 to RMB13,000 人民幣 11,000元至 人民幣 13,000元
Pre-tax discount rate	除稅前貼現率	<b>59%</b>	36%

估計市價乃由管理層基於建設項目鄰近地區之市場資料釐定。

所用貼現率為除稅前並反映房地產開發分部之資本成本。

基於有關評估，年內並無商譽減值虧損(2016年：減值虧損34,473,000港元)於損益賬確認。



## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 21. INTANGIBLE ASSETS (Continued)

The recoverable amounts for the CGUs of “Innovative business — Retailing” were determined based on value in use calculation, covering a detailed eight years financial budgets which was approved by management, cash flows for geographical location within the CGUs are extrapolated using an estimated weighted average growth rate stated below, which does not exceed the long-term growth rate for the business in which the CGUs operate.

The key assumptions used for value in use calculations for the year are as follows:

		Innovative business — retailing 創意商業 — 零售	
		2017	2016
Revenue growth rate	收益增長率	3%–43%	0%–40%
Growth rate used to extrapolate cashflows beyond the budgeted years	用作推斷預算年度以外現金流量之增長率	3%	3%
Pre-tax discount rate	除稅前貼現率	15%–23%	16%

Based on the assessment, an impairment loss on goodwill of HK\$79,612,000 (2016: nil) was recognized to profit or loss during the year.

Apart from the considerations described in determining the value in use calculation of the CGUs above, the Group's management is not currently aware of any other probable changes that would necessitate changes in its key estimates.

#### 21. 無形資產(續)

「創意商業 — 零售」現金產生單位之可收回金額根據使用價值方法計算，當中涵蓋經管理層批准之八年詳細財政預算，現金產生單位所在地理位置之現金流量乃使用下列估計加權平均增長率推斷，並無超逾現金產生單位所經營業務之長期增長率。

用於計算該年度使用價值之主要假設如下：

根據評估，年內商譽減值虧損79,612,000港元(2016年：無)已於損益賬確認。

除上文在釐定現金產生單位使用價值所述考慮因素外，本集團管理層目前並不知悉有任何其他可能出現之變動以致須更改其主要估計。

#### 22. INVENTORIES

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
<b>Property development:</b>	<b>房地產開發：</b>		
Properties under development	發展中物業	10,510,757	8,911,004
Completed properties held for sale	已落成待售物業	4,467,482	3,973,636
		14,978,239	12,884,640
<b>Other operations:</b>	<b>其他業務：</b>		
Food and beverages	食品及飲料	39,885	23,938
Botanic-based personal care and fragrance products	草本個人護理及香水產品	218,579	158,368
Projection equipment	放映設備	73,584	44,794
Others	其他	8,945	10,635
		15,319,232	13,122,375

#### 22. 存貨

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 22. INVENTORIES (Continued)

All the above inventories are stated at the lower of cost and net realisable value.

#### 23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The financial assets at fair value through profit or loss are classified as held for trading. The fair value of the Group's investments in listed securities has been determined by reference to their quoted bid prices at the reporting date.

#### 24. TRADE RECEIVABLES

Based on the invoice dates, the aging analysis of the trade receivables is as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
0-90 days	0至90日	379,390	243,150
91-180 days	91至180日	223,654	31,083
181-270 days	181至270日	31,496	16,019
271-360 days	271至360日	26,653	3,771
Over 360 days	超過360日	48,538	55,443
Trade receivables, gross	應收貿易款項毛額	709,731	349,466
Less: Provision for impairment of receivables	減：應收款項減值撥備	(30,063)	(24,675)
Trade receivables, net	應收貿易款項淨額	679,668	324,791
Less: Long term trade receivables	減：長期應收貿易款項	(2,370)	(3,303)
Current portion of trade receivables	應收貿易款項之即期部分	677,298	321,488

Trade receivables are due on presentation of invoices.

The long term trade receivables represent the outstanding balances receivable from customers who have been granted a settlement schedule of 36 months from the Group. The current portion and non-current portion of the receivable were HK\$2,319,000 and HK\$2,370,000 respectively (2016: HK\$1,529,000 and HK\$3,303,000 respectively). All the remaining amounts are short term and hence the carrying values of the Group's trade receivable are considered to be a reasonable approximation of fair value.

#### 22. 存貨(續)

以上所有存貨均按成本及可變現淨值中較低者入賬。

#### 23. 按公允價值於損益賬處理之金融資產

按公允價值於損益賬處理之金融資產分類為持作買賣。本集團於上市證券之投資公允價值乃參考其於報告日期所報買入價格釐定。

#### 24. 應收貿易款項

應收貿易款項按發票日期作出之賬齡分析如下：

應收貿易款項於出示發票時到期。

長期應收貿易款項指應收獲本集團授予36個月之還款時間表之客戶之未償還結餘。有關應收款項之即期部分及非即期部分分別為2,319,000港元及2,370,000港元(2016年：分別為1,529,000港元及3,303,000港元)。所有餘額為短期應收貿易款項，故本集團應收貿易款項之賬面值被合理視為與公允價值相若。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 24. TRADE RECEIVABLES (Continued)

Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly. The movement in the provision for impairment of trade receivables is as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
At 1 January	於1月1日	24,675	21,640
Provision for impairment	減值撥備	2,920	5,390
Exchange differences	匯兌差額	2,468	(2,355)
<b>At 31 December</b>	<b>於12月31日</b>	<b>30,063</b>	24,675

At each of the reporting dates, the Group's trade receivables were individually assessed for impairment. The Group encountered difficulties in collection of certain trade receivables and appropriate provision for impairment has been made against certain trade receivables. The individually impaired receivables are recognised based on the credit history of its customers, such as financial difficulties or default in payments, and current market conditions. Consequently, specific impairment provision was recognised. The Group does not hold any collateral over these balances.

### 24. 應收貿易款項(續)

應收貿易款項之減值虧損計入撥備賬，除非本集團信納日後收回該款項之可能性極微，在此情況下，有關減值虧損將直接於應收貿易款項中撇銷。應收貿易款項減值撥備變動如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
At 1 January	於1月1日	24,675	21,640
Provision for impairment	減值撥備	2,920	5,390
Exchange differences	匯兌差額	2,468	(2,355)
<b>At 31 December</b>	<b>於12月31日</b>	<b>30,063</b>	24,675

於各報告日期，本集團應收貿易款項已按個別情況作減值評估。本集團於收取若干應收貿易款項時遇到困難，並已就若干應收貿易款項作出適當減值撥備。個別已減值應收款項乃根據該等客戶之信貸記錄、彼等之財政狀況及拖欠還款記錄以及現行市況確認。因此，本集團已確認特定減值撥備。本集團並無就該等結餘持有任何抵押品。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 24. TRADE RECEIVABLES (Continued)

The aging analysis of trade receivables that are not considered to be impaired is as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
0-90 days past due	逾期0至90日	379,390	242,966
91-180 days past due	逾期91至180日	222,997	30,716
181-270 days past due	逾期181至270日	30,603	15,468
271-360 days past due	逾期271至360日	26,641	3,036
Overdue for more than 360 days	逾期超過360日	20,037	32,605
		<b>679,668</b>	324,791

Trade receivables that were past due but not impaired related to a number of independent customers that had a good track record with the Group. Based on past experience, the management believe that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

The directors of the Group consider that the fair value of trade receivables which are expected to be recovered within one year are not materially different from their carrying amounts because these balances have short maturity periods on their inception.

#### 24. 應收貿易款項(續)

被視為並無減值之應收貿易款項賬齡分析如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
0-90 days past due	逾期0至90日	379,390	242,966
91-180 days past due	逾期91至180日	222,997	30,716
181-270 days past due	逾期181至270日	30,603	15,468
271-360 days past due	逾期271至360日	26,641	3,036
Overdue for more than 360 days	逾期超過360日	20,037	32,605
		<b>679,668</b>	324,791

已逾期但並無減值之應收貿易款項乃來自多名與本集團有良好往績記錄之獨立客戶。根據以往經驗，由於有關信貸質素並無重大變動，且結餘仍被視作可全數收回，故管理層認為毋須就該等結餘作出減值撥備。本集團並無就該等結餘持有任何抵押品或其他改善信貸條件。

本集團董事認為，預期於一年內收回之應收貿易款項之公允價值與其賬面值並無重大差異，原因為該等結餘自產生時具有較短屆滿期。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 25. CASH AND CASH EQUIVALENTS, PLEDGED AND RESTRICTED BANK DEPOSITS

#### 25. 現金及等同現金項目、已抵押及受限制銀行存款

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Cash and bank balances	現金及銀行結存	<b>13,069,789</b>	8,171,432
Less: Pledged and restricted bank deposits presented as non-current assets	減：列作非流動資產之已抵押及受限制銀行存款	<b>(3,591,605)</b>	(3,489,355)
Less: Pledged and restricted bank deposits presented as current assets	減：列作流動資產之已抵押及受限制銀行存款	<b>(5,080,474)</b>	(3,509,457)
Cash and cash equivalents as stated in the statement of financial position	財務狀況報表所示之現金及等同現金項目	<b>4,397,710</b>	1,172,620

Included in bank and cash balance of the Group is an aggregate amount of approximately HK\$11,753,713,000 (2016: HK\$6,574,024,000), which represented Renminbi ("RMB") deposits placed with banks in Mainland China.

RMB is not freely convertible into foreign currencies. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through banks which are authorised to conduct foreign exchange business.

Pledged and restricted bank deposits earn interests at floating rates based on daily bank deposit rates or fixed-rates ranging from 1.50% to 3.30% per annum (2016: 1.50% to 3.30% per annum).

Restricted bank deposits represented the pre-sales proceeds received by the Group relating to the property development business. The restricted deposits are monitored by local government. The restriction will be released upon the completion of the related pre-sale properties.

本集團銀行及現金結存包括總額約11,753,713,000港元(2016年：6,574,024,000港元)之款項，為本集團存於中國內地銀行之人民幣(「人民幣」)存款。

人民幣不得自由兌換為外幣，根據中國之外匯管制法規以及結匯、售匯及付匯管理規定，本集團獲准透過獲認可進行外匯業務之銀行將人民幣兌換為外幣。

已抵押及受限制銀行存款按浮動利率、每日銀行存款利率或按固定年利率1.50厘至3.30厘賺取利息(2016年：年利率1.50厘至3.30厘)。

受限制銀行存款指本集團已收房地產開發之預售所得款項。受限制存款由地方政府監管。有關限制將於相關預售物業竣工時解除。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 26. TRADE PAYABLES

Based on the invoice dates, the aging analysis of the trade payables is as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
0-90 days	0至90日	1,944,465	1,307,214
91-180 days	91至180日	84,741	35,161
181-270 days	181至270日	21,826	25,585
271-360 days	271至360日	20,733	34,458
Over 360 days	超過360日	73,177	94,742
		<b>2,144,942</b>	1,497,160
Less: Long term trade payables	減：長期應付貿易款項	<b>(7,757)</b>	(42,482)
		<b>2,137,185</b>	1,454,678

The long term trade payable represents the outstanding balance payable to a supplier who has granted a settlement schedule of 36 months to the Group. The current portion and long term portion of this payable were HK\$34,944,000 and HK\$7,757,000 respectively (2016: HK\$67,024,000 and HK\$42,482,000 respectively). All the remaining amounts are short term and hence the carrying values of the Group's trade payables are considered to be a reasonable approximation of fair value.

#### 27. OTHER PAYABLES AND ACCRUALS

All amounts are short term and hence the carrying values of the Group's and the Company's other payables and accruals are considered to be a reasonable approximation of fair value.

#### 26. 應付貿易款項

應付貿易款項按發票日期作出之賬齡分析如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
0-90 days	0至90日	1,944,465	1,307,214
91-180 days	91至180日	84,741	35,161
181-270 days	181至270日	21,826	25,585
271-360 days	271至360日	20,733	34,458
Over 360 days	超過360日	73,177	94,742
		<b>2,144,942</b>	1,497,160
Less: Long term trade payables	減：長期應付貿易款項	<b>(7,757)</b>	(42,482)
		<b>2,137,185</b>	1,454,678

長期應付貿易款項指應付一名供應商之未償還結餘，該名供應商授予本集團36個月之結算期。該應付款項之即期部分及長期部分分別為34,944,000港元及7,757,000港元(2016年：分別為67,024,000港元及42,482,000港元)。所有餘額均屬短期性質，因此，本集團之應付貿易款項賬面值被視為公允價值之合理約數。

#### 27. 其他應付款項及應計費用

所有金額均屬短期性質，因此，本集團及本公司其他應付款項及應計費用賬面值視為公允價值之合理約數。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 28. AMOUNT(S) DUE FROM/(TO) A DIRECTOR/ ASSOCIATES/A JOINT VENTURE

#### (a) Amount due to a director

The amount due to a director is unsecured, interest-free and repayable on demand.

#### (b) Amounts due from/(to) associates

The amounts due from/(to) associates are unsecured, interest-free and repayable on demand.

#### (c) Amount due from a joint venture

The amount due from a joint venture is unsecured, interest-free and repayable on demand.

### 29. BANK AND OTHER BORROWINGS

### 28. 應收／(欠)一名董事／聯營公司／一間合營企業之款項

#### (a) 欠一名董事款項

欠一名董事款項為無抵押、免息及須按要求償還。

#### (b) 應收／(欠)聯營公司款項

應收／(欠)聯營公司款項為無抵押、免息及須按要求償還。

#### (c) 應收一間合營企業款項

應收一間合營企業款項為無抵押、免息及須按要求償還。

### 29. 銀行及其他借貸

			2017 HK\$'000 千港元	2016 HK\$'000 千港元
		Notes 附註		
Bank loans	銀行貸款			
— Secured	— 有抵押	(a)	14,092,224	12,728,024
— Unsecured	— 無抵押	(a)	697,014	—
Other borrowings	其他借貸			
— Secured	— 有抵押	(a), (b), (c)	8,107,216	1,653,842
			<b>22,896,454</b>	14,381,866

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 29. BANK AND OTHER BORROWINGS (Continued)

At 31 December 2017, the bank and other borrowings of the Group are repayable as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
On demand or within one year	按要求或第一年內	9,653,920	4,784,912
In the second year	第二年	3,373,093	6,438,094
In the third to fifth years	第三至五年	9,869,441	3,158,860
Wholly repayable within five years	五年內悉數償還	22,896,454	14,381,866
Less: Portion due on demand or within one year under current liabilities	減：計入流動負債按要求或於一年內到期之部分	(9,653,920)	(4,784,912)
Portion due over one year under non-current liabilities	計入非流動負債於超過一年到期之部分	13,242,534	9,596,954

At 31 December 2017, the carrying amounts of the borrowings are denominated in the following currencies:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
RMB	人民幣	10,572,939	8,564,777
USD	美元	10,696,960	3,798,167
HK\$	港元	1,626,159	2,018,565
AUD	澳元	396	357
		22,896,454	14,381,866

#### 29. 銀行及其他借貸(續)

於2017年12月31日，本集團之銀行及其他借貸須於以下年期償還：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
On demand or within one year	按要求或第一年內	9,653,920	4,784,912
In the second year	第二年	3,373,093	6,438,094
In the third to fifth years	第三至五年	9,869,441	3,158,860
Wholly repayable within five years	五年內悉數償還	22,896,454	14,381,866
Less: Portion due on demand or within one year under current liabilities	減：計入流動負債按要求或於一年內到期之部分	(9,653,920)	(4,784,912)
Portion due over one year under non-current liabilities	計入非流動負債於超過一年到期之部分	13,242,534	9,596,954

於2017年12月31日，借貸之賬面值按下列貨幣計值：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
RMB	人民幣	10,572,939	8,564,777
USD	美元	10,696,960	3,798,167
HK\$	港元	1,626,159	2,018,565
AUD	澳元	396	357
		22,896,454	14,381,866



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 29. BANK AND OTHER BORROWINGS (Continued)

Notes:

- (a) At 31 December 2017, bank and other borrowings amounted to HK\$11,450,731,000 (2016: HK\$6,685,542,000) carry interest at floating rates ranging from 2.09% to 9.50% per annum (2016: 1.59% to 7.35% per annum). The remaining balances carry interest at fixed rates ranging from 2.40% to 9.50% per annum (2016: 2.40% to 14.00% per annum). The carrying amounts of bank and other borrowings approximate their fair values.
- (b) Included in other borrowings of HK\$1,013,186,000 (2016: HK\$390,651,000) is amount due to financial institutions regarding thirteen (2016: four) sales and leaseback arrangements for property, plant and equipment. The transactions are classified as loan financing and corresponding property, plant and equipment of HK\$1,113,338,000 (2016: HK\$448,927,000) are pledged under this arrangement.
- (c) On 25 May 2017, a direct wholly-owned subsidiary of the Company issued a three-year credit enhanced note of US\$500,000,000 (equivalent to approximately HK\$3,885,350,000) at par with a coupon rate of 3.00% per annum. The effective interest rate is 3.41% per annum.

On 21 July 2017, a direct wholly-owned subsidiary of the Company issued a three-year credit enhanced note of US\$400,000,000 (equivalent to approximately HK\$3,124,121,000) at par with a coupon rate of 3.15% per annum. The effective interest rate is 3.54% per annum.

### 30. FINANCE LEASE LIABILITIES

- (a) Total minimum lease payments is as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Due within one year	一年內到期	63,098	38,716
Due in the second year	第二年內到期	24,594	37,029
Due in the third to fifth years	第三至五年內到期	4,332	7,549
		<b>92,024</b>	83,294
Future finance charges on finance leases	融資租賃之未來財務費用	<b>(4,851)</b>	(7,793)
Present value of finance lease liabilities	融資租賃負債現值	<b>87,173</b>	75,501

### 29. 銀行及其他借貸(續)

附註：

- (a) 於2017年12月31日，為數11,450,731,000港元(2016年：6,685,542,000港元)之銀行及其他借貸按浮動年利率介乎2.09厘至9.50厘(2016年：1.59厘至7.35厘)計息。餘額按固定年利率介乎2.40厘至9.50厘(2016年：2.40厘至14.00厘)計息。銀行及其他借貸之賬面值與其公允價值相若。
- (b) 其他借貸中包括就十三項(2016年：四項)有關物業、廠房及設備之售後租回安排欠財務機構為數1,013,186,000港元(2016年：390,651,000港元)之款項。該等交易按貸款融資分類，為數1,113,338,000港元(2016年：448,927,000港元)之相應物業、廠房及設備根據此項安排抵押。
- (c) 於2017年5月25日，本公司之直接全資附屬公司發行500,000,000美元(相當於約3,885,350,000港元)票面年利率3.00%之三年期信用增強票據。實際年利率為3.41%。

於2017年7月21日，本公司之直接全資附屬公司發行400,000,000美元(相當於約3,124,121,000港元)票面年利率3.15%之三年期信用增強票據。實際年利率為3.54%。

### 30. 融資租賃負債

- (a) 最低租賃付款總額如下：

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 30. FINANCE LEASE LIABILITIES (Continued)

(b) The present value of finance lease liabilities is as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Due within one year, included under current liabilities	計入流動負債於一年內到期	59,189	33,330
Due within second year, included under non-current liabilities	計入非流動負債於第二年內到期	23,738	34,753
Due in the third to fifth years, included under non-current liabilities	計入非流動負債於第三至五年內到期	4,246	7,418
		<b>87,173</b>	75,501

The Group has entered into finance leases for certain items of cinema equipment, office equipment and motor vehicles with remaining lease terms of one to three years (2016: two to three years). Interest rate under the leases is fixed at 2.0% to 7.1% (2016: 2.0% to 7.1%) per annum. The lease does not have options to renew or any contingent rental provisions. Under the lease terms, the Group has the option to purchase the leased asset at a price that is expected to be sufficiently lower than the fair value of the leased asset at the end of the leases.

Finance lease liabilities are secured by the underlying assets where the lessor has the rights to revert in event of default. The carrying amount of the finance lease liabilities are denominated in Hong Kong dollars and approximates their fair values.

#### 30. 融資租賃負債(續)

(b) 融資租賃負債現值如下：

本集團已就影院設備、辦公室設備及汽車若干項目訂立餘下租期為一至三年之融資租賃(2016年：兩至三年)。該等租賃之年利率固定為2.0厘至7.1厘(2016年：2.0厘至7.1厘)。該租約並無續期選擇權或任何或然租金條文。根據租賃條款，本集團有權以預期遠低於租約結束時租賃資產公允價值之價格購買租賃資產。

融資租賃負債以相關資產作抵押，出租人有權在發生違約事件時收回出租項目。融資租賃負債之賬面值以港元計值，與其公允價值相若。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 31. CONVERTIBLE AND EXCHANGEABLE BONDS

On 15 June 2016 ("Issue Date"), an indirect wholly-owned subsidiary of the Company ("The Issuer"), issued an aggregate of RMB1,000,000,000 convertible and exchangeable bonds (the "Bonds") which carry interest at 1.95% per annum with a maturity date two years from the Issue Date ("Maturity Date"). Interest rate will be adjusted to 5.5% upon redemption of the Bonds and the adjusted interests rate applied retrospectively for the whole life of the Bonds.

The conversion price is initially RMB266,667 per share, subject to adjustments for certain specified dilutive and other events, including the adjustment by reference to the box office revenue. The bonds are secured by the shares of the Issuer and the Bond holder can convert the Bonds into Issuer's shares representing approximately 4.76% of the enlarged issued share capital of the Issuer or exchanged into 100% of a subsidiary direct wholly-owned by the Issuer.

Unless previously redeemed, converted or exchanged, the Company will redeem all the Bonds at the principal amount together with any accrued but unpaid interest on such principal amount on the third anniversary of the Issue Date.

Immediately prior to the closing of a Qualified IPO in respect of the Issuer, unless previously converted, exchanged or redeemed, the outstanding Bonds shall be automatically exchanged into 100% of the issued share capital of a subsidiary of the Issuer credited as fully paid, at any time between the Issue Date up to the close of business on the date falling on the third anniversary of the Issue Date (the "Exchange Period").

The holder of the Bonds shall have the right at its sole option to require the Issuer to redeem all of its Bonds outstanding at an amount which yields an internal rate of return of 5.50% per annum on the subscription amount paid by the holder following the Maturity Date, or in case of certain early redemption events happened.

### 31. 可換股及可交換債券

於2016年6月15日(「發行日期」)，本公司一間間接全資附屬公司(「發行人」)發行本金總額為人民幣1,000,000,000元之可換股及可交換債券(「債券」)，按年利率1.95厘計息，自發行日期起計兩年(「到期日」)到期。利率將於贖回債券時調整至5.5厘，而經調整利率將追溯應用至債券整個年期。

兌換價初步為每股人民幣266,667元，可就若干特定攤薄及其他事件作出調整，包括經參考票房收益作出調整。債券由發行人股份作抵押，而債券持有人可將債券兌換為發行人股份(相當於發行人經擴大已發行股本約4.76%)，或可交換為發行人一間直接全資附屬公司之100%權益。

除非先前已贖回、兌換或交換，否則本公司將於發行日期第三週年按本金額連同任何應計但未付本金額之利息贖回全部債券。

於緊接有關發行人之合資格首次公開發售結束前，除非先前已兌換、交換或贖回，否則未償還債券將自發行日期起直至發行日期第三週年之日營業時間結束為止任何時間(「交換期」)自動交換為發行人一間附屬公司入賬列作繳足已發行股本之100%。

於到期日後或發生若干提早贖回事件，債券持有人可全權決定要求發行人贖回其全部未償還債券，價格為持有人所支付認購額產生之每年5.50厘內部回報率之金額。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 31. CONVERTIBLE AND EXCHANGEABLE BONDS (Continued)

The holder of the Bonds was granted an put option to request the Company to purchase the Bonds at a price that will yield an internal rate of return of 5.50% per annum on the subscription amount paid by the holder for the Bonds for a period of 90 days after the occurrence of an event of default or other events related to the application of a Qualified IPO (details of the Bonds are disclosed in the announcement dated 22 June 2016 issued by the Company).

The related interest expense of the liability component of the Bonds for the year ended 31 December 2017 amounted to HK\$104,549,000 (2016: HK\$55,468,000), which was calculated using the effective interest method with an effective interest rate of 10.23% per annum.

The movements in the components of the Bonds during the year ended 31 December 2017 are set out below:

#### 31. 可換股及可交換債券(續)

於違約事件或其他與合資格首次公開發售申請有關之事件發生後90日期間，債券持有人獲予認沽期權，可要求本公司購入債券，價格為將為就債券持有人所支付認購額產生之每年5.50厘內部回報率之金額(債券詳情於本公司所刊發日期為2016年6月22日之公告披露)。

截至2017年12月31日止年度，債券負債部分之相關利息開支為104,549,000港元(2016年：55,468,000港元)，乃採用實際利率法按實際年利率10.23%計算。

截至2017年12月31日止年度，債券各部分之變動載列如下：

		Liability component 負債部分 HK\$'000 千港元	Embedded derivatives 嵌入式 衍生工具 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Issuance of the Bonds	發行債券	1,001,403	167,504	1,168,907
Change in fair value of embedded derivatives	嵌入式衍生工具公允價值變動	-	(48,374)	(48,374)
Interest expense	利息開支	55,468	-	55,468
Exchange differences	匯兌差額	(46,835)	(5,413)	(52,248)
At 31 December 2016 and 1 January 2017	於2016年12月31日及2017年1月1日	<b>1,010,036</b>	<b>113,717</b>	<b>1,123,753</b>
Change in fair value of embedded derivatives	嵌入式衍生工具公允價值變動	-	(26,809)	(26,809)
Interest expense	利息開支	<b>104,549</b>	-	<b>104,549</b>
Interest paid	已付利息	<b>(21,989)</b>	-	<b>(21,989)</b>
Exchange differences	匯兌差額	<b>79,785</b>	-	<b>79,785</b>
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>	<b>1,172,381</b>	<b>86,908</b>	<b>1,259,289</b>

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 32. FINANCIAL LIABILITY AT FAIR VALUE THROUGH PROFIT OR LOSS

### 32. 按公允價值於損益賬處理之金融負債

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
At 1 January	於1月1日	113,717	121,589
Issuance of the Bonds	發行債券	-	167,504
Change in fair value of embedded derivatives	嵌入式衍生工具公允價值變動	(26,809)	(48,374)
Exercise of option in business combination	於業務合併時行使期權	-	(121,589)
Exchange differences	匯兌差額	-	(5,413)
<b>At 31 December</b>	<b>於12月31日</b>	<b>86,908</b>	113,717

At 31 December 2017 and 2016, the amounts represent the fair value of the conversion option embedded in the convertible bonds as disclosed in note 31 to the consolidated financial statements.

The gain on fair value change of the embedded derivatives of the Bonds for the year ended 31 December 2017 of HK\$26,809,000 (2016: HK\$48,374,000) was recognised as "fair value change of financial liability at fair value through profit or loss" in the consolidated income statement.

The fair value of the embedded derivatives was determined using the binomial model, and the inputs into the models at the end of reporting period were as follows:

於2017年及2016年12月31日，有關金額指綜合財務報表附註31所披露可換股債券嵌入式兌換權之公允價值。

截至2017年12月31日止年度，債券之嵌入式衍生工具公允價值變動收益26,809,000港元(2016年：48,374,000港元)於綜合收益表確認為「按公允價值於損益賬處理之金融負債公允價值變動」。

嵌入式衍生工具公允價值乃採用二項式模型釐定，於報告期末該模型之資料輸入如下：

		31 December 2017 2017年12月31日	31 December 2016 2016年12月31日
Conversion price	兌換價	RMB187,580 人民幣187,580元	RMB266,667 人民幣266,667元
Risk free rate	無風險利率	1.5%	0.847%
Discount rate	貼現率	13.5%	14.0%
Volatility	波幅	35%	44.8%

Risk free rate is based on the yield of Hong Kong government bond with similar maturity of the Bonds, plus country risk differential and converted into continuously compounded.

無風險利率基準為與債券到期日相若之香港政府債券收益率，加國家風險差額及兌換為持續複合利率。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 32. FINANCIAL LIABILITY AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Volatility is calculated with reference to the Company's historical share price movement matching the period of the conversion option.

The binomial model required the input of highly subjective assumptions, including the volatility of share price and discount rate, the changes in subjective input assumptions can materially affect the fair value estimates.

Increased volatility by 1% would increase the fair value of embedded derivatives in convertible and exchangeable bonds by approximately HK\$4,804,000 (2016: HK\$6,200,000). Lower volatility by 1% would decrease the fair value of embedded derivatives in convertible bonds by approximately HK\$3,603,000 (2016: HK\$4,710,000).

Increased discount rate by 0.5% would decrease the fair value of embedded derivatives in convertible and exchangeable bonds by approximately HK\$21,619,000 (2016: HK\$28,300,000). Lower discount rate by 0.5% would increase the fair value of embedded derivatives in convertible bonds by approximately HK\$31,227,000 (2016: HK\$40,850,000).

#### 33. OTHER EMPLOYEE BENEFITS

In December 2017, 中企動力, an indirectly wholly-owned subsidiary of the Company, implemented a scheme (the "Scheme") to incentivise the senior management of 中企動力 (the "CE Senior Management"). The Scheme lasts for a period of 5 years up to 31 December 2021. Pursuant to the Scheme, the Group will effectively grant a total of 15,996,402 units of right to receive profit-share and bonus reward (the "Bonus Reward") to the CE Senior Management. The recipients of such Bonus Reward have the right to exercise at the price of RMB1 for each unit of Bonus Reward in return for one unit of equity interest in 中企動力 (the "CE Interests"). Upon the exercising of all units of Bonus Reward, the CE Senior Management will in substance indirectly hold a total of 6.6% of the CE Interests. Within one year after the expiry date of the Scheme (i.e. 31 December 2022), it is mandatory for the Group to buy back all of the CE Interests from the CE Senior Management (the "Buy-back") and there is no choice for the Group or the CE Senior Management to opt for alternative equity settlement. The Buy-back will be made at the pre-determined prices, depending on various performance conditions with reference to audited and approved revenue and net profit margin of 中企動力. The directors consider that the scheme is in substance a long-term employee benefits in form of profit-sharing and bonus plan and therefore has been accounted for under HKAS 19 Employee Benefits.

#### 32. 按公允價值於損益賬處理之金融負債(續)

波幅乃經參考兌換期權期間本公司過往股價變動計算。

二項式模型需要作出高度主觀之假設，包括股價及貼現率波幅，主觀輸入資料之假設變動可嚴重影響公允價值估計。

波幅增加1%可令可換股及可交換債券之嵌入式衍生工具公允價值增加約4,804,000港元(2016年：6,200,000港元)。波幅減少1%可令可換股債券之嵌入式衍生工具公允價值減少約3,603,000港元(2016年：4,710,000港元)。

貼現率增加0.5%可令可換股及可交換債券之嵌入式衍生工具公允價值減少約21,619,000港元(2016年：28,300,000港元)。貼現率減少0.5%可令可換股債券之嵌入式衍生工具公允價值增加約31,227,000港元(2016年：40,850,000港元)。

#### 33. 其他僱員福利

於2017年12月，本公司間接全資附屬公司中企動力實施一項計劃(「該計劃」)以激勵中企動力之高級管理人員(「中企高級管理人員」)。該計劃為期五年，直至2021年12月31日為止。根據該計劃，本集團將向中企高級管理人員實際授出合共15,996,402個收取溢利分享及花紅獎勵(「花紅獎勵」)之權利單位。獲授該等花紅獎勵的人士有權按人民幣1元行使各花紅獎勵單位以換取於中企動力一單位權益(「中企權益」)。於所有花紅獎勵單位獲行使後，中企高級管理人員將實際上間接持有合共約6.6%中企權益。該計劃屆滿日期後一年(即2022年12月31日)內，本集團須向中企高級管理人員強制回購所有中企權益(「回購」)，本集團或中企高級管理人員均不得選擇其他權益結算方式。回購將參考中企動力之經審核及經批准收益以及淨利率按預定價格作出，並視乎各項履行條件而定。董事認為，該計劃實質上是以溢利分享及花紅計劃形式提供之長期僱員福利，因此已根據香港會計準則第19號僱員福利入賬。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 33. OTHER EMPLOYEE BENEFITS (Continued)

As at 31 December 2017, a total of 3,436,220 units of the Bonus Reward were granted to the CE Senior Management and 1,718,110 units of which were exercised. With reference to the probability of meeting the performance conditions set out in the Scheme, the Group estimated a provision amount for the Buy-back amounting to approximately RMB1,718,000 (equivalent to HK\$2,064,000).

### 33. 其他僱員福利(續)

於2017年12月31日，中企高級管理人員獲授予合共3,436,220個花紅獎勵單位，並已行使1,718,110個花紅獎勵單位。經參考符合該計劃所載履行條件之可能性，本集團估計回購撥備金額約為人民幣1,718,000元（相當於2,064,000港元）。

### 34. PROVISION FOR WARRANTY

### 34. 保修撥備

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
At 1 January	於1月1日	4,296	5,401
Additional provision	額外撥備	639	695
Utilisation during the year	年內動用	(1,315)	(1,486)
Exchange differences	匯兌差額	297	(314)
<b>At 31 December</b>	<b>於12月31日</b>	<b>3,917</b>	4,296

The Group provides a one to three years warranty for its movie projection equipment, under which faulty products are repaired or replaced. The amount of the provision for the warranties is estimated based on sales volumes and past experience of the level of repairs and returns. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

本集團為影院放映設備提供一至三年保修，故障產品可維修或更換。保修撥備金額乃根據銷售量以及維修及退貨水平之過往經驗估計。估計基準乃按持續基準審閱並於適當時作出修訂。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 35. DEFERRED TAX

The movements in deferred tax assets and liabilities during the year are as follows:

##### Deferred tax assets

		Tax loss	Provision of PRC LAT	Others	Total
		稅項虧損	中國土地增 值稅撥備	其他	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 January 2016	於2016年1月1日	83,185	25,073	–	108,258
Deferred tax (charged)/ credited to the income statement (note 9)	於收益表(扣除)/計入 遞延稅項(附註9)	(80,822)	133,432	6,139	58,749
Exchange differences	匯兌差額	(199)	(5,032)	(328)	(5,559)
At 31 December 2016 and 1 January 2017	於2016年12月31日及 2017年1月1日	<b>2,164</b>	<b>153,473</b>	<b>5,811</b>	<b>161,448</b>
Acquisition of subsidiaries (note 42)	收購附屬公司(附註42)	–	–	<b>1,581</b>	<b>1,581</b>
Deferred tax credited to the income statement (note 9)	於收益表計入 遞延稅項(附註9)	–	<b>338,779</b>	<b>85,371</b>	<b>424,150</b>
Exchange differences	匯兌差額	<b>(1,617)</b>	<b>14,486</b>	<b>(3,063)</b>	<b>9,806</b>
<b>Gross deferred tax assets at 31 December 2017</b>	<b>於2017年12月31日之 遞延稅項資產毛額</b>	<b>547</b>	<b>506,738</b>	<b>89,700</b>	<b>596,985</b>

#### 35. 遞延稅項

年內遞延稅項資產及負債之變動如下：

##### 遞延稅項資產



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 35. DEFERRED TAX (Continued)

#### Deferred tax assets (Continued)

At 31 December 2017, the amount of unused tax losses for which no deferred tax assets is recognised in the consolidated statement of financial position is as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Temporary differences attributable to:	以下項目應佔之暫時差額：		
— unused tax losses	— 未動用稅項虧損	<b>2,476,956</b>	1,280,026

Deferred tax asset in respect of these tax losses has not been recognised in the financial statements due to the unpredictability of future profit streams against which the tax losses can be utilised. The tax losses of the subsidiaries operating in Mainland China amounted to HK\$1,208,595,000 (2016: HK\$689,241,000) can be carried forward for five years while tax losses of the subsidiaries operating in Hong Kong and certain jurisdictions amounted to HK\$602,340,000 (2016: HK\$97,896,000) can be carried forward indefinitely under the current tax legislation. Tax losses of the subsidiaries operated in other jurisdictions amounted to HK\$666,021,000 (2016: HK\$492,889,000) can be carried forward up to twenty years.

### 35. 遞延稅項(續)

#### 遞延稅項資產(續)

於2017年12月31日，未於綜合財務狀況報表確認為遞延稅項資產之未動用稅項虧損金額如下：

因無法預計可用以抵銷稅項虧損之日後溢利來源，故並無在財務報表中確認該等稅項虧損之遞延稅項資產。於中國內地營運之附屬公司稅項虧損1,208,595,000港元(2016年：689,241,000港元)可結轉五年，而根據現行稅法，於香港及若干司法權區營運之附屬公司稅項虧損602,340,000港元(2016年：97,896,000港元)可無限期結轉。於其他司法權區營運之附屬公司稅項虧損為666,021,000港元(2016年：492,889,000港元)可結轉最多二十年。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 35. DEFERRED TAX (Continued)

#### Deferred tax liabilities

### 35. 遞延稅項(續)

#### 遞延稅項負債

		Fair value adjustments arising from acquisition of subsidiaries 收購附屬公司 產生之公允 價值調整 HK\$'000 千港元	Fair value adjustments on investment properties 投資物業 之公允價值 調整 HK\$'000 千港元	Temporary difference on receipt in advance 預收款項 之暫時差額 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2016	於2016年1月1日	18,710	37,089	20,640	76,439
Acquisition of subsidiaries (note 42)	收購附屬公司(附註42)	893,124	-	-	893,124
Deferred tax (credited)/charged to the income statement (note 9)	(計入)/扣除收益表之 遞延稅項(附註9)	(64,362)	7,532	-	(56,830)
Exchange differences	匯兌差額	(6,231)	1,179	(791)	(5,843)
At 31 December 2016 and 1 January 2017	於2016年12月31日及 2017年1月1日	<b>841,241</b>	<b>45,800</b>	<b>19,849</b>	<b>906,890</b>
Acquisition of subsidiaries (note 42)	收購附屬公司(附註42)	<b>169,351</b>	-	-	<b>169,351</b>
Deferred tax (credited)/charged to the income statement (note 9)	(計入)/扣除收益表之 遞延稅項(附註9)	<b>(47,844)</b>	<b>534</b>	-	<b>(47,310)</b>
Exchange differences	匯兌差額	<b>7,735</b>	-	<b>1,492</b>	<b>9,227</b>
<b>Gross deferred tax liabilities at 31 December 2017</b>	<b>於2017年12月31日之 遞延稅項負債毛額</b>	<b>970,483</b>	<b>46,334</b>	<b>21,341</b>	<b>1,038,158</b>

The Group is also subject to withholding tax at the rate of 5% (2016: 5%) and 10% (2016: 10%) on the distributions of profits generated from the Group's major PRC subsidiaries which are directly owned by the Group's subsidiaries incorporated in Hong Kong and BVI respectively.

本集團亦須就分派本集團主要中國附屬公司所得溢利分別按5%(2016年: 5%)及10%(2016年: 10%)繳交預扣稅。該等中國附屬公司由本集團分別於香港及英屬維爾京群島註冊成立之附屬公司直接擁有。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 36. SHARE CAPITAL

		Number of ordinary shares of HK\$0.01 each 每股面值0.01港元 之普通股數目	HK\$'000 千港元
Authorised:	法定股本：		
At 1 January 2016, 31 December 2016, and <b>31 December 2017</b>	於2016年1月1日、 2016年12月31日及 <b>2017年12月31日</b>	<b>500,000,000,000</b>	<b>5,000,000</b>
Issued and fully paid:	已發行及繳足股本：		
At 1 January 2016, 31 December 2016, and <b>31 December 2017</b>	於2016年1月1日、 2016年12月31日及 <b>2017年12月31日</b>	<b>68,645,535,794</b>	<b>686,455</b>

### 37. SHARE OPTION SCHEME

The Company operates a share option scheme.

Under the ordinary resolution passed at the annual general meeting on 28 May 2012, the Board of the Company adopted a new share option scheme and simultaneously terminated the share option scheme adopted on 29 August 2002. Under the new scheme, share options may be granted to directors, employees of the Group and those who have contributed or will contribute to the Group at any time within ten years after its adoption at the discretion of the Board of the Company.

There are no outstanding share options at 31 December 2017 (2016: Nil).

### 36. 股本

### 37. 購股權計劃

本公司推行一項購股權計劃。

根據於2012年5月28日之股東周年大會上通過之普通決議案，本公司董事會採納新購股權計劃，並同時終止於2002年8月29日採納之購股權計劃。根據新計劃，本公司董事會可在採納後十年內隨時酌情授出購股權予本集團之董事、僱員以及曾為或將為本集團作出貢獻之人士。

於2017年12月31日並無任何未行使之購股權(2016年：無)。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 38. RESERVES

#### Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 131 to 132 of the financial statements.

Notes:

- (a) Share premium is the excess of the proceeds received over the nominal value of the shares of the Company issued at a premium, less the amount of expenses incurred in connection with the issue of the shares.
- (b) Capital reserve of the Group mainly represented the reserves arising from capital reduction pursuant to a special resolution passed on 30 April 2002, the amount previously recognised in share option reserve arising from the exercise of share options and capital reserve arising from acquisitions of subsidiaries.
- (c) General reserve of the Group mainly represented statutory reserves of subsidiaries established in Mainland China. These subsidiaries are required to transfer 10% of their profit after tax calculated in accordance with the PRC accounting regulations to the statutory reserve until the reserve reaches 50% of their respective capital upon which any further appropriation will be at the directors' recommendation. Such reserve may be used to reduce any losses incurred by the subsidiaries or be capitalised as paid-up capital of the subsidiaries.
- (d) Exchange differences arising from the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. HK\$) are recognised directly in other comprehensive income and accumulated in the exchange reserve. The reserve is dealt with in accordance with the accounting policy of foreign currencies set out in note 2.6.

### 38. 儲備

#### 集團

本年度及過往年度本集團儲備金額及其變動載於財務報表第131至132頁之綜合權益變動表。

附註：

- (a) 股份溢價為已收所得款項超出本公司按溢價發行之股份面值之部分，扣除就發行股份產生之開支金額。
- (b) 本集團資本儲備主要指根據於2002年4月30日通過之特別決議案削減股本產生之儲備，因行使購股權而先前於購股權儲備中確認之金額，以及收購附屬公司所產生之資本儲備。
- (c) 本集團一般儲備主要指於中國內地成立之附屬公司之法定儲備。該等附屬公司須將按中國會計規則計算之除稅後溢利10%撥為法定儲備，直至該儲備達至相關資本之50%為止，其後之任何進一步轉撥可由董事酌情建議作出。該儲備可用以減低附屬公司產生之虧損或資本化作為附屬公司之實繳股本。
- (d) 匯兌差額於將本集團海外業務之資產淨值由其功能貨幣換算為本集團之呈列貨幣（即港元）時產生，乃直接於其他全面收益中確認並於匯兌儲備累計。有關儲備乃根據附註2.6所載外幣之會計政策處理。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 38. RESERVES (Continued)

#### Company

		Share premium (note a) 股份溢價 (附註 a) HK\$'000 千港元	Contributed surplus (note b) 繳入盈餘 (附註 b) HK\$'000 千港元	Capital reserve (note c) 資本儲備 (附註 c) HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2016	於2016年1月1日	965,911	1,971,857	7,480	(1,443,629)	1,501,619
Loss for the year	年內虧損	-	-	-	(211,420)	(211,420)
At 31 December 2016 and 1 January 2017	於2016年12月31日 及2017年1月1日	<b>965,911</b>	<b>1,971,857</b>	<b>7,480</b>	<b>(1,655,049)</b>	<b>1,290,199</b>
Profit for the year	年內溢利	-	-	-	<b>107,360</b>	<b>107,360</b>
Dividend relating to 2016	2016年相關股息	-	-	-	<b>(137,291)</b>	<b>(137,291)</b>
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>	<b>965,911</b>	<b>1,971,857</b>	<b>7,480</b>	<b>(1,684,980)</b>	<b>1,260,268</b>

Notes:

- (a) Share premium is the excess of the proceeds received over the nominal value of the shares of the Company issued at a premium, less the amount of expenses incurred in connection with the issue of the shares.
- (b) Contributed surplus of the Company includes the difference between the aggregate net asset value of the subsidiaries acquired and the nominal amount of the Company's shares issued for the acquisition and the reserves arising from capital reduction pursuant to a special resolution passed on 30 April 2002. Under the Bermuda Companies Act, the contributed surplus is distributable to the shareholders under certain circumstances.
- (c) Capital reserve of the Company represents the amount of equity-settled share-based compensation previously recognised transferred from the share options reserve when the share options are exercised.

附註：

- (a) 股份溢價為已收所得款項超出本公司按溢價發行之股份面值之部分，扣除就發行股份產生之開支金額。
- (b) 本公司之繳入盈餘包括所收購附屬公司之資產淨值總額與為收購而發行之本公司股份面值間之差額以及根據2002年4月30日通過之特別決議案削減股本產生之儲備。根據百慕達公司法，繳入盈餘於若干情況下可分派予股東。
- (c) 本公司之資本儲備指早前已確認之權益結算以股份支付酬金，乃於行使購股權時轉撥自購股權儲備。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 39. HOLDING COMPANY STATEMENT OF FINANCIAL POSITION

### 39. 控股公司之財務狀況報表

		Notes 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Interests in subsidiaries	於附屬公司之權益	16	3,000,000	–
Available-for-sale financial assets	可供出售之金融資產		131,234	–
			<b>3,131,234</b>	–
<b>Current assets</b>	<b>流動資產</b>			
Amounts due from subsidiaries	應收附屬公司款項		7,094,885	9,526,208
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項		6,298	80,756
Cash and cash equivalents	現金及等同現金項目		356,895	108,457
			<b>7,458,078</b>	9,715,421
<b>Current liabilities</b>	<b>流動負債</b>			
Other payables and accruals	其他應付款項及應計費用		37,702	284,632
Provision for tax	稅項撥備		130	–
Amount due to a director	欠一名董事款項		11,315	23,086
Amounts due to subsidiaries	欠附屬公司款項		4,190,379	2,505,974
Bank and other borrowings	銀行及其他借貸		1,804,037	738,204
Loan from subsidiaries	來自附屬公司之貸款		–	1,475,929
			<b>6,043,563</b>	5,027,825
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>1,414,515</b>	4,687,596
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>4,545,749</b>	4,687,596
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Loan from subsidiaries	來自附屬公司之貸款		1,046,644	–
Bank and other borrowings	銀行及其他借貸		1,552,382	2,710,942
			<b>2,599,026</b>	2,710,942
<b>Net assets</b>	<b>資產淨值</b>		<b>1,946,723</b>	1,976,654
<b>EQUITY</b>	<b>權益</b>			
Share capital	股本	36	686,455	686,455
Reserves	儲備	38	1,260,268	1,290,199
<b>Total equity</b>	<b>權益總額</b>		<b>1,946,723</b>	1,976,654

On behalf of the Board

代表董事會

**Yu Pun Hoi**  
于品海  
Director  
董事

**Liu Rong**  
劉榮  
Director  
董事

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 40. NON-CONTROLLING INTERESTS

Sino-i, a 64.45% (2016: 64.44%) owned subsidiary of the Company, and Crabtree & Evelyn, a 70% owned subsidiary of the Company, has material non-controlling interests ("NCI"). The NCI of all other subsidiaries that are not 100% owned by the group are considered to be immaterial.

Summarised financial information in relation to the NCI of Sino-i, before intra-group eliminations, is presented below:

#### 40. 非控股權益

本公司擁有64.45% (2016年：64.44%) 權益之附屬公司中國數碼及本公司擁有70% 權益之附屬公司Crabtree & Evelyn 擁有重大非控股權益 (「非控股權益」)。本集團非全資擁有之所有其他附屬公司之非控股權益被視為並不重大。

進行集團內抵銷前有關中國數碼非控股權益之財務資料概要呈列如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Non-current assets	非流動資產	1,906,539	764,707
Current assets	流動資產	600,163	1,814,706
Current liabilities	流動負債	(675,556)	(771,065)
Non-current liabilities	非流動負債	(7,758)	(6,246)
Net assets	資產淨值	1,823,388	1,802,102
Accumulated NCI	累計非控股權益	659,433	652,958
Revenue	收益	833,245	818,098
Profit for the year	年內溢利	10,022	46,663
Total comprehensive income for the year	年內全面收益總額	18,839	38,268
Profit allocated to NCI	分配予非控股權益之溢利	2,684	14,995
Dividend paid to NCI	已付非控股權益股息	-	-
Cash flows from operating activities	經營活動所得現金流量	13,902	62,662
Cash flows from/(used in) investing activities	投資活動所得/(所用)現金流量	312,289	(95,325)
Cash flows used in financing activities	融資活動所用現金流量	(117,627)	(4,295)
Net cash inflows/(outflows)	現金流入/(流出)淨額	208,564	(36,958)

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 40. NON-CONTROLLING INTERESTS (Continued)

Summarised financial information in relation to the NCI of Crabtree & Evelyn, before intra-group eliminations, is presented below:

#### 40. 非控股權益(續)

進行集團內抵銷前有關Crabtree & Evelyn非控股權益之財務資料概要呈列如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Non-current assets	非流動資產	705,497	632,460
Current assets	流動資產	940,897	880,978
Current liabilities	流動負債	(1,573,813)	(1,033,747)
Non-current liabilities	非流動負債	(11,440)	(11,440)
Net assets	資產淨值	61,141	468,251
Accumulated NCI	累計非控股權益	238,840	362,072
Revenue	收益	874,472	408,810
Loss for the year	年內虧損	(406,707)	(63,787)
Total comprehensive income for the year	年內全面收益總額	(407,110)	(60,002)
Loss allocated to NCI	分配予非控股權益之虧損	(123,240)	(21,868)
Dividend paid to NCI	已付非控股權益股息	-	-
Cash flows from operating activities	經營活動所得現金流量	124,875	147,932
Cash flows used in investing activities	投資活動所用現金流量	(146,664)	(44,666)
Cash flows from financing activities	融資活動所得現金流量	39	194
Net cash (outflows)/inflows	現金(流出)/流入淨額	(21,750)	103,460



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 40. NON-CONTROLLING INTERESTS (Continued)

During the year ended 31 December 2017, the Group's material acquisition of non-controlling interests is set out as follows:

On 27 February 2017, 大地影院發展有限公司, an indirect 90%-owned subsidiary of the Company, acquired the remaining 30% equity interest in 陝西大地影院建設有限公司 at a cash consideration of RMB11,010,000 (equivalent to approximately HK\$12,415,000). 陝西大地影院建設有限公司 was an indirect 63%-owned subsidiary of the Company right before the completion of the transaction and became an indirect 90%-owned subsidiary of the Company upon completion of the transaction.

In June 2017, the Group further acquired 0.1% of 廣東大地影院建設有限公司, the immediate holding company of 大地影院發展有限公司. After the completion of transfer, 大地影院發展有限公司 and 陝西大地影院建設有限公司 became 90.1% owned subsidiaries of the Group.

The following summarised the effect of the changes in the Group's ownership interest in 陝西大地影院建設有限公司 on the equity attributable to owners of the Company:

		2017 HK\$'000 千港元
Carrying amount of non-controlling interests acquired	所收購非控股權益之賬面值	9,276
Consideration paid to non-controlling interests	向非控股權益支付之代價	(12,415)
Excess of consideration paid recognised within equity	於權益中確認超逾已付代價之款額	(3,139)

### 41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

#### (a) Major non-cash transactions

During the year ended 31 December 2017, certain non-current deposits and other receivables of the Group amounting to approximately HK\$90,495,000 (2016: HK\$20,767,000) were transferred to property, plant and equipment.

The Group entered into finance lease arrangements in respect of certain assets with a total capital value of approximately HK\$nil (2016: HK\$72,729,000) at the inception of the lease.

### 40. 非控股權益(續)

截至2017年12月31日止年度，本集團之非控股權益重大收購事項載列如下：

於2017年2月27日，本公司擁有90%權益之間接附屬公司大地影院發展有限公司收購陝西大地影院建設有限公司餘下30%股權，現金代價為人民幣11,010,000元(相當於約12,415,000港元)。陝西大地影院建設有限公司於交易完成前為本公司擁有63%權益之間接附屬公司，並於交易完成後成為本公司擁有90%權益之間接附屬公司。

於2017年6月，本集團進一步收購廣東大地影院建設有限公司(即大地影院發展有限公司之直接控股公司)0.1%權益。於轉讓完成後，大地影院發展有限公司及陝西大地影院建設有限公司成為本集團擁有90.1%權益之附屬公司。

本集團於陝西大地影院建設有限公司之所有權變動對本公司擁有人應佔權益之影響概述如下：

### 41. 綜合現金流量報表附註

#### (a) 主要非現金交易

截至2017年12月31日止年度，本集團約90,495,000港元(2016年：20,767,000港元)之若干非流動訂金及其他應收款項撥入物業、廠房及設備。

本集團就若干資產訂立融資租賃安排，於租賃開始時資本總值約為零港元(2016年：72,729,000港元)。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

#### (b) Reconciliation of liabilities arising from financing activities:

### 41. 綜合現金流量報表附註(續)

#### (b) 融資活動所產生負債之對賬：

		Bank and other borrowings (note 29) 銀行及其他借貸 (附註29) HK\$'000 千港元	Finance lease liabilities (note 30) 融資租賃負債 (附註30) HK\$'000 千港元	Convertible and exchangeable bonds (note 31) 可換股及可交換債券 (附註31) HK\$'000 千港元	Amount due to a director (note 28(a)) 欠一名董事款項 (附註28(a)) HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2017	於2017年1月1日	14,381,866	75,501	1,010,036	30,108	15,497,511
<b>Changes from financing cash flows:</b>	<b>融資現金流量變動：</b>					
Proceeds from bank and other borrowings	銀行及其他借貸所得款項	12,722,113	-	-	-	12,722,113
Repayments of bank and other borrowings	償還銀行及其他借貸	(5,206,663)	-	-	-	(5,206,663)
Repayments of capital element of finance lease liabilities	償還融資租賃負債本金部分	-	(43,760)	-	-	(43,760)
Repayments of interest element of finance lease liabilities	償還融資租賃負債利息部分	-	(7,974)	-	-	(7,974)
Repayment to a director	償還一名董事款項	-	-	-	(21,664)	(21,664)
Interest paid	已付利息	(1,219,645)	-	(21,989)	-	(1,241,634)
<b>Total changes from financing cash flows</b>	<b>融資現金流量變動總額</b>	<b>6,295,805</b>	<b>(51,734)</b>	<b>(21,989)</b>	<b>(21,664)</b>	<b>6,200,418</b>
<b>Exchange differences</b>	<b>匯兌差額</b>	<b>775,713</b>	<b>7,704</b>	<b>79,785</b>	<b>1,434</b>	<b>864,636</b>
<b>Acquisition of subsidiaries (note 42)</b>	<b>收購附屬公司 (附註42)</b>	<b>189,476</b>	<b>47,728</b>	<b>-</b>	<b>-</b>	<b>237,204</b>
<b>Other changes:</b>	<b>其他變動：</b>					
Interest expenses	利息開支	711,208	-	104,549	-	815,757
Capitalised borrowing costs	撥充資本之借貸成本	542,386	-	-	-	542,386
Finance charges on obligations under finance lease	融資租賃項下責任之融資開支	-	7,974	-	-	7,974
<b>Total other changes</b>	<b>其他變動總額</b>	<b>1,253,594</b>	<b>7,974</b>	<b>104,549</b>	<b>-</b>	<b>1,366,117</b>
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>	<b>22,896,454</b>	<b>87,173</b>	<b>1,172,381</b>	<b>9,878</b>	<b>24,165,886</b>

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 42. BUSINESS COMBINATIONS

- (a) During the year ended 31 December 2017, the Group acquired equity interest of certain companies owned by independent third parties.

The Group's material business combinations are detailed as follows:

- (i) On 25 January 2017, True Vision Limited, an indirect wholly-owned subsidiary of the Group, entered into a sale and purchase agreement to acquire Orange Sky Golden Harvest Cinemas (China) Company Limited through the acquisition of the total issued share capital of City Entertainment Corporation Limited ("OSGH"), which is a company incorporated in Hong Kong. OSGH and its subsidiaries are principally engaged in cinema operation in Mainland China. Through the acquisition, the Group is able to increase the number of cinemas and screens significantly that the Group operates and manages in the PRC and strengthen its position in the PRC cinema industry. The acquisition was completed on 28 July 2017 (the "OSGH Acquisition Date").

### 42. 業務合併

- (a) 截至2017年12月31日止年度，本集團收購多間由獨立第三方擁有之公司之股權。

本集團之重大業務合併之詳情如下：

- (i) 於2017年1月25日，本集團之間接全資附屬公司美視角有限公司訂立買賣協議，透過收購於香港註冊成立之公司橙天嘉禾影城有限公司（「橙天嘉禾」）之全部已發行股本收購橙天嘉禾影城（中國）有限公司。橙天嘉禾及其附屬公司主要於中國內地從事影院經營。本集團透過此項收購大幅增加本集團於中國經營及管理的影院及銀幕數目，並鞏固其於中國影城業之地位。此項收購於2017年7月28日（「橙天嘉禾收購日期」）完成。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 42. BUSINESS COMBINATIONS (Continued)

(a) (i) (Continued)

The fair values of the identifiable assets and liabilities of OSGH as at the OSGH Acquisition Date were as follows:

#### 42. 業務合併(續)

(a) (i) (續)

橙天嘉禾可識別資產及負債於橙天嘉禾收購日期之公允價值如下：

		Fair value 公允價值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	1,244,282
Interests in associates	於聯營公司之權益	1,285
Interest in a joint venture	於一間合營企業之權益	5,061
Intangible assets	無形資產	571,146
Inventories	存貨	12,813
Trade receivables (note (b))	應收貿易款項(附註(b))	195,085
Deposits, prepayments and other receivables (note (b))	按金、預付款項及其他應收款項(附註(b))	228,636
Cash and cash equivalents	現金及等同現金項目	178,729
Trade payables	應付貿易款項	(75,394)
Other payables and accruals	其他應付款項及應計費用	(375,816)
Receipt in advance and deferred revenue	預收款項及遞延收益	(175,531)
Bank and other borrowings	銀行及其他借貸	(169,006)
Finance lease liabilities	融資租賃負債	(47,728)
Deferred tax liabilities	遞延稅項負債	(158,178)
Total identifiable net assets at fair value	按公允價值計算可識別資產淨額之總值	1,435,384
Non-controlling interests (note (c))	非控股權益(附註(c))	(10,467)
Goodwill (note (a))	商譽(附註(a))	2,291,084
Fair value of consideration	代價之公允價值	3,716,001
Purchase consideration	購買代價	(3,716,001)
Add: cash and cash equivalents in subsidiaries acquired	加：收購附屬公司之現金及等同現金項目	178,729
Net cash outflows in acquisition	收購之現金流出淨額	(3,537,272)

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 42. BUSINESS COMBINATIONS (Continued)

(a) (i) (Continued)

Notes:

- (a) The goodwill of HK\$2,291,084,000 arising from the acquisition of OSGH, which is not deductible for tax purposes, represents the synergetic effect by enabling the Group to expand its cinema coverage in a more efficient and cost-effective manner by taking the advantages of OSGH's existing customer network in Mainland China. The cinemas and screens that the Group operates and manages in the PRC increase significantly in number as well as geographical coverage.
- (b) The fair value and the gross amount of trade receivables and other receivables amounted to HK\$195,085,000 and HK\$228,636,000 respectively. None of these receivables was impaired and it was expected that the full contractual amounts could be collected.
- (c) The non-controlling interests recognised at the acquisition date were measured by reference to the non-controlling interest's proportionate share of the recognised amount of the net assets of these companies and amounted to HK\$10,467,000.
- (d) The Group incurred transaction costs of HK\$6,746,000 for the acquisition which have been expensed and recognised as administrative expense in the profit or loss for the year.
- (e) OSGH contributed revenue of HK\$453,994,000 and net loss of HK\$303,432,000 to the Group since the OSGH Acquisition Date to 31 December 2017. Had the acquisition occurred on 1 January 2017, consolidated revenue and consolidated profit for the year would have been HK\$16,531,704,000 and HK\$1,508,157,000 respectively.

- (ii) On 13 July 2017, 大地影院管理有限公司, an indirect non-wholly-owned subsidiary of the Group, entered into a sale and purchase agreement in respect of the acquisition of entire equity interest in 福建中瑞文化投資有限責任公司("福建中瑞"), which is a company incorporated in the PRC. 福建中瑞 and its subsidiaries are principally engaged in cinema operation in Fujian. The Group aims to expand its presence in Fujian through this acquisition. The acquisition was completed on 9 August 2017 (the "福建中瑞 Acquisition Date").

### 42. 業務合併(續)

(a) (i) (續)

附註：

- (a) 收購橙天嘉禾之商譽2,291,084,000港元不可扣稅，指讓本集團借助橙天嘉禾於中國內地之現有客戶網絡，以更具效率及成本效益之方式為擴展影院覆蓋範圍所產生之協同效益。本集團於中國經營及管理的影院及銀幕在數目及覆蓋地區方面均大幅增加。
- (b) 應收貿易款項及其他應收款項之公允價值及總額分別為195,085,000港元及228,636,000港元。該等應收款項概無減值，預期合約金額將可全數收回。
- (c) 於收購日期確認之非控股權益乃參考非控股權益按比例分佔該等公司已確認資產淨值金額計量，為10,467,000港元。
- (d) 本集團就收購事項產生之交易成本6,746,000港元已支銷，並於截至本年度之損益賬確認為行政開支。
- (e) 自橙天嘉禾收購日期起至2017年12月31日止期間，橙天嘉禾已向本集團貢獻收益453,994,000港元及虧損淨額303,432,000港元。倘收購事項於2017年1月1日進行，本年度之綜合收益及綜合溢利將分別為16,531,704,000港元及1,508,157,000港元。

- (ii) 於2017年7月13日，本集團之間接非全資附屬公司大地影院管理有限公司已就收購於中國註冊成立之公司福建中瑞文化投資有限責任公司("福建中瑞")之全部股權訂立買賣協議。福建中瑞及其附屬公司主要於福建從事影院經營。本集團目標為透過此項收購在福建擴大佈局。收購事項於2017年8月9日("福建中瑞收購日期")完成。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 42. BUSINESS COMBINATIONS (Continued)

- (a) (ii) (Continued)  
The fair values of the identifiable assets and liabilities of 福建中瑞 as at the 福建中瑞 Acquisition Date were as follows:

#### 42. 業務合併(續)

- (a) (ii) (續)  
福建中瑞之可識別資產及負債於 福建中瑞收購日期之公允價值如下：

		Fair value 公允價值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	126,807
Intangible assets	無形資產	29,997
Deferred tax assets	遞延稅項資產	1,581
Inventories	存貨	822
Trade receivables (note (b))	應收貿易款項(附註(b))	10,566
Deposits, prepayments and other receivables (note (b))	按金、預付款項及其他應收款項(附註(b))	57,780
Cash and cash equivalents	現金及等同現金項目	4,461
Trade payables	應付貿易款項	(12,763)
Other payables and accruals	其他應付款項及應計費用	(48,193)
Receipt in advance and deferred revenue	預收款項及遞延收益	(1,009)
Amount due to a related party	應付一名關連方款項	(2,791)
Bank and other borrowings	銀行及其他借貸	(20,470)
Deferred tax liabilities	遞延稅項負債	(11,173)
Total identifiable net assets at fair value	按公允價值計算可識別資產淨額之總值	135,615
Non-controlling interests (note (c))	非控股權益(附註(c))	(1,572)
Goodwill (note (a))	商譽(附註(a))	380,302
Fair value of consideration	代價之公允價值	514,345
Purchase consideration	購買代價	(514,345)
Add: cash and cash equivalents in subsidiaries acquired	加：收購附屬公司之現金及等同現金項目	4,461
Net cash outflows in acquisition	收購之現金流出淨額	(509,884)

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 42. BUSINESS COMBINATIONS (Continued)

(a) (ii) (Continued)

Notes:

- (a) The goodwill of HK\$380,302,000 arising from the acquisition of 福建中瑞, which is not deductible for tax purposes, represents the synergetic effect by enabling the Group to expand its cinema coverage in a more efficient and cost-effective manner by taking the advantages of 福建中瑞's existing customer network in Fujian.
- (b) The fair value and the gross amount of trade receivables and other receivables amounted to HK\$10,566,000 and HK\$57,780,000 respectively. None of these receivables was impaired and it was expected that the full contractual amounts could be collected.
- (c) The non-controlling interests recognised at the acquisition date were measured by reference to the non-controlling interest's proportionate share of the recognised amount of the net assets of these companies and amounted to HK\$1,572,000.
- (d) The Group incurred transaction costs of HK\$556,000 for the acquisition which have been expensed and recognised as administrative expense in profit or loss for the year.
- (e) 福建中瑞 has contributed revenue of HK\$56,067,000 and net profit of HK\$4,646,000 to the Group since the 福建中瑞 Acquisition Date to 31 December 2017. Had the acquisition occurred on 1 January 2017, consolidated revenue and consolidated profit for the year would have been HK\$15,992,864,000 and HK\$1,603,668,000 respectively.

### 42. 業務合併(續)

(a) (ii) (續)

附註：

- (a) 收購福建中瑞之商譽380,302,000港元不可扣稅，指讓本集團借助福建中瑞於福建之現有客戶網絡，以更其效率及成本效益之方式為擴展影院覆蓋範圍所產生之協同效益。
- (b) 應收貿易款項及其他應收款項之公允價值及總額分別為10,566,000港元及57,780,000港元。該等應收款項概無減值，預期合約金額將可全數收回。
- (c) 於收購日期確認之非控股權益乃參考非控股權益按比例分佔該等公司已確認資產淨值金額計量，為1,572,000港元。
- (d) 本集團就收購事項產生之交易成本556,000港元已支銷，並於截至本年度之損益賬確認為行政開支。
- (e) 自福建中瑞收購日期起至2017年12月31日止期間，福建中瑞已向本集團貢獻收益56,067,000港元及溢利淨額4,646,000港元。倘收購事項於2017年1月1日進行，本年度之綜合收益及綜合溢利將分別為15,992,864,000港元及1,603,668,000港元。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 42. BUSINESS COMBINATIONS (Continued)

(a) (Continued)

- (iii) During the year ended 31 December 2017, 深圳半島城邦房地產開發有限公司, an indirect wholly-owned subsidiary of the Group, entered into a sale and purchase agreement in respect of the acquisition of entire equity interest in 北京奧萊惠通置業有限公司 (“奧萊惠通”), which is a company incorporated in the PRC. 奧萊惠通 aims to engage in property development in Beijing. The Group aims to expand its property development business through this acquisition. The acquisition was completed on 17 July 2017 (the “奧萊惠通 Acquisition Date”).

The fair values of the identifiable assets and liabilities of 奧萊惠通 as at the 奧萊惠通 Acquisition Date were as follows:

#### 42. 業務合併(續)

(a) (續)

- (iii) 截至2017年12月31日止年度，本集團之間接全資附屬公司深圳半島城邦房地產開發有限公司就收購於中國註冊成立之北京奧萊惠通置業有限公司(「奧萊惠通」)全部股權訂立買賣協議。奧萊惠通計劃於北京從事房地產開發。本集團目標為透過此項收購擴大其房地產開發業務。收購事項於2017年7月17日(「奧萊惠通收購日期」)完成。

奧萊惠通之可識別資產及負債於奧萊惠通收購日期之公允價值如下：

		Fair value 公允價值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	39
Inventories	存貨	3,522
Deposits, prepayments and other receivables (note (b))	按金、預付款項及其他應收款項 (附註(b))	84,069
Cash and cash equivalents	現金及等同現金項目	5,834
Trade payables	應付貿易款項	(70)
Other payables and accruals	其他應付款項及應計費用	(42,450)
<b>Total identifiable net assets at fair value</b>	<b>按公允價值計算可識別資產淨額之 總值</b>	<b>50,944</b>
Goodwill (note (a))	商譽(附註(a))	40,421
<b>Fair value of consideration</b>	<b>代價之公允價值</b>	<b>91,365</b>
Purchase consideration	購買代價	(91,365)
Add: cash and cash equivalents in a subsidiary acquired	加：收購附屬公司之現金及 等同現金項目	5,834
<b>Net cash outflows in acquisition</b>	<b>收購之現金流出淨額</b>	<b>(85,531)</b>



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 42. BUSINESS COMBINATIONS (Continued)

(a) (iii) (Continued)

Notes:

- (a) The goodwill of HK\$40,421,000 arising from the acquisition of 奧萊惠通, which is not deductible for tax purposes, represents the synergetic effect by enabling the Group to expand its resource on property development.
- (b) The fair value and the gross amount of trade receivables and other receivables amounted to nil and HK\$84,069,000 respectively. None of these receivables was impaired and it was expected that the full contractual amounts could be collected.
- (c) The Group incurred transaction costs of HK\$104,000 for the acquisition which have been expensed and recognised as administrative expense in profit or loss for the year.
- (d) 奧萊惠通 has contributed revenue of nil and net loss of HK\$76,000 to the Group since the 奧萊惠通 Acquisition Date to 31 December 2017. Had the acquisition occurred on 1 January 2017, consolidated revenue and consolidated profit for the year would have been HK\$ 15,900,885,000 and HK\$1,596,498,000 respectively.
- (b) During the year ended 31 December 2016, the Group acquired equity interest of certain companies owned by independent third parties and a related party.

The Group's material business combinations are detailed as follows:

- (i) The Group entered into a sale and purchase agreement in respect of the acquisition of 100% equity interest in 重慶嘉裕影視傳媒有限公司 ("嘉裕") which is a company incorporated in the PRC, on 23 November 2015. 嘉裕 is principally engaged in cinema operation. The Group aimed to expand its presence in Chongqing through this acquisition. The acquisition was completed on 1 January 2016 (the "嘉裕 Acquisition Date").

### 42. 業務合併(續)

(a) (iii) (續)

附註：

- (a) 收購奧萊惠通之商譽40,421,000港元不可扣稅，指讓本集團擴展其房地產開發資源之協同效益。
- (b) 應收貿易款項及其他應收款項之公允價值及總額分別為零元及84,069,000港元。該等應收款項概無減值，預期合約金額將可全數收回。
- (c) 本集團就收購事項產生之交易成本104,000港元已支銷，並於截至本年度之損益賬確認為行政開支。
- (d) 自奧萊惠通收購日期起至2017年12月31日止期間，奧萊惠通已向本集團貢獻收益零元及虧損淨額76,000港元。倘收購事項於2017年1月1日進行，本年度之綜合收益及綜合溢利將分別為15,900,885,000港元及1,596,498,000港元。
- (b) 截至2016年12月31日止年度，本集團收購多間由獨立第三方及一名關連方擁有之公司之股權。

本集團之重大業務合併之詳情如下：

- (i) 於2015年11月23日，本集團訂立買賣協議以收購於中國註冊成立之重慶嘉裕影視傳媒有限公司（「嘉裕」）100%股權。嘉裕主要從事影院經營。本集團目標為通過此次收購在重慶擴大佈局。該收購事項於2016年1月1日（「嘉裕收購日期」）完成。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 42. BUSINESS COMBINATIONS (Continued)

- (b) (i) (Continued)  
The fair values of the identifiable assets and liabilities of 嘉裕 as at the 嘉裕 Acquisition Date were as follows:

#### 42. 業務合併(續)

- (b) (i) (續)  
嘉裕可識別資產及負債於嘉裕收購日期之公允價值如下：

		Fair value 公允價值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	28,990
Intangible assets	無形資產	14,902
Inventories	存貨	58
Trade receivables (note (b))	應收貿易款項(附註(b))	1,980
Amount due from a related party	應收一名關連方款項	839
Deposits, prepayments and other receivables (note (b))	按金、預付款項及其他應收款項(附註(b))	34,937
Cash and cash equivalents	現金及等同現金項目	7,733
Trade payables	應付貿易款項	(10,946)
Other payables and accruals	其他應付款項及應計費用	(18,838)
Amount due to a related party	應付一名關連方款項	(4,038)
Receipt in advance and deferred revenue	預收款項及遞延收入	(10,080)
Provision for tax	稅項撥備	(635)
Deferred tax liabilities (note 35)	遞延稅項負債(附註35)	(3,793)
Total identifiable net assets at fair value	按公允價值計算可識別資產淨額之總值	40,909
Goodwill (note (a))	商譽(附註(a))	41,815
Fair value of Consideration	代價之公允價值	82,724
Purchase consideration	購買代價	(82,724)
Add: cash and cash equivalents in a subsidiary acquired	加：收購一間附屬公司之現金及等同現金項目	7,733
Net cash outflows in acquisition	收購之現金流出淨額	(74,991)

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 42. BUSINESS COMBINATIONS (Continued)

(b) (i) (Continued)

Notes:

- (a) The goodwill of HK\$41,815,000 arising from the acquisition of 嘉裕, which was not deductible for tax purposes, represented the synergetic effect by enabling the Group to expand its cinema coverage in a more efficient and cost-effective manner by taking the advantages of 嘉裕's existing customer network in Chongqing.
- (b) The fair value and the gross amount of trade receivables and other receivables amounted to HK\$1,980,000 and HK\$34,937,000 respectively. None of these receivables was impaired and it was expected that the full contractual amounts could be collected.
- (c) The Group incurred transaction costs of HK\$1,330,000 for the acquisition which were expensed and recognised as administrative expense in profit or loss for the year.
- (d) 嘉裕 has contributed revenue of HK\$35,365,000 and net profit of HK\$3,561,000 to the Group since the 嘉裕 Acquisition Date to 31 December 2016.

- (ii) The Group entered into a sale and purchase agreement in respect of the acquisition of 100% equity interest in 重慶雄都影院投資有限公司("雄都"), which is a company incorporated in the PRC, on 23 November 2015. 雄都 is principally engaged in cinema operation. The Group aimed to expand its presence in Chongqing through this acquisition. The acquisition was completed on 29 February 2016 (the "雄都 Acquisition Date").

### 42. 業務合併(續)

(b) (i) (續)

附註：

- (a) 收購嘉裕產生之商譽41,815,000港元不可扣稅，指讓本集團借助嘉裕之重慶現有客戶網絡，以更具效率及成本效益之方式為擴展影院覆蓋範圍所產生之協同效益。
- (b) 應收貿易款項及其他應收款項之公允價值及總額分別為1,980,000港元及34,937,000港元。該等應收款項概無減值，預期合約金額將可全數收回。
- (c) 本集團就收購事項產生之交易成本1,330,000港元已支銷，並於截至本年度之損益賬確認為行政開支。
- (d) 自嘉裕收購日期起至2016年12月31日止期間，嘉裕已向本集團貢獻收益35,365,000港元及溢利淨額3,561,000港元。

- (ii) 於2015年11月23日，本集團訂立買賣協議以收購於中國註冊成立之重慶雄都影院投資有限公司(「雄都」)100%股權。雄都主要從事影院經營。本集團目標為通過此次收購在重慶進一步擴大佈局。該收購事項於2016年2月29日(「雄都收購日期」)完成。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 42. BUSINESS COMBINATIONS (Continued)

- (b) (ii) (Continued)  
The fair values of the identifiable assets and liabilities of 雄都 as at the 雄都 Acquisition Date were as follows:

#### 42. 業務合併(續)

- (b) (ii) (續)  
雄都可識別資產及負債於雄都收購日期之公允價值如下：

		Fair value 公允價值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	23,382
Intangible assets	無形資產	8,988
Inventories	存貨	218
Trade receivables (note (b))	應收貿易款項(附註(b))	1,978
Deposits, prepayments and other receivables (note (b))	按金、預付款項及其他應收款項(附註(b))	5,952
Cash and cash equivalents	現金及等同現金項目	2,076
Trade payables	應付貿易款項	(5,776)
Other payables and accruals	其他應付款項及應計費用	(20,955)
Receipt in advance and deferred revenue	預收款項及遞延收入	(6,026)
Deferred tax liabilities	遞延稅項負債	(2,505)
Total identifiable net assets at fair value	按公允價值計算可識別資產淨額之總值	7,332
Goodwill (note (a))	商譽(附註(a))	76,131
Fair value of consideration	代價之公允價值	83,463
Purchase consideration	購買代價	(83,463)
Add: cash and cash equivalents in a subsidiary acquired	加：收購一間附屬公司之現金及等同現金項目	2,076
Net cash outflows in acquisition	收購之現金流出淨額	(81,387)

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 42. BUSINESS COMBINATIONS (Continued)

(b) (ii) (Continued)

Notes:

- (a) The goodwill of HK\$76,131,000 arising from the acquisition of 雄都, which was not deductible for tax purposes, represented the synergetic effect by enabling the Group to expand its cinema coverage in a more efficient and cost-effective manner by taking the advantages of 雄都's existing customer network in Chongqing.
- (b) The fair value and the gross amount of trade receivables and other receivables amounted to HK\$1,978,000 and HK\$5,952,000 respectively. None of these receivables was impaired and it was expected that the full contractual amounts could be collected.
- (c) The Group incurred transaction costs of HK\$1,190,000 for the acquisition which were expensed and recognised as administrative expense in profit or loss for the year ended 31 December 2016.
- (d) 雄都 has contributed revenue of HK\$12,635,000 and net loss of HK\$6,755,000 to the Group since the 雄都 Acquisition Date to 31 December 2016. Had the acquisition occurred on 1 January 2016, consolidated revenue and consolidated profit for the year ended 31 December 2016 would have been HK\$8,922,159,000 and HK\$1,278,886,000 respectively.
- (iii) The Group entered into a sale and purchase agreement in respect of the acquisition of 70% equity interest in Crabtree & Evelyn, which is a company incorporated in the British Virgin Islands, on 15 December 2015. Crabtree & Evelyn is principally engaged in manufacturing, retail and distribution of botanic-based personal care and fragrance products. The acquisition aimed to expand the Group's retail and entertainment businesses. The acquisition was completed on 30 September 2016 (the "Crabtree & Evelyn Acquisition Date").

### 42. 業務合併(續)

(b) (ii) (續)

附註：

- (a) 收購雄都產生之商譽76,131,000港元不可扣稅，指讓本集團借助雄都之重慶現有客戶網絡，以更具效率及成本效益之方式為擴展影院覆蓋範圍所產生之協同效益。
- (b) 應收貿易款項及其他應收款項之公允價值及總額分別為1,978,000港元及5,952,000港元。該等應收款項概無減值，預期合約金額將可全數收回。
- (c) 本集團就收購事項產生之交易成本1,190,000港元已支銷，並於截至2016年12月31日止年度之損益賬確認為行政開支。
- (d) 自雄都收購日期起至2016年12月31日止期間，雄都已向本集團貢獻收益12,635,000港元及虧損淨額6,755,000港元。倘收購事項於2016年1月1日進行，截至2016年12月31日止年度綜合收益及綜合溢利將分別為8,922,159,000港元及1,278,886,000港元。
- (iii) 於2015年12月15日，本集團訂立買賣協議以收購於英屬維爾京群島註冊成立之Crabtree & Evelyn 70%股權。Crabtree & Evelyn主要從事製造、零售及分銷草本個人護理及香水產品。此次收購目標為擴大本集團之零售及娛樂業務。該收購事項於2016年9月30日(「Crabtree & Evelyn收購日期」)完成。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 42. BUSINESS COMBINATIONS (Continued)

- (b) (iii) (Continued)  
The fair values of the identifiable assets and liabilities of Crabtree & Evelyn as at the Crabtree & Evelyn Acquisition Date were as follows:

#### 42. 業務合併(續)

- (b) (iii) (續)  
Crabtree & Evelyn 可識別資產及負債於 Crabtree & Evelyn 收購日期之公允價值如下：

		Fair value 公允價值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	234,270
Intangible assets	無形資產	401,787
Inventories	存貨	268,367
Trade receivables (note (b))	應收貿易款項(附註(b))	53,435
Deposits, prepayments and other receivables (note (b))	按金、預付款項及其他應收款項(附註(b))	454,368
Cash and cash equivalents	現金及等同現金項目	49,851
Trade payables	應付貿易款項	(101,067)
Other payables and accruals	其他應付款項及應計費用	(819,211)
Provision for tax	稅項撥備	(1,032)
Deferred tax liabilities	遞延稅項負債	(11,440)
Finance lease liabilities	融資租賃負債	(163)
Total identifiable net assets at fair value	按公允價值計算可識別資產淨額之總值	529,165
Non-controlling interests (note (c))	非控股權益(附註(c))	(383,947)
Goodwill (note (a))	商譽(附註(a))	750,658
Fair value of consideration	代價之公允價值	895,876
Purchase consideration	購買代價	(895,876)
Add: cash and cash equivalents in subsidiaries acquired	加：收購附屬公司之現金及等同現金項目	49,851
Net cash outflows in acquisition	收購之現金流出淨額	(846,025)

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 42. BUSINESS COMBINATIONS (Continued)

(b) (iii) (Continued)

Notes:

- (a) The goodwill of HK\$750,658,000 arising from the acquisition of Crabtree & Evelyn, which was not deductible for tax purposes, represented the unidentifiable intangible assets other than Crabtree & Evelyn's brand name and sales network, and the future profit expected to be recovered in the Mainland China market through the Group's distribution channel.
- (b) The fair value and the gross amount of trade receivables and other receivables amounted to HK\$53,435,000 and HK\$454,368,000 respectively. None of these receivables was impaired and it was expected that the full contractual amounts could be collected.
- (c) The non-controlling interests recognised at the acquisition date were measured by reference to the non-controlling interest's proportionate share of the recognised amount of the net assets of these companies and amounted to HK\$383,947,000.
- (d) The Group incurred transaction costs of HK\$6,518,000 for the acquisition which were expensed and recognised as administrative expense in profit or loss for the year ended 31 December 2016.
- (e) Crabtree & Evelyn has contributed revenue of HK\$408,810,000 and net loss of HK\$63,787,000 to the Group since the Crabtree & Evelyn Acquisition Date to 31 December 2016. Had the acquisition occurred on 1 January 2016, consolidated revenue and consolidated profit for the year ended 31 December 2016 would have been HK\$9,542,171,000 and HK\$856,655,000 respectively.
- (iv) On 14 July 2016, the Board announced that the Group received a notice of exercise of the put option of 30% equity interest by a holder of non-controlling interest of Listar Properties Limited ("Listar"). The Group acquired such interest accordingly. After the completion of the transfer, Listar became a 73% owned subsidiary of the Group. The acquisition was completed on 15 September 2016 (the "Listar Acquisition Date").

### 42. 業務合併(續)

(b) (iii) (續)

附註：

- (a) 收購Crabtree & Evelyn產生之商譽750,658,000港元不可扣稅，指Crabtree & Evelyn品牌名稱及銷售網絡以外之未識別無形資產以及預期將透過本集團分銷渠道於中國內地市場收回之未來溢利。
- (b) 應收貿易款項及其他應收款項之公允價值及總額分別為53,435,000港元及454,368,000港元。該等應收款項概無減值，預期合約金額將可全數收回。
- (c) 於收購日期確認之非控股權益乃參考非控股權益按比例分佔該等公司已確認資產淨值金額計量，為383,947,000港元。
- (d) 本集團就收購事項產生之交易成本6,518,000港元已支銷，並於截至2016年12月31日止年度之損益賬確認為行政開支。
- (e) 自Crabtree & Evelyn收購日期起至2016年12月31日止期間，Crabtree & Evelyn已向本集團貢獻收益408,810,000港元及虧損淨額63,787,000港元。倘收購事項於2016年1月1日進行，截至2016年12月31日止年度綜合收益及綜合溢利將分別為9,542,171,000港元及856,655,000港元。
- (iv) 於2016年7月14日，董事會宣佈本集團接獲Listar Properties Limited (「Listar」) 之非控股權益持有人行使30%股權之認沽期權之通知。本集團相應收購有關權益。轉讓完成後，Listar成為本集團擁有73%權益之附屬公司。該收購事項於2016年9月15日(「Listar收購日期」)完成。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 42. BUSINESS COMBINATIONS (Continued)

(b) (iv) (Continued)  
The fair values of the identifiable assets and liabilities of Listar as at the Listar Acquisition Date were as follows:

#### 42. 業務合併(續)

(b) (iv) (續)  
Listar可識別資產及負債於Listar收購日期之公允價值如下：

		Fair value 公允價值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	4,459
Inventories	存貨	4,547,107
Trade receivables (note (c))	應收貿易款項(附註(c))	36,397
Deposits, prepayments and other receivables (note (c))	按金、預付款項及其他應收款項(附註(c))	1,153,599
Pledged and restricted bank deposits	已抵押及受限制銀行存款	249,478
Cash and cash equivalents	現金及等同現金項目	139,722
Trade payables	應付貿易款項	(403,257)
Other payables and accruals	其他應付款項及應計費用	(1,528,297)
Receipt in advance and deferred revenue	預收款項及遞延收入	(1,315,495)
Provision for tax	稅項撥備	(38,790)
Bank and other borrowings	銀行及其他借款	(863,315)
Deferred tax liabilities	遞延稅項負債	(875,386)
Total identifiable net assets at fair value	按公允價值計算可識別資產淨額之總值	1,106,222
Non-controlling interests (note (d))	非控股權益(附註(d))	(298,680)
Fair value of 43% share of Listar held by the Group immediately prior to the Listar Acquisition Date	緊接Listar收購日期前本集團所持Listar之43%股權之公允價值	(988,778)
Goodwill (note (b))	商譽(附註(b))	1,519,329
Fair value of consideration	代價之公允價值	1,338,093
Purchase consideration	購買代價	(1,338,093)
Add: cash and cash equivalents in subsidiaries acquired	加：收購附屬公司之現金及等同現金項目	139,722
Net cash outflows in acquisition	收購之現金流出淨額	(1,198,371)



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 42. BUSINESS COMBINATIONS (Continued)

(b) (iv) (Continued)

Notes:

- (a) As the acquisition of 30% equity interest in Listar is considered as a step acquisition under HKFRS 3, equity interest previously held in Listar is treated as if it was disposed of and reacquired at fair value on the Listar Acquisition Date. Accordingly, it was remeasured to its acquisition-date fair value, and a gain on deemed disposal of associate amounted to HK\$595,270,000 is recognised in profit or loss.
- (b) The goodwill of HK\$1,519,329,000 arising from the acquisition of Listar, which was not deductible for tax purposes, represented the synergetic effect by enabling the Group to expand its resource on property development.
- (c) The fair value and the gross amount of trade receivables and other receivables amounted to HK\$36,397,000 and HK\$1,153,599,000 respectively. None of these receivables was impaired and it was expected that the full contractual amounts could be collected.
- (d) The non-controlling interests recognised at the acquisition date were measured by reference to the non-controlling interest's proportionate share of the recognised amount of the net assets of these companies and amounted to HK\$298,680,000.
- (e) The Group incurred transaction costs of HK\$68,000 for the acquisition which were expensed and recognised as administrative expense in profit or loss for the year ended 31 December 2016.
- (f) Listar has contributed revenue of HK\$553,134,000 and net loss of HK\$270,333,000 to the Group since the Listar Acquisition Date to 31 December 2016. Had the acquisition occurred on 1 January 2016, consolidated revenue and consolidated profit for the year ended 31 December 2016 would have been HK\$9,309,560,000 and HK\$1,167,356,000 respectively.

- (v) On 28 December 2016, the Group acquired the remaining 27% non-controlling interests of Listar. After the completion of the transfer, Listar became a wholly-owned subsidiary of the Group.

As the transfer of the equity interest did not change the control of Listar, the transaction was classified as transaction between owners as capacity of owners and any change in equity interests were recognised in equity directly.

During the year ended 31 December 2016, loss attributable to the non-controlling interest of Listar amounted to HK\$72,990,000.

### 42. 業務合併(續)

(b) (iv) (續)

附註：

- (a) 由於收購Listar之30%股權被視為香港財務報告準則第3號項下逐步收購，過往所持有之Listar股權按猶如其於Listar收購日期按公允價值出售及重新收購之方式處理。因此，已重新計量其於收購日期之公允價值，並於損益賬確認視作出售聯營公司之收益595,270,000港元。
- (b) 收購Listar產生之商譽1,519,329,000港元不可扣稅，指讓本集團擴充房地產資源所產生之協同效益。
- (c) 應收貿易款項及其他應收款項之公允價值及總額分別為36,397,000港元及1,153,599,000港元。該等應收款項概無減值，預期合約金額將可全數收回。
- (d) 於收購日期確認之非控股權益乃參考非控股權益按比例佔該等公司已確認資產淨值金額計量，為298,680,000港元。
- (e) 本集團就收購事項產生之交易成本68,000港元已支銷，並於截至2016年12月31日止年度之損益賬確認為行政開支。
- (f) 自Listar收購日期起至2016年12月31日止期間，Listar已向本集團貢獻收益553,134,000港元及虧損淨額270,333,000港元。倘收購事項於2016年1月1日進行，截至2016年12月31日止年度綜合收益及綜合溢利將分別為9,309,560,000港元及1,167,356,000港元。

- (v) 於2016年12月28日，本集團收購Listar餘下27%非控股權益。轉讓完成後，Listar成為本集團之全資附屬公司。

由於轉讓股權並無更改Listar之控制權，故該交易分類為擁有人以其擁有人身分進行之交易，任何股權變動直接於權益確認。

截至2016年12月31日止年度，Listar非控股權益應佔虧損為72,990,000港元。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 43. RETIREMENT BENEFIT PLANS

##### Defined contribution retirement plans

The Group operates a MPF scheme and an ORSO scheme for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Group in funds under the control of the trustees.

Under the ORSO scheme, contribution of 5% of the employee's monthly salaries are made by the employees and by the Group. The Group's contributions may be reduced by contributions forfeited by those employees who leave the schemes prior to vesting fully in the contributions. The Group also participates in the MPF schemes, which are available to all employees not joining the ORSO scheme in Hong Kong. Monthly contributions to the MPF scheme are made equal to 5% (2016: 5%), or a fixed sum of the employee's relevant income in accordance with the local legislative requirements.

Subsidiaries operating in Mainland China are required to participate in a defined contribution retirement benefit plan organised by the relevant government authorities, whereby the subsidiaries are required to make contributions at the rate of 10%–22% (2016: 10%–22%) of the eligible employees' salary rate to the scheme. The Group has accrued for the required contributions which are remitted to the respective local government authorities when the contributions become due. The local government authorities are responsible for the pension obligations payable to the retired employees covered under the Schemes. Forfeited contributions could not be used by the Group to reduce the existing level of contributions.

The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

The total cost charged to the consolidated income statement of HK\$135,278,000 (2016: HK\$98,926,000) represents contributions payable to the schemes by the Group at the rates specified in the rules of the schemes.

#### 43. 退休福利計劃

##### 定額供款退休計劃

本集團為其於香港所有合資格僱員設立強積金計劃及職業退休計劃。該等計劃之資產與本集團資產分開，並由信託人控制之基金持有。

根據職業退休計劃，僱員及本集團僱員作出相當於僱員月薪5%之供款。本集團作出之供款，可以因僱員於可享有供款所得全部權益前退出該計劃而沒收之供款扣減。本集團亦參與強積金計劃，供所有未參加職業退休計劃之香港僱員參與。根據本地立法規定，強積金計劃之每月供款相當於僱員相關收入之5%（2016年：5%）或其中固定金額。

於中國內地經營之附屬公司均須參與由有關政府機關設立之定額供款退休福利計劃。其中，附屬公司須按合資格僱員薪金之10%至22%（2016年：10%至22%）向計劃作出供款。本集團已累計所需供款，於有關供款到期時向相關地方政府當局匯款。地方政府當局負責應付計劃所涵蓋退休僱員之退休金責任。本集團不可使用已沒收之供款扣減現有供款水平。

本集團就退休福利計劃之唯一責任為作出指定供款。

自綜合收益表中扣除之總成本為135,278,000港元（2016年：98,926,000港元），即本集團按該等計劃之規則列明之比率須向計劃作出之供款。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 44. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS

#### (a) Directors' emoluments

Directors' emoluments and fees are disclosed as follows:

		Fees	Basic salaries, housing, other allowances and benefits in kind 基本薪金、住房、其他津貼及實物利益	Discretionary bonus 酌情花紅	Pension scheme contributions 退休金計劃供款	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>2017</b>	<b>2017年</b>					
<b>Executive directors</b>	<b>執行董事</b>					
YU Pun Hoi	于品海	-	367	-	18	385
LIU Rong	劉榮	-	689	-	-	689
LUNG King Cheong	龍景昌	40	1,956	-	18	2,014
CHEN Dan <sup>1</sup>	陳丹 <sup>1</sup>	-	205	-	32	237
<b>Non-executive directors</b>	<b>非執行董事</b>					
LAM Bing Kwan	林秉軍	120	-	-	-	120
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>					
LAU Yip Leung	劉業良	120	-	-	-	120
XIAO Sui Ning	肖遂寧	275	-	-	-	275
HO Yeung Nang	何養能	120	-	-	-	120
		<b>675</b>	<b>3,217</b>	<b>-</b>	<b>68</b>	<b>3,960</b>

1. Resigned as executive director with effect from 31 March 2017.

### 44. 董事薪酬及高級管理層酬金

#### (a) 董事酬金

董事酬金及袍金披露如下：

1. 自2017年3月31日起辭任執行董事。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 44. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

### 44. 董事薪酬及高級管理層酬金(續)

#### (a) Directors' emoluments (Continued)

#### (a) 董事酬金(續)

		Fees	Basic salaries, housing, other allowances and benefits in kind	Discretionary bonus	Pension scheme contributions	Total
		袍金	基本薪金、 住房、其他津貼 及實物利益	酌情花紅	退休金 計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>2016</b>	<b>2016年</b>					
<b>Executive directors</b>	<b>執行董事</b>					
YU Pun Hoi	于品海	-	360	-	18	378
CHEN Dan	陳丹	-	836	-	124	960
LIU Rong	劉榮	-	416	-	-	416
LUNG King Cheong <sup>1</sup>	龍景昌 <sup>1</sup>	34	563	-	5	602
<b>Non-executive directors</b>	<b>非執行董事</b>					
WANG Gang <sup>2</sup>	王鋼 <sup>2</sup>	173	-	-	-	173
LAM Bing Kwan	林秉軍	120	-	-	-	120
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>					
Prof. JIANG Ping <sup>3</sup>	江平教授 <sup>3</sup>	295	-	-	-	295
LAU Yip Leung	劉業良	120	-	-	-	120
XIAO Sui Ning <sup>4</sup>	肖遂寧 <sup>4</sup>	183	-	-	-	183
HO Yeung Nang <sup>5</sup>	何養能 <sup>5</sup>	34	-	-	-	34
HU Bin <sup>6</sup>	胡濱 <sup>6</sup>	-	-	-	-	-
		959	2,175	-	147	3,281

- |    |  |    |                         |
|----|--|----|-------------------------|
| 1. | Appointed as executive director with effect from 20 September 2016                 | 1. | 自2016年9月20日起獲委任為執行董事    |
| 2. | Resigned as non-executive director with effect from 20 September 2016              | 2. | 自2016年9月20日起辭任非執行董事     |
| 3. | Resigned as independent non-executive director with effect from 20 September 2016  | 3. | 自2016年9月20日起辭任獨立非執行董事   |
| 4. | Appointed as independent non-executive director with effect from 27 April 2016     | 4. | 自2016年4月27日起獲委任為獨立非執行董事 |
| 5. | Appointed as independent non-executive director with effect from 20 September 2016 | 5. | 自2016年9月20日起獲委任為獨立非執行董事 |
| 6. | Resigned as independent non-executive director with effect from 3 February 2016.   | 6. | 自2016年2月3日起辭任獨立非執行董事。   |

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 44. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

##### (b) Five highest paid individuals

One director (2016: one) was included in the five highest paid individuals of the Group for the year, details of whose emoluments are set out above. The emoluments of the remaining four (2016: four) employees are as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Basic salaries, other allowances and benefits in kind	基本薪金、其他津貼及實物利益	5,700	5,121
Discretionary bonus	酌情花紅	-	-
Pension contributions	退休金供款	78	70
		<b>5,778</b>	5,191

The emoluments of the five highest paid individuals, other than directors, fell within the following bands:

Emolument bands 酬金範圍	Number of highest paid individuals 最高薪人士數目	
	2017	2016
HK\$1,000,001–HK\$1,500,000	3	4
HK\$1,500,001–HK\$2,000,000	1	-

During the years ended 31 December 2017 and 31 December 2016, no emoluments were paid to any of the Company's directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

None of the directors have waived or agreed to waive any emoluments in respect of the year ended 31 December 2017. Mr. Hu Bin agreed to waive emolument of HK\$24,000 in respect of the year ended 31 December 2016.

#### 44. 董事薪酬及高級管理層酬金 (續)

##### (b) 五名最高薪人士

本年度一名董事(2016年：一名)屬本集團五名最高薪酬人士，彼等之酬金詳情已載於上文。其餘四名(2016年：四名)僱員之酬金如下：

五名最高薪人士(董事除外)之酬金介乎下列範圍：

截至2017年12月31日及2016年12月31日止年度，並無向本公司董事或五名最高薪人士支付任何酬金，以吸引彼等加盟或於加盟本集團時支付或作為離職補償。

概無董事放棄或同意放棄截至2017年12月31日止年度之酬金。胡濱先生同意放棄截至2016年12月31日止年度之酬金24,000港元。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 44. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

##### (c) Senior management

The emoluments paid or payable to members of senior management were within the following bands:

Emolument bands	酬金範圍	Number of individuals 人數	
		2017	2016
Nil-HK\$1,000,000	零至1,000,000港元	3	3
HK\$1,000,001-HK\$2,000,000	1,000,001港元至2,000,000港元	1	1

#### 45. COMMITMENTS

##### (a) Capital commitments

At 31 December 2017, the Group had outstanding commitments as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Contracted but not provided for in respect of:	已訂約但未撥備：		
— renovation work	— 翻新工程	57,181	36,651
— properties under development	— 發展中物業	2,840,404	3,042,843
— expansion of cinema business	— 擴充影院業務	186,793	336,491
— others	— 其他	20,243	—
		<b>3,104,621</b>	3,415,985

#### 44. 董事薪酬及高級管理層酬金(續)

##### (c) 高級管理層

已付或應付高級管理層成員之酬金介乎下列範圍：

#### 45. 承擔

##### (a) 資本承擔

於2017年12月31日，本集團有下列未支付承擔：

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 45. COMMITMENTS (Continued)

#### (b) Operating lease arrangement

At 31 December 2017, the Group's total future minimum lease payments under non-cancellable operating lease are payable as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Land and buildings	土地及樓宇		
Within one year	一年內	1,056,053	741,852
In the second to fifth years	於第二至第五年	4,508,469	2,959,236
Over five years	五年以上	9,655,677	6,763,893
		<b>15,220,199</b>	10,464,981

The Group leases a number of properties under operating leases. The leases run for an initial period of one to twenty years (2016: one to twenty years), with options to renew the lease terms at the expiry dates or at days as mutually agreed between the Group and the respective landlords. In addition, the Group paid additional rental expenses in respect of certain operating leases which are dependent on the level of revenue achieved by particular properties

### 46. CONTINGENT LIABILITIES

Guarantees given in connection with credit facilities granted to/ guarantee payment recoverable from:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
An associate	一間聯營公司	19,522	18,594

In February 1993, a Group's associate borrowed a loan of US\$5 million from a Filipino bank namely Banco de Oro Unibank (formerly known as Equitable PCI Bank Inc and then as Banco de Oro-EPCI Inc.) ("Banco Unibank"). The loan was secured by a guarantee executed by the Group ("Banco Unibank Guarantee"), and by share mortgage of 74,889,892 shares (the "Philippines shares") of Acesite (Philippines) Hotel Corporation Inc. ("Acesite Phils."). Due to the pending litigation as more particularly set out in note 48, the Group is not able to obtain updated indebtedness information from Banco Unibank. Given the foregoing limitation, it is estimated that the outstanding balance of the total indebtedness owing to Banco Unibank was approximately US\$2,498,000 (equivalent to approximately HK\$19,522,000) by reference to the unaudited financial statements of the associate as at 31 December 2017.

### 45. 承擔(續)

#### (b) 經營租賃安排

於2017年12月31日，本集團根據不可撤銷經營租賃應付之未來最低租賃總額如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Land and buildings	土地及樓宇		
Within one year	一年內	1,056,053	741,852
In the second to fifth years	於第二至第五年	4,508,469	2,959,236
Over five years	五年以上	9,655,677	6,763,893
		<b>15,220,199</b>	10,464,981

本集團根據經營租賃租用多項物業。租約初步為期一至二十年(2016年：一至二十年)，並有權於租賃到期日或本集團與各業主相互協定之日期重續租約。此外，本集團就若干經營租賃支付額外租金，金額視乎特定物業所得收入而定。

### 46. 或然負債

就下列各方所獲授信貸融資／自其收回之保證分派作出之擔保：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
An associate	一間聯營公司	19,522	18,594

於1993年2月，本集團聯營公司向菲律賓銀行 Banco de Oro Unibank (前稱 Equitable PCI Bank Inc，其後稱為 Banco de Oro-EPCI Inc.) (「Banco Unibank」) 借取貸款 5,000,000 美元。本集團就該貸款提供擔保 (「Banco Unibank 保證」)，並以 Acesite (Philippines) Hotel Corporation Inc. (「Acesite Phils.」) 之 74,889,892 股股份 (「菲律賓股份」) 作出之股份押記作抵押。由於待決訴訟 (詳情載於附註 48)，本集團無法取得 Banco Unibank 之最新債務資料。鑑於上述限制，參考聯營公司於 2017 年 12 月 31 日之未經審核財務報表，估計 Banco Unibank 債項總額之未償還結餘約為 2,498,000 美元 (相當於約 19,522,000 港元)。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 47. CREDIT FACILITIES

As at 31 December 2017 and 31 December 2016, the Group's credit facilities were secured by the following:

- (a) charge over interest in prepaid land lease payments under operating lease (note 15) with a net carrying value of approximately HK\$24,410,000 (2016: approximately HK\$23,243,000);
- (b) charge over certain buildings (note 13) with total net carrying value of approximately HK\$705,834,000 (2016: approximately HK\$543,879,000);
- (c) charge over certain investment properties (note 14), properties under development and completed properties held for sale (note 22) with a total carrying value of approximately HK\$3,294,348,000 (2016: approximately HK\$3,325,721,000);
- (d) charge over financial assets at fair value through profit or loss (note 23) with a net carrying value of approximately HK\$326,000 (2016: approximately HK\$202,000);
- (e) pledge of 647,309,000 (2016: 10,845,269,000) shares in Sino-i held by the Company indirectly in favour of certain securities brokers and a financial institution, the total of which represents approximately 5.04% (2016: 84.51%) of total interest of the Company in Sino-i. The market value of such listed shares as at 31 December 2017 was approximately HK\$56,963,000 (2016: approximately HK\$1,290,587,000);
- (f) pledge of certain bank deposits (note 25) of approximately HK\$6,887,637,000 (2016: approximately HK\$5,745,622,000), of which approximately HK\$2,415,410,000 (2016: approximately HK\$4,248,928,000) were for standby letters of credit issued by banks for a total amounts of US\$273,000,000 (2016: US\$566,650,000) and RMB595,000,000 (2016: nil)
- (g) personal guarantee given by directors;
- (h) charge over certain property, plant and equipment (note 13), other than building disclosed in note 47(b), of HK\$1,113,338,000 (2016: HK\$522,034,000); and
- (i) pledge of various share mortgages of certain subsidiaries, bank accounts charges and corporate guarantee of the Company.

#### 47. 信貸融資

於2017年12月31日及2016年12月31日，本集團之信貸融資以下列各項作抵押：

- (a) 押記賬面淨值約為24,410,000港元(2016年：約23,243,000港元)之經營租賃項下之預付土地租賃費之權益(附註15)；
- (b) 押記賬面淨值合共約為705,834,000港元(2016年：約543,879,000港元)之若干樓宇(附註13)；
- (c) 押記賬面值合共約為3,294,348,000港元(2016年：約3,325,721,000港元)之若干投資物業(附註14)、發展中物業及已落成待售物業(附註22)；
- (d) 押記賬面淨值約為326,000港元(2016年：約202,000港元)之按公允價值於損益賬處理之金融資產(附註23)；
- (e) 向若干證券經紀及一間財務機構抵押647,309,000股(2016年：10,845,269,000股)本公司間接持有之中國數碼股份作為抵押品，合共相當於本公司於中國數碼總權益約5.04%(2016年：84.51%)。該等上市股份於2017年12月31日之市值約為56,963,000港元(2016年：約1,290,587,000港元)；
- (f) 抵押若干銀行存款(附註25)約6,887,637,000港元(2016年：約5,745,622,000港元)，其中約2,415,410,000港元(2016年：約4,248,928,000港元)為銀行發出為數合共273,000,000美元(2016年：566,650,000美元)及人民幣595,000,000元(2016年：無)之備用信用狀；
- (g) 董事給予之個人擔保；
- (h) 押記若干物業、廠房及設備(附註13)(附註47(b)所披露樓宇除外)為數1,113,338,000港元(2016年：522,034,000港元)；及
- (i) 多間附屬公司之股份抵押、銀行賬戶抵押及本公司之公司擔保作抵押。



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 48. PENDING LITIGATIONS

- (a) In respect of the purported sale of Philippines Shares, which were mortgaged by Acesite Limited (“Acesite”), by Banco Unibank, to Waterfront Philippines Inc. (“Waterfront”), a Filipino company, in February 2003, Acesite, a former subsidiary of Sino-i; Evallon Investment Limited, a wholly-owned subsidiary of Sino-i; Mr. Yu Pun Hoi, the chairman and executive director of both the Company and Sino-i and, South Port Development Limited, a former wholly-owned subsidiary of Sino-i as first, second, third and fourth plaintiff respectively issued a claim against Banco Unibank and Waterfront, on the grounds that the purported sale of the Philippines Shares was unlawful as such sale was in breach of the terms of the mortgage; in breach of a compromise agreement reached in January 2003; and in other breaches, for damages; further or other relief; interest and costs and etc. in February 2006 under High Court Number of HCCL 5 of 2006 (the “Case”). The Case is still in progress and no date has been fixed for trial.
- (b) Dadi Media Limited, a wholly-owned subsidiary of Sino-i, as plaintiff, issued a claim against two minority shareholders of CE Dongli Technology Group Company Limited (now known as 數碼慧谷置業管理股份有限公司), a subsidiary of Sino-i, for the sum of HK\$27,750,498 together with interest thereon and costs in May 2004 under the High Court Number of HCA1130 of 2004. The two defendants filed a defence and counterclaim in June 2004 and then an amended defence and counterclaim in September 2004. The counterclaim was further amended and re-amended. In December 2004, the two defendants issued a claim against CE ASP, a wholly-owned subsidiary of Dadi Media Limited, for (1) the sum of HK\$806,250; (2) an award of compensation pursuant to section 32P of the Employment Ordinance; (3) the sum of HK\$13,000; and (4) interest and costs under High Court Number HCA2892 of 2004. CE ASP filed a defence in March 2005. These two cases are still in progress and no trial date has been fixed.

The Group, after discussion with legal advisors considered that it would not incur a material outflow of resources as a result of the above matters.

### 48. 待決訴訟

- (a) 就Banco Unibank於2003年2月向菲律賓公司Waterfront Philippines Inc. (「Waterfront」) 聲稱出售由Acesite Limited(「Acesite」)抵押之菲律賓股份，中國數碼前附屬公司Acesite、中國數碼全資附屬公司積德投資有限公司、身兼本公司及中國數碼主席兼執行董事之于品海先生以及中國數碼前全資附屬公司South Port Development Limited，分別作為第一、第二、第三及第四原告於2006年2月就最高法院訴訟編號HCCL 5-2006項下損失、額外或其他補償、利息及費用等，向Banco Unibank及Waterfront提出索償，理據為聲稱出售菲律賓股份屬違法，此乃由於該出售違反抵押條款；違反於2003年1月達成之妥協協議；及其他違反(「案件」)。案件仍在進行中，尚未確定審訊日期。
- (b) 中國數碼全資附屬公司大地傳播有限公司作為原告，就最高法院訴訟編號HCA1130-2004項下為數27,750,498港元之金額，連同應計利息及費用，於2004年5月向中國數碼附屬公司中企動力科技集團股份有限公司(現稱為數碼慧谷置業管理股份有限公司)兩名少數股東索償。該兩名被告於2004年6月提出抗辯及反訴，其後於2004年9月提出經修訂抗辯及反訴。該反訴隨後進一步修訂及再修訂。2004年12月，該兩名被告就最高法院訴訟編號HCA2892-2004項下(1)806,250港元；(2)就僱傭條例第32P條項下補償；(3)13,000港元；及(4)利息及費用，向大地傳播有限公司全資附屬公司中國企業網提出索償。中國企業網於2005年3月提出抗辯。該兩宗案件至今仍在進行中，且尚未確定審訊日期。

本集團在與法律顧問商討後，認為上述事宜不會導致重大資源流出。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 49. RELATED PARTY TRANSACTIONS

- (a) The remuneration of the directors and other members of the key management during the year is disclosed in note 44.
- (b) During the year, the Group entered into the following transactions with related parties:

### 49. 關連方交易

- (a) 年內董事及其他主要管理人員之薪酬於附註44披露。
- (b) 年內，本集團與關連方進行以下交易：

		Transaction amounts 交易額 2017 HK\$'000 千港元	Balance owed/ (owing) 被結欠/ (結欠)結餘 2017 HK\$'000 千港元
<b>Non-exempted continuing connected transactions</b>	<b>非豁免持續關連交易</b>		
Provision of motion pictures by: A company controlled by a director	由以下公司提供影片： 由一名董事控制之公司	(1,056,095)	-
Amount in relation to provision of motion pictures Amount in relation to provision of motion pictures, less distributor fees*	提供影片之相關款項 提供影片之相關款項減發行人 費用*	(2,864)	(123,534)
Provision of advertising services to: A company controlled by a director	向以下公司提供廣告服務： 由一名董事控制之公司	7,309	789
Sales of projection equipment to: A company controlled by a director	向以下公司銷售放映設備： 由一名董事控制之公司	-	2,702
<b>Non-exempted connected transactions</b>	<b>非豁免關連交易</b>		
Advance from: A non-controlling shareholder of a subsidiary	來自以下人士之墊款： 一間附屬公司之非控股股東	-	(12,135)
Loan to: A company controlled by a director	向以下公司提供貸款： 由一名董事控制之公司	231,348	240,211
Interest income on loan to: A company controlled by a director	向以下公司提供貸款之利息收入： 由一名董事控制之公司	13,592	14,113
<b>Exempted connected transactions</b>	<b>獲豁免關連交易</b>		
Rental income received: Companies controlled by a director	來自以下公司之租金收入： 由一名董事控制之公司	1,443	131
Provision of advertising services by: A company controlled by a director	由以下公司提供廣告服務： 由一名董事控制之公司	(2,366)	-
Information service income from: Companies controlled by a director	來自以下公司之資訊服務收入： 由一名董事控制之公司	1,101	5
Film investment income from: A company controlled by a director	來自以下公司之電影投資收入： 由一名董事控制之公司	421	437

\* The Group entered into a business cooperation framework agreement in relation to payment for box sharing motion pictures, on 31 November 2017. Per the agreement a certain percentage of the net box office for a box sharing motion pictures was attributed to the distributor while only up to 1% was for the benefits of a company controlled by a director.

\* 本集團於2017年11月31日就分帳影片之付款訂立業務合作框架協議。根據協議，分帳影片淨票房之若干百分比歸予發行人，而僅最多1%歸一名董事控制之公司所有。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 49. RELATED PARTY TRANSACTIONS (Continued)

(b) (Continued)

#### 49. 關連方交易(續)

(b) (續)

		Transaction amounts 交易額 2016 HK\$'000 千港元	Balance owed/ (owing) 被結欠/ (結欠)結餘 2016 HK\$'000 千港元
<b>Non-exempted continuing connected transactions</b>	<b>非豁免持續關連交易</b>		
Provision of motion pictures by: A company controlled by a director	由以下公司提供影片： 由一名董事控制之公司	(1,061,214)	(80,758)
Provision of advertising services to: A company controlled by a director	向以下公司提供廣告服務： 由一名董事控制之公司	18,367	18,658
Sales of projection equipment to: A company controlled by a director	向以下公司銷售放映設備： 由一名董事控制之公司	-	4,702
<b>Non-exempted connected transactions</b>	<b>非豁免關連交易</b>		
Disposal of shares of a subsidiary to: A limited partnership controlled by a director	向以下公司出售附屬公司 之股份： 由一名董事控制之有限 合夥企業	167,560	167,560
Acquisition of shares of a subsidiary from: A company partially owned by a shareholder	向以下公司收購附屬公司 之股份： 由一名股東部分擁有之公司	(895,876)	-
Advance from: A non-controlling shareholder of a subsidiary	來自以下人士之墊款： 一間附屬公司之非控股股東	N/A* 不適用*	(12,046)
<b>Exempted connected transactions</b>	<b>獲豁免關連交易</b>		
Rental income received: Companies controlled by a director	來自以下公司之租金收入： 由一名董事控制之公司	809	50
Provision of advertising services by: A company controlled by a director	由以下公司提供廣告服務： 由一名董事控制之公司	(2,424)	(216)
Provision of motion pictures to: A company controlled by a director	向以下公司提供影片： 由一名董事控制之公司	50	48
Purchase of projection equipment from: A company controlled by a director	向以下公司購買放映設備： 由一名董事控制之公司	N/A* 不適用*	(6,118)
Deposits paid to: A company controlled by a director	向以下公司支付訂金： 由一名董事控制之公司	N/A* 不適用*	2,122
Information service income from: Companies controlled by a director	來自以下公司之資訊服務收入： 由一名董事控制之公司	201	-

\* The transaction was made before the companies became related parties

\* 該等交易於該等公司成為關連方前作出。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 49. RELATED PARTY TRANSACTIONS (Continued)

(b) (Continued)

Note:

The terms of above transactions are within normal trade credit terms and above balances owed/(owing) related parties are unsecured, interest-free and repayable on demand, except for the loan to a company controlled by a director, Ms. Liu Rong, of RMB200,000,000 (equivalent to approximately HK\$240,211,000) which is unsecured, due on 10 May 2020 and carries interest rate at 9.00% per annum (31 December 2016: the amount owed from a limited partnership controlled by a director, Ms. Liu Rong, of HK\$167,560,000 was unsecured, interest-free and receivable on or before 23 March 2017). The maximum outstanding balance during the year is equal to the balance as at the year ended date (During the year ended 31 December 2016: HK\$167,560,000).

Except as disclosed in these financial statements, there was no material related party transaction carried out during the year.

### 50. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations and in its investment activities. The financial risks include market risk (including currency risk, interest risk and other price risk), credit risk and liquidity risk.

Financial risk management is coordinated at the Group's headquarters, in close co-operation with the Board. The overall objectives in managing financial risks focus on securing the Group's short to medium term cash flows by minimising its exposure to financial markets. Long term financial investments are managed to generate lasting returns with acceptable risk levels.

It is not the Group's policy to actively engage in the trading of financial instruments for speculative purposes. The Board from time to time identifies ways to access financial markets and monitors the Group's financial risk exposures.

### 49. 關連方交易(續)

(b) (續)

附註：

上述交易之條款屬正常貿易信貸條款，而上述被結欠／(結欠)關連方餘額為無抵押、免息及須按要求償還，惟為數人民幣200,000,000元(相當於約240,211,000港元)為向由一名董事劉榮女士控制之公司之貸款(有關貸款為無抵押、於2020年5月10日到期並按9.00%年利率計息)(2016年12月31日：應收由一名董事劉榮女士控制之一間有限合夥企業款項167,560,000港元，為無抵押、免息及須於2017年3月23日或之前收回)除外。年內最高未償還結餘相當於年結日結餘(截至2016年12月31日止年度：167,560,000港元)。

除該等財務報表所披露項外，年內概無進行重大關連方交易。

### 50. 財務風險管理及公允價值計量

本集團於日常業務及投資活動中使用金融工具而承擔財務風險。財務風險包括市場風險(包括貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。

財務風險管理由本集團總部與董事會緊密合作統籌。管理財務風險之整體目標旨在藉盡量降低本集團於金融市場之風險，從而確保本集團短期至中期之現金流。長期金融投資之管理為在可接受風險水平下帶來持續回報。

本集團之政策並非積極參與金融工具買賣投機。董事會不時物色進入金融市場之方法，並監察本集團之財務風險。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 50. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 50.1 Categories of financial assets and liabilities

The carrying amounts presented in the consolidated statement of financial position relate to the following categories of financial assets and liabilities:

### 50. 財務風險管理及公允價值計量 (續)

#### 50.1 金融資產及負債之分類

下列類別金融資產及負債於綜合財務狀況報表中呈列之賬面值：

		2017 Carrying amount 賬面值 HK\$'000 千港元	2017 Fair value 公允價值 HK\$'000 千港元	2016 Carrying amount 賬面值 HK\$'000 千港元	2016 Fair value 公允價值 HK\$'000 千港元
<b>Financial assets</b>	<b>金融資產</b>				
Available-for-sale financial assets	可供出售之金融資產				
— at fair value	— 按公允價值計量	324	324	324	324
— at cost	— 按成本計量	135,591	N/A 不適用	—	—
Held-to-maturity investment	持有至到期投資	120,106	120,106	111,707	111,707
Financial assets at fair value through profit or loss	按公允價值於損益賬處理之金融資產	199,474	199,474	24,597	24,597
Loans and receivables:	貸款及應收款項：				
— Trade receivables	— 應收貿易款項	679,668	679,668	324,791	324,791
— Other receivables	— 其他應收款項	2,045,154	2,045,154	1,391,700	1,391,700
— Amounts due from related parties	— 應收關連方款項	258,388	258,388	193,140	193,140
— Amounts due from associates	— 應收聯營公司款項	11,238	11,238	6,485	6,485
— Amount due from a joint venture	— 應收一間合營企業款項	2,491	2,491	—	—
Pledged and restricted bank deposits	已抵押及受限制銀行存款	8,672,079	8,672,079	6,998,812	6,998,812
Cash and cash equivalents	現金及等同現金項目	4,397,710	4,397,710	1,172,620	1,172,620
		<b>16,522,223</b>	<b>16,386,632</b>	10,224,176	10,224,176

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 50. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

##### 50.1 Categories of financial assets and liabilities (Continued)

		2017 Carrying amount 賬面值 HK\$'000 千港元	2017 Fair value 公允價值 HK\$'000 千港元	2016 Carrying amount 賬面值 HK\$'000 千港元	2016 Fair value 公允價值 HK\$'000 千港元
<b>Financial liabilities</b>	<b>金融負債</b>				
Financial liabilities at fair value through profit or loss	按公允價值於損益賬處理之金融負債	<b>86,908</b>	<b>86,908</b>	113,717	113,717
Financial liabilities at amortised cost:	按攤銷成本計量之金融負債：				
— Trade payables	— 應付貿易款項	<b>2,144,942</b>	<b>2,144,942</b>	1,497,160	1,497,160
— Other payables and accruals	— 其他應付款項及應計費用	<b>1,362,414</b>	<b>1,362,414</b>	1,187,548	1,187,548
— Amount due to a director	— 欠一名董事款項	<b>9,878</b>	<b>9,878</b>	30,108	30,108
— Amounts due to associates	— 欠聯營公司款項	<b>5,492</b>	<b>5,492</b>	5,505	5,505
— Amounts due to related parties	— 欠關連方款項	<b>135,669</b>	<b>135,669</b>	99,138	99,138
— Bank and other borrowings	— 銀行及其他借貸	<b>22,896,454</b>	<b>22,896,454</b>	14,381,866	14,381,866
— Convertible and exchangeable bonds	— 可換股及可交換債券	<b>1,172,381</b>	<b>1,172,381</b>	1,010,036	1,010,036
— Finance lease liabilities	— 融資租賃負債	<b>87,173</b>	<b>87,173</b>	75,501	75,501
— Other employee benefits	— 其他僱員福利	<b>2,064</b>	<b>2,064</b>	—	—
		<b>27,903,375</b>	<b>27,903,375</b>	18,400,579	18,400,579

##### 50.2 Foreign currency risk

*Transactions in foreign currencies and the Group's risk management policies*

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has exposure to some of its borrowings which is denominated in United States dollars (US\$) whereas the Group's major operations and cash flows are in Renminbi. The exposure to foreign exchange risk is shown as below.

The policy to manage foreign currency risk has been followed by the Group since prior years and is considered to be effective.

##### 50.2 貨幣風險

*以外幣交易及本集團之風險管理政策*

貨幣風險指金融工具之公允價值或未來現金流量因匯率變動而出現波動之風險。本集團承受以美元(美元)計值之部分借貸之風險，而本集團主要營運及現金流量則以人民幣計值。本集團所承受之外幣風險載列如下。

本集團一直沿用過往年度之外幣風險管理政策，並認為其具有成效。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 50. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 50.2 Foreign currency risk (Continued)

##### Summary of exposure

US\$ denominated financial assets and liabilities, translated into Hong Kong dollars at the closing rates, are as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Cash and cash equivalents	現金及等同現金項目	553,382	442,161
Trade receivables	應收貿易款項	134	106,770
Trade payables	應付貿易款項	(697)	(105,017)
Other payables	其他應付款項	(30,864)	(272,800)
Other receivables	其他應收款項	259,381	76,044
Bank and other borrowings	銀行及其他借貸	(10,696,960)	(3,798,167)
		<b>(9,915,624)</b>	<b>(3,551,009)</b>

##### Sensitivity analysis

The following table illustrate the sensitivity of the Group's profit for the year and equity in regards to a 0.5% (2016: 0.5%) strengthening/ (weakening) of US\$ against RMB at the reporting date and that all other variables in particular interest rates remain constant.

		2017			2016		
		Changes in foreign exchange rates 外幣匯率 變動	(Decrease)/ Increase in profit for the year 年內溢利 (減少)/增加 HK\$'000 千港元	(Decrease)/ Increase in equity 權益 (減少)/增加 HK\$'000 千港元	Changes in foreign exchange rates 外幣匯率 變動	(Decrease)/ Increase in profit for the year 年內溢利 (減少)/增加 HK\$'000 千港元	(Decrease)/ Increase in equity 權益 (減少)/增加 HK\$'000 千港元
US\$/RMB	美元/人民幣	+0.5%	(49,578)	(49,578)	+0.5%	(17,755)	(17,755)
		-0.5%	49,578	49,578	-0.5%	17,755	17,755

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting date.

### 50. 財務風險管理及公允價值計量 (續)

#### 50.2 貨幣風險 (續)

##### 風險概要

以美元列值之金融資產及負債以收市匯率換算為港元，載列如下：

##### 敏感度分析

下表說明美元兌人民幣於報告日期升值/(貶值)0.5% (2016年：0.5%) 而所有其他變數(特別是利率)維持不變之情況對本集團年內溢利及權益之敏感度。

上述變動指管理層對外幣匯率於截至下一年度報告日期止期間之合理可能變動之評估。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 50. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

### 50.3 Cash flow interest rate risk

The Group is exposed to interest rate risk through the impact of interest rate changes on interest bearing bank and other borrowings, cash and cash equivalents and pledged and restricted bank deposits carrying interests at variable rates. Bank and other borrowings, cash and cash equivalents, pledged and restricted bank deposits carried at variable rates expose the Group to cash flow interest rate risk. The Group will review whether bank and other borrowings bearing fixed or floating rates should be drawn from time to time with reference to the trend of changes in interest rates. The interest rates and repayment terms of bank and other borrowings, and cash and cash equivalents and pledged and restricted bank deposits of the Group are disclosed in the financial statements. The Group currently does not have an interest rate hedging policy. However, the directors monitor interest rate change exposure and will consider hedging significant interest rate exchange exposure should the need arise.

#### *Cash flow interest rate risk sensitivity*

At 31 December 2017, the Group was exposed to changes in market interest rates through its bank and other borrowings, cash and cash equivalents and pledged and restricted bank deposits, which are subject to variable interest rates. The following table illustrates the sensitivity of the loss/profit for the year and accumulated losses to a change in interest rates of +50 basis points and -50 basis points (2016: +50 basis points and -50 basis points), with effect from the beginning of the year. The calculations are based on the Group's bank and other borrowings and bank balance held at each reporting date. All other variables are held constant.

## 50. 財務風險管理及公允價值計量 (續)

### 50.3 現金流量利率風險

本集團就以浮動利率計息之銀行及其他借貸、現金及等同現金項目以及已抵押及受限制銀行存款之利率變動承擔利率風險。按浮動利率計息之銀行及其他借貸、現金及等同現金項目以及已抵押及受限制銀行存款令本集團承擔現金流量利率風險。本集團將參考利率轉變走勢不時檢討提取按定息或浮息計息之銀行及其他借貸。本集團之銀行及其他借貸、現金及等同現金項目以及已抵押及受限制銀行存款之利率及還款條款於財務報表披露。本集團現時並無任何利率對沖政策。然而，董事監控利率變動風險，並將於有需要時考慮對沖重大利率匯兌風險。

#### *現金流量利率風險敏感度*

於2017年12月31日，本集團因按浮動利率計息之銀行及其他借貸、現金及等同現金項目以及已抵押及受限制銀行存款而承擔市場利率變動之風險。下表闡述自年初起計，年內虧損／溢利及累計虧損對利率變動+50個基點及-50個基點(2016年：+50個基點及-50個基點)之敏感度，此乃根據本集團於各報告日期持有之銀行及其他借貸以及銀行結餘計算。所有其他變數維持不變。



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 50. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 50.3 Cash flow interest rate risk (Continued)

		2017 (Decrease)/ Increase in Changes in basis points 年內溢利 權益 基點變動 (減少)/增加 HK\$'000 千港元			2016 (Decrease)/ Increase in Changes in basis points 年內溢利 權益 基點變動 (減少)/增加 HK\$'000 千港元		
		(Decrease)/ Increase in profit for the year 年內溢利 HK\$'000 千港元	(Decrease)/ Increase in equity 權益 HK\$'000 千港元			(Decrease)/ Increase in profit for the year 年內溢利 HK\$'000 千港元	(Decrease)/ Increase in equity 權益 HK\$'000 千港元
Interest rate	利率	+50	(1,016)	(1,016)	+50	(3,031)	(3,031)
		-50	1,016	1,016	-50	3,031	3,031

#### 50.4 Other price risk

Other price risk relates to the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than changes in interest rates and foreign exchange rates). The Group is exposed to change in market prices in respect of its investments in listed equity securities classified as financial assets at fair value through profit and loss.

To manage its market price risk arising from these investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by Board. The Group's listed investments are listed on the Stock Exchange of Hong Kong, Shenzhen and Shanghai, Mainland China. Decisions to buy or sell trading securities are based on daily monitoring of the performance of individual securities compared to that of the index and other industry indicators, as well as the Group's liquidity needs. Investments held in the available for sale portfolio have been chosen based on their longer term growth potential and are monitored regularly for performance against expectations.

The policies to manage other price risk have been followed by the Group since prior years and are considered to be effective.

### 50. 財務風險管理及公允價值計量 (續)

#### 50.3 現金流量利率風險 (續)

#### 50.4 其他價格風險

其他價格風險指金融工具之公允價值或未來現金流量因市場價格變動(利率及匯率變動除外)而出現波動之風險。本集團就其分類為按公允價值於損益賬處理之金融資產之上市股本證券投資承擔市場價格變動風險。

為管理該等投資產生之市場價格風險，本集團分散其投資組合。分散投資組合乃按照董事會所定限制作出。本集團之上市投資乃於香港聯合交易所以及中國內地深圳及上海證券交易所上市。買入或賣出證券之決定乃根據每日監察個別證券對指數或其他市場指標之表現及本集團之流動現金需要作出。於可供出售投資組合中持有之投資乃按其長期增長潛力選取，並定期監察其表現是否符合預期。

本集團一直沿用過往年度其他價格風險管理政策，認為其具有成效。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 50. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 50.4 Other Price risk (Continued)

##### Equity price sensitivity

For listed equity securities, an average volatility of 32.0% has been observed in 2017 (2016: 14.0%). The following table illustrates the sensitivity of the Group's profit for the year and equity in regards to 32.0% (2016: 14.0%) volatility in respect of listed equity securities classified as held for trading.

		2017			2016		
		Changes in equity price	Increase/(Decrease) in profit for the year	Increase/(Decrease) in equity	Changes in equity price	Increase/(Decrease) in profit for the year	Increase/(Decrease) in equity
		股本價格變動	年內溢利增加/(減少)	權益增加/(減少)	股本價格變動	年內溢利增加/(減少)	權益增加/(減少)
			HK\$'000	HK\$'000		HK\$'000	HK\$'000
			千港元	千港元		千港元	千港元
Listed equity securities	上市股本證券	+32.0%	63,426	63,426	+14.0%	3,592	3,592
		-32.0%	(63,426)	(63,426)	-14.0%	(3,592)	(3,592)

The assumed volatilities of listed securities represent the management's assessment of a reasonably possible change in these security price over the next twelve-month period.

### 50. 財務風險管理及公允價值計量 (續)

#### 50.4 其他價格風險 (續)

##### 股價敏感度

就上市股本證券而言，於2017年觀察得出之平均波幅為32.0% (2016年：14.0%)。下表說明分類為持作買賣之上市股本證券32.0% (2016年：14.0%) 波幅對本集團之年內溢利及權益之敏感度。

上市證券之假設波幅指管理層對該等證券價格於未來十二個月期間之合理可能變動之評估。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 50. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 50.5 Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group. As at 31 December 2017, the Group's maximum exposure to credit risk in the event of counterparties' failure to perform their obligation and financial guarantees provided by the Group is arising from:

- carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position; and
- the amount of contingent liabilities in relation to the financial guarantees provided by the Group as disclosed in note 46.

In order to minimise the credit risk, the management of the Group has formulated a defined fixed credit policy and delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade receivable regularly at each reporting date to ensure that adequate impairment losses are made for irrecoverable amount. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

Further quantitative disclosure in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 24 and note 20, respectively.

### 50. 財務風險管理及公允價值計量 (續)

#### 50.5 信貸風險

信貸風險指金融工具之交易對方無法根據金融工具之條款履行其項下之責任，並令本集團出現財務虧損。於2017年12月31日，本集團於交易對方不能履行彼等之債務及本集團提供財務擔保情況下面對之最大信貸風險來自：

- 綜合財務狀況報表內相關已確認金融資產之賬面值；及
- 附註46所披露本集團提供之財務擔保相關或然負債金額。

為盡量減低信貸風險，本集團管理層已制定一項明文固定信貸政策，並成立專責小組負責釐定信貸限制、信貸審批及其他監控程序，以確保採取跟進措施收回過期債務。此外，本集團於各報告日期定期審閱各個別應收貿易款項之可收回金額，確保已就不可收回金額作出足夠減值虧損撥備。就此，本公司董事認為，本集團之信貸風險已大幅減少。

本集團並無重大集中信貸風險，風險分散至多個交易對方及客戶。

本集團來自應收貿易款項及其他應收款項之信貸風險之進一步數據披露分別載於附註24及附註20。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

## 50. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

### 50.6 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and availability of funding through the ability to close-out market positions. In the opinion of the Company's directors, the Group does not have any significant liquidity risk exposure taking into account of new banking facilities obtained in 2017.

The following table details the remaining contractual maturities at the reporting date of the Group's non-derivative financial liabilities and derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the reporting date) and the earliest date the Group can be required to pay:

		Carrying amount	Total contractual undiscounted cash flow	On demand or within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years
		賬面值	未貼現合約現金流量總計	按要求或一年內	超過一年但少於兩年	超過兩年但少於五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>As at 31 December 2017</b>	<b>於2017年12月31日</b>					
<b>Non-derivatives:</b>	<b>非衍生工具：</b>					
Trade payables	應付貿易款項	2,144,942	2,145,659	2,137,796	7,863	-
Other payables and accruals	其他應付款項及應計費用	1,362,414	1,362,414	1,362,414	-	-
Amount due to a director	欠一名董事款項	9,878	9,878	9,878	-	-
Amounts due to associates	欠聯營公司款項	5,492	5,492	5,492	-	-
Amounts due to related parties	欠關連方款項	135,669	135,669	135,669	-	-
Bank and other borrowings	銀行及其他借貸	22,896,454	24,997,917	10,773,663	3,895,134	10,329,120
Convertible and exchangeable bonds	可換股及可交換債券	1,172,381	1,172,381	1,172,381	-	-
Finance lease liabilities	融資租賃負債	87,173	92,024	63,098	24,594	4,332
Other employee benefits	其他僱員福利	2,064	2,064	-	-	2,064
		27,816,467	29,923,498	15,660,391	3,927,591	10,335,516
Financial guarantee issued	已發出財務擔保					
Maximum amount guaranteed	最高擔保金額	-	19,552	19,552	-	-
<b>Derivatives:</b>	<b>衍生工具：</b>					
Financial liabilities at fair value through profit or loss	按公允價值於損益賬處理之金融負債	86,908	86,908	86,908	-	-

## 50. 財務風險管理及公允價值計量 (續)

### 50.6 流動資金風險

審慎流動資金風險管理指透過於市場平倉之能力持有充裕現金及可供動用資金。考慮到於2017年取得之新銀行融資，本公司董事認為，本集團並無任何重大流動資金風險。

下表詳列本集團非衍生金融負債及衍生金融負債於報告日期之剩餘合約到期情況，乃根據未貼現合約現金流量（包括按訂約利率或（若為浮息）按報告日期之即期利率計算之利息付款）及本集團可能需要支付之最早日期而得出：

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 50. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 50.6 Liquidity risk (Continued)

		Carrying amount	Total contractual undiscounted cash flow 未貼現合約現金流量總計	On demand or within 1 year 按要求或一年內	More than 1 year but less than 2 years 超過一年但少於兩年	More than 2 years but less than 5 years 超過兩年但少於五年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 31 December 2016	於2016年12月31日					
Non-derivatives:	非衍生工具：					
Trade payables	應付貿易款項	1,497,160	1,498,560	1,455,695	38,515	4,350
Other payables and accruals	其他應付款項及應計費用	1,187,548	1,187,548	1,187,548	-	-
Amount due to a director	欠一名董事款項	30,108	30,108	30,108	-	-
Amounts due to associates	欠聯營公司款項	5,505	5,505	5,505	-	-
Amounts due to related parties	欠關連方款項	99,138	99,138	99,138	-	-
Bank and other borrowings	銀行及其他借貸	14,381,866	17,568,757	6,907,056	7,085,269	3,576,432
Convertible and exchangeable bonds	可換股及可交換債券	1,010,036	1,010,036	1,010,036	-	-
Finance lease liabilities	融資租賃負債	75,501	83,294	38,716	37,029	7,549
		18,286,862	21,482,946	10,733,802	7,160,813	3,588,331
Financial guarantee issued	已發出財務擔保					
Maximum amount guaranteed	最高擔保金額	-	18,594	18,594	-	-
Derivatives	衍生工具：					
Financial liabilities at fair value through profit or loss	按公允價值於損益賬處理之金融負債	113,717	113,717	113,717	-	-

For term loans and convertible and exchangeable bonds which contain a repayment on demand clause that can be exercised at the lenders' sole discretion, the analysis above shows the cash outflows based on the earliest period in which the Group can be required to pay, that is if the lenders were to invoke their unconditional rights to call the loans with immediate effect.

就載有出借人可全權行使酌情權提出還款要求條文之定期貸款以及可換股及可交換債券而言，上述分析顯示按本集團可能被要求付款之最早期限（即倘出借人援引其要求即時償還貸款之無條件權利）計算之現金流出。

### 50. 財務風險管理及公允價值計量 (續)

#### 50.6 流動資金風險 (續)

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 50. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 50.6 Liquidity risk (Continued)

Taking into account the Group's financial position, the directors of the Company do not consider it's probable that the lenders will exercise its discretion to demand immediate repayment. The directors of the Company believe that such term loans and convertible and exchangeable bonds will be repaid in accordance with the scheduled payment dates set out in the agreements which are summarised in the table below:

	Carrying amount	Total contractual undiscounted cash flow	On demand or within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	
賬面值	未貼現合約現金流量總計	按要求或一年內	超過一年但少於兩年	超過兩年但少於五年		
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
千港元	千港元	千港元	千港元	千港元	千港元	
As at 31 December 2017	於2017年12月31日	24,068,835	26,227,189	12,001,976	3,896,093	10,329,120
As at 31 December 2016	於2016年12月31日	15,391,902	18,732,889	6,932,337	8,224,121	3,576,431

#### 50.7 Fair value

The carrying amounts of the following financial assets and financial liabilities approximate their fair value as all of them are in short-term nature: pledged and restricted bank deposits, cash and cash equivalents, trade receivables and payables, other receivables and payables, current portion of bank and other borrowings, finance lease liabilities and amounts due from/(to) a director/associates/related parties/a joint venture. Analysis of the interest rate and carrying amounts of borrowings are presented in note 29 and note 30 to the financial statements.

The fair value of listed securities held for trading is determined with reference to quoted price in active markets and grouped into Level 1.

### 50. 財務風險管理及公允價值計量 (續)

#### 50.6 流動資金風險 (續)

經計及本集團之財務狀況後，本公司董事認為出借人不大可能行使其酌情權要求即時還款。本公司董事認為，該等定期貸款以及可換股及可交換債券將按照該等協議所載之預期付款日期償還，有關概要見下表：

#### 50.7 公允價值

由於全為短期性質，以下金融資產及金融負債之賬面值與其公允價值相若：已抵押及受限制銀行存款、現金及等同現金項目、應收及應付貿易款項、其他應收及應付款項、銀行及其他借貸之流動部分、融資租賃負債以及應收/(欠)一名董事/聯營公司/關連方/一間合營企業款項。借貸之利率及賬面值分析載於財務報表附註29及附註30。

持作買賣之上市證券之公允價值乃參照活躍市場報價而釐定並列入第1層。

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 50. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 50.7 Fair value (Continued)

The fair value of the club debenture are determined with reference to the quoted market bid price available to the second-hand market as at the reporting date. Given that the second hand market is not considered as an active market, the fair value of the club debenture is grouped into level 2.

The following table provides an analysis of financial instruments carried at fair value by level of fair value hierarchy. The hierarchy groups financial assets and liabilities into three level based on the relative reliability of significant inputs used in measuring the fair value of these financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the financial asset or liability is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

### 50. 財務風險管理及公允價值計量 (續)

#### 50.7 公允價值 (續)

會所債券之公允價值乃參照報告日期二手市場可得之市場投標報價。由於二手市場並不視為活躍市場，會所債券之公允價值列入第2層。

下表呈列根據公允價值架構，於財務狀況報表內按公允價值計量之金融資產及負債。此架構根據計量此等金融資產及負債之公允價值所使用之主要資料輸入之相對可靠性，將金融資產及負債劃分為三層。公允價值架構分為以下各層：

- 第1層：相同資產或負債於活躍市場之報價(未經調整)；
- 第2層：就資產或負債而直接(即價格)或間接(即從價格推算)可觀察之資料輸入(不包括第1層所包含之報價)；及
- 第3層：並非根據可觀察之市場數據而得出之資產或負債資料輸入(無法觀察資料輸入)。

金融資產或負債整體所應歸入之公允價值架構內之層次，乃基於對公允價值計量屬重大之最低層次輸入資料劃分。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

#### 50. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

##### 50.7 Fair value (Continued)

The financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

#### 50. 財務風險管理及公允價值計量 (續)

##### 50.7 公允價值 (續)

於財務狀況報表內按公允價值計量之金融資產及負債乃劃分為以下之公允價值架構：

		Level 1 第1層 HK\$'000 千港元	Level 2 第2層 HK\$'000 千港元	Level 3 第3層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>As at 31 December 2017</b>	<b>於2017年12月31日</b>				
<b>Assets</b>	<b>資產</b>				
Available-for-sale financial assets — club debenture	可供出售金融資產 — 會所債券	-	324	-	324
Financial assets at fair value through profit or loss — listed securities held for trading	按公允價值於損益賬處理之金融資產 — 持作買賣之上市證券	199,474	-	-	199,474
<b>Total fair value</b>	<b>公允價值總額</b>	<b>199,474</b>	<b>324</b>	<b>-</b>	<b>199,798</b>
<b>Liabilities</b>	<b>負債</b>				
Financial liability at fair value through profit or loss — embedded derivatives	按公允價值於損益賬處理之金融負債 — 嵌入式衍生工具	-	-	86,908	86,908
<b>Total fair value</b>	<b>公允價值總額</b>	<b>-</b>	<b>-</b>	<b>86,908</b>	<b>86,908</b>
<b>As at 31 December 2016</b>	<b>於2016年12月31日</b>				
<b>Assets</b>	<b>資產</b>				
Available-for-sale financial assets — club debenture	可供出售金融資產 — 會所債券	-	324	-	324
Financial assets at fair value through profit or loss — listed securities held for trading	按公允價值於損益賬處理之金融資產 — 持作買賣之上市證券	24,597	-	-	24,597
<b>Total fair value</b>	<b>公允價值總額</b>	<b>24,597</b>	<b>324</b>	<b>-</b>	<b>24,921</b>
<b>Liabilities</b>	<b>負債</b>				
Financial liability at fair value through profit or loss — embedded derivatives	按公允價值於損益賬處理之金融負債 — 嵌入式衍生工具	-	-	113,717	113,717
<b>Total fair value</b>	<b>公允價值總額</b>	<b>-</b>	<b>-</b>	<b>113,717</b>	<b>113,717</b>



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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 50. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 50.7 Fair value (Continued)

There have been no significant transfers between level 1, 2 and 3 in the reporting period. The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

Reconciliation for financial instruments carried at fair value based on significant unobservable inputs (Level 3) are as follows:

### 50. 財務風險管理及公允價值計量 (續)

#### 50.7 公允價值 (續)

於報告期間，第1層、第2層及第3層之間並無重大轉撥。用於計量公允價值之方法及估值技術與過往報告期間相比並無改變。

按重大不可觀察資料輸入(第3層)計算之按公允價值列賬之金融工具之對賬載列如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
<b>Financial liabilities at fair value through profit or loss — embedded derivatives</b>	<b>按公允價值於損益賬處理之金融負債 — 嵌入式衍生工具</b>		
At 1 January	於1月1日	<b>113,717</b>	121,589
Issuance of the Bonds	發行債券	-	167,504
Change in fair value of embedded derivatives	嵌入式衍生工具公允價值變動	<b>(26,809)</b>	(48,374)
Exercise of option in business combination	於業務合併行使期權	-	(121,589)
Exchange differences	匯兌差額	-	(5,413)
<b>At 31 December</b>	<b>於12月31日</b>	<b>86,908</b>	113,717

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2017 截至2017年12月31日止年度

### 51. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the current and previous years.

The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. Net debt is calculated as the sum of bank and other borrowings, convertible and exchangeable bonds and finance lease liabilities less the sum of pledged and restricted bank deposits and cash and cash equivalents as shown in the statements of financial position. The Group aims to maintain the gearing ratio at a reasonable level. The gearing ratios as at the reporting date were as follows:

### 51. 資本管理

本集團資本管理之主要目標為保持強勁信貸評級及穩健資本比率，以支持業務發展及提高股東價值。

本集團管理其資本結構，並因應經濟狀況之轉變作出調整。為維持或調整資本結構，本集團可能調整應付股東股息、向股東給予資本回報或發行新股。本集團於本年度及過往年度之資本管理目標、政策或程序並無變動。

本集團使用資產負債比率監控資本，即債務淨額除以總權益加債務淨額。債務淨額乃以於財務狀況報表所示銀行及其他借貸、可換股及可交換債券以及融資租賃負債之總和減已抵押及受限制銀行存款，以及現金及等同現金項目之總和計算。本集團之目標為維持資本負債比率於合理水平。於報告日期之資本負債比率如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
<b>Current liabilities</b>	<b>流動負債</b>		
Bank and other borrowings	銀行及其他借貸	9,653,920	4,784,912
Finance lease liabilities	融資租賃負債	59,189	33,330
Convertible and exchangeable bonds	可換股及可交換債券	1,172,381	1,010,036
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Bank and other borrowings	銀行及其他借貸	13,242,534	9,596,954
Finance lease liabilities	融資租賃負債	27,984	42,171
Total debt	債務總額	24,156,008	15,467,403
Less: Pledged and restricted bank deposits	減：已抵押及受限制銀行存款	(8,672,079)	(6,998,812)
Cash and cash equivalents	現金及等同現金項目	(4,397,710)	(1,172,620)
<b>Net debt</b>	<b>債務淨額</b>	<b>11,086,219</b>	7,295,971
<b>Total equity</b>	<b>權益總額</b>	<b>7,195,250</b>	5,205,999
<b>Total equity and net debt</b>	<b>權益總額及債務淨額</b>	<b>18,281,469</b>	12,501,970
<b>Gearing ratio</b>	<b>資產負債比率</b>	<b>60.64%</b>	58.36%

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

For the year ended 31 December 2017 截至2017年12月31日止年度

### 52. EVENT AFTER REPORTING DATE

On 26 February 2018, 南海智辰投資顧問(北京)有限公司 (Nan Hai Zhichen Investment Consultancy (Beijing) Company Limited) (“Nan Hai Zhichen”), an indirect wholly-owned subsidiary of the Company, as settlor and beneficiary and 渤海國際信託股份有限公司 (Bohai International Trust Company Limited) (the “Trust Company”) as the trustee entered into the contract in relation to the fund in the amount of RMB148,500,000 (equivalent to approximately HK\$178,357,000) (the “Entrusted Fund”) (the “Entrusted Fund Contract”) pursuant to which Nan Hai Zhichen entrusted the Trust Company with the Entrusted Fund for the purposes of granting the Entrusted Loan in the principal amount of RMB148,500,000 (the “Entrusted Loan”) to 北京大地夢工廠投資合夥企業(有限合夥) (Beijing Dadi Dreamworks Investment Partnership (Limited Partnership) (“Dadi Dreamworks”), with a term of five years. The Trust Company as lending agent and Dadi Dreamworks as borrower, entered into an entrusted loan contract pursuant to which the Trust Company granted the Entrusted Loan in the principal amount of RMB148,500,000 to Dadi Dreamworks, with a term of five years.

### 53. COMPARATIVE FIGURES

Comparative amount of cinema advertising income of approximately HK\$135,291,000 has been reclassified from “Other operating income” to “Revenue” in the consolidated income statement for the year ended 31 December 2016, to conform with the presentation in the current year’s consolidated income statement.

### 52. 報告期後事項

於2018年2月26日，本公司間接全資附屬公司南海智辰投資顧問(北京)有限公司(「南海智辰」，作為委託人及受益人)與渤海國際信託股份有限公司(「信託公司」，作為受託人)就為數人民幣148,500,000元(相當於約178,357,000港元)之資金(「委託資金」)訂立合約(「委託資金合約」)，據此，南海智辰向信託公司委託委託資金以向北京大地夢工廠投資合夥企業(有限合夥)(「大地夢工廠」)授出本金額為人民幣148,500,000元之委託貸款(「委託貸款」)，為期五年。信託公司(作為貸款代理)與大地夢工廠(作為借款人)已訂立委託貸款合約，據此，信託公司向大地夢工廠授出本金額為人民幣148,500,000元之委託貸款，為期五年。

### 53. 比較數字

截至2016年12月31日止年度綜合收益表內，影院廣告收入比較金額約135,291,000港元已由「其他經營收入」重新分類至「收益」，以符合本年度綜合收益表之呈列方式。

## List of Properties

### 物業一覽表

#### PROPERTIES UNDER DEVELOPMENT

#### 發展中物業

Location		Interest attributable to the Group in percentage 本集團應佔權益百分比	Floor area on completion in sq.m. (approx.) 落成時樓面面積(概約平方米)	Type of development 發展項目類別	Expected year of completion 估計完成年份	Stage of development 發展階段
物業地點						
Reclaimed site located at Liu Wan, Shekou, Shenzhen, Guangdong Province, the PRC	中國廣東省深圳蛇口六灣之填海土地	100	526,000	Shopping arcade/ residential/hotel/ recreational facilities	2021	Construction in progress
				商場/住宅/ 酒店/娛樂設施	2021年	在建工程
A residential development located at Guanghua Gonglu, Huadu District, Guangdong Province, the PRC	中國廣東省花都區廣花公路之住宅物業發展	100	1,023,000	Commercial/ residential	2021	Construction in progress
				商業/住宅	2021年	在建工程

## Five-Year Financial Summary

### 五年財政摘要

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out as follows:

本集團過去五個財政年度之業績及資產與負債之摘要載列如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元 (Re-presented) (經重列)	2015 HK\$'000 千港元	2014 HK\$'000 千港元	2013 HK\$'000 千港元
Revenue	收益	<b>15,900,885</b>	9,050,870	4,200,117	3,153,015	2,318,601
Profit/(Loss) for the year attributable to:	以下人士應佔年內溢利/(虧損)：					
Owners of the Company	本公司擁有人	<b>1,708,027</b>	1,359,553	238,875	(701,731)	865,197
Non-controlling interests	非控股權益	<b>(105,592)</b>	(81,161)	16,555	(45,248)	(12,635)
Profit/(Loss) for the year	年內溢利/(虧損)	<b>1,602,435</b>	1,278,392	255,430	(746,979)	852,562
Total assets	總資產	<b>46,893,049</b>	32,747,051	17,469,258	12,661,095	12,662,510
Total liabilities	總負債	<b>(39,697,799)</b>	(27,541,052)	(13,552,693)	(8,838,752)	(7,971,619)
Net assets	資產淨值	<b>7,195,250</b>	5,205,999	3,916,565	3,822,343	4,690,891



南海控股

NAN HAI CORPORATION LIMITED

Stock Code 股份代號 : 680  
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