



長城環亞控股有限公司
GREAT WALL PAN ASIA HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)
(Stock Code 股份代號：583)

長城環亞

2018 Annual Report
年度報告



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CORPORATE INFORMATION

公司資料

(as at 18 April 2019)
(於二零一九年四月十八日)

Board of Directors

Chairman of the Board

Mr. Chen Zenan

Executive Directors

Mr. Huang Hu (*Chief Executive Officer*)
Mr. Meng Xuefeng (*Deputy Chief Executive Officer*)

Non-executive Directors

Mr. Chen Zenan
Ms. Lv Jia

Independent Non-executive Directors

Dr. Song Ming
Dr. Sun Mingchun
Ms. Liu Yan

Audit Committee

Ms. Liu Yan (*Chairlady*)
Dr. Song Ming
Mr. Chen Zenan

Remuneration Committee

Dr. Song Ming (*Chairman*)
Mr. Meng Xuefeng
Dr. Sun Mingchun

Nomination Committee

Mr. Chen Zenan (*Chairman*)
Dr. Song Ming
Dr. Sun Mingchun

董事會

董事會主席

陳澤南先生

執行董事

黃虎先生 (*行政總裁*)
孟雪峰先生 (*副行政總裁*)

非執行董事

陳澤南先生
呂佳女士

獨立非執行董事

宋敏博士
孫明春博士
劉艷女士

審核委員會

劉艷女士 (*主席*)
宋敏博士
陳澤南先生

薪酬委員會

宋敏博士 (*主席*)
孟雪峰先生
孫明春博士

提名委員會

陳澤南先生 (*主席*)
宋敏博士
孫明春博士

CORPORATE INFORMATION

公司資料

(as at 18 April 2019)
(於二零一九年四月十八日)

Shareholder Information Online

www.gwpaholdings.com
Our website contains up-to-date information about our Company including financial information, corporate communications and other corporate information

Authorised Representatives

Mr. Meng Xuefeng
Ms. Zheng Yuanyuan

Company Secretary

Ms. Zheng Yuanyuan

Principal Share Registrar and Transfer Agent

MUFG Fund Services (Bermuda) Limited
The Belvedere Building, 69 Pitts Bay Road
Pembroke HM08, Bermuda

Hong Kong Branch Share Registrar

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East, Wan Chai, Hong Kong

Registered Office in Bermuda

Canon's Court, 22 Victoria Street
Hamilton HM12, Bermuda

Head Office and Principal Place of Business in Hong Kong

Units 6507-6510, 65/F., The Center
99 Queen's Road Central, Hong Kong

Stock Listing

Listed on the Main Board of the Hong Kong Stock Exchange
Stock Code: 0583

網上股東資料

www.gwpaholdings.com
本公司網站已登載有關本公司之最新資料，包括財務資料、公司通訊及其他公司資料

授權代表

孟雪峰先生
鄭遠遠女士

公司秘書

鄭遠遠女士

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building, 69 Pitts Bay Road
Pembroke HM08, Bermuda

香港股份過戶登記分處

香港中央證券登記有限公司
香港灣仔皇后大道東183號
合和中心17M樓

百慕達註冊辦事處

Canon's Court, 22 Victoria Street
Hamilton HM12, Bermuda

總辦事處及於香港之主要營業地點

香港皇后大道中99號
中環中心65樓6507-6510室

股份上市資料

在香港聯合交易所主板上市
股份代號：583

CORPORATE INFORMATION

公司資料

(as at 18 April 2019)
(於二零一九年四月十八日)

Principal Bankers

1. The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central, Hong Kong
2. Bank of China (Hong Kong) Limited
1 Garden Road, Hong Kong
3. Industrial and Commercial Bank of China (Asia) Limited
33/F, ICBC Tower, 3 Garden Road, Central, Hong Kong
4. China Construction Bank (Asia) Corporation Limited
28/F, CCB Tower, 3 Connaught Road Central, Central,
Hong Kong
5. Agricultural Bank of China Limited Hong Kong Branch
25/F., Agricultural Bank of China Tower,
50 Connaught Road Central, Hong Kong
6. Bank of China Limited, Macau Branch
Bank of China Building,
Avenida Doutor Mario Soares, Macau

Hong Kong Legal Adviser

Iu, Lai & Li Solicitors & Notaries
Rooms 2201, 2201A & 2202
22nd Floor, Tower I
Admiralty Centre
No. 18 Harcourt Road
Hong Kong

主要往來銀行

1. 香港上海滙豐銀行有限公司
香港皇后大道中1號
2. 中國銀行(香港)有限公司香港花園道1號
3. 中國工商銀行(亞洲)有限公司
香港中環花園道3號中國工商銀行大廈33樓
4. 中國建設銀行(亞洲)股份有限公司
香港中環干諾道中3號中國建設銀行大廈28樓
5. 中國農業銀行香港分行香港中環干諾道中
50號中國農業銀行大廈25樓
6. 中國銀行股份有限公司澳門分行
澳門蘇亞利斯博士大馬路中國銀行大廈

香港法律顧問

姚黎李律師行
香港
夏慤道18號
海富中心
一座22樓
2201室·2201A室及2202室

CORPORATE INFORMATION

公司資料

(as at 18 April 2019)
(於二零一九年四月十八日)

Auditor

PricewaterhouseCoopers
Certified Public Accountants
22/F, Prince's Building
Central, Hong Kong

核數師

羅兵咸永道會計師事務所
香港執業會計師
香港中環
太子大廈22樓

CHAIRMAN'S STATEMENT

主席報告書

Dear Shareholders,

On behalf of the Board of Directors of Great Wall Pan Asia Holdings Limited (hereinafter referred to as the “**Company**”, together with its subsidiaries, the “**Group**”), I am pleased to report that we continued to successfully execute our strategic objectives in year 2018.

Financial Results

During the year under review, the Group recorded a total revenue of approximately HK\$144.9 million and the consolidated net profit attributable to shareholders of the Group for the year ended 31 December 2018 was approximately HK\$583.4 million, which included fair value gain on investment properties of approximately HK\$400.6 million.

Carving out this exceptional item, the consolidated net profit attributable to shareholders for the year ended 31 December 2018 amounted to approximately HK\$182.8 million, representing an increase of 548.2% as compared with HK\$28.2 million in 2017. Earnings per share were HK37.2 cents, based on weighted average of 1,567,745,596 shares in issue, compared with HK15.9 cents in 2017. The increase in net profit was mainly due to the share of profits of associates of approximately HK\$279.7 million in 2018.

各位股東：

本人謹代表長城環亞控股有限公司*(以下簡稱為「本公司」，連同其附屬公司統稱為「本集團」)董事會欣然報告，我們於二零一八年繼續成功實行戰略目標。

財務業績

於回顧年度，本集團錄得收益總額約144.9百萬港元，而截至二零一八年十二月三十一日止年度之本集團股東應佔綜合淨盈利為約583.4百萬港元，其中包括約400.6百萬港元之投資物業公平值收益。

倘撇除此特別項目，截至二零一八年十二月三十一日止年度之股東應佔綜合淨盈利約為182.8百萬港元，較二零一七年之28.2百萬港元增長548.2%。按1,567,745,596股加權平均已發行股份，每股盈利為37.2港仙，而二零一七年每股盈利則為15.9港仙。淨盈利增加乃主要由於於二零一八年應佔聯營公司盈利279.7百萬港元所致。

* For identification purpose only

* 僅供識別

CHAIRMAN'S STATEMENT

主席報告書

Property Investment

During the year 2018, the Group's property investment segment continued to contribute stable rental income and profit to the Group by maintaining satisfactory occupancy rates of and income from the five investment properties in Hong Kong, comprising of Kwai Fong Plaza (newly acquired in June 2018), certain floors of the Bank of America Tower in Admiralty, Yue King Building in Causeway Bay, Ko Fai Industrial Building in Yau Tong and Sea View Estate in North Point. These investment properties generated segment operating revenue of HK\$92.4 million and recorded an aggregate property revaluation gain of HK\$400.6 million during the year, which were benefited from the robust property market in Hong Kong.

The Group had made substantial steps in improving its existing positions within the property industry in Hong Kong by completing the investment, through a joint venture, in a diversified retail portfolio in Hong Kong in February 2018. The portfolio comprises a number of strategically-located commercial properties and shopping centres, plazas and carparks across Hong Kong that sit in the heart of densely-populated communities and in close proximity to Mass Transit Railway stations. In June 2018, the Group completed the acquisition of one of the commercial properties in the portfolio, namely Kwai Fong Plaza. Completion of such acquisition in June 2018 enables the Group to further expand its property investment business, thereby creating additional source of revenue and enhancing its profitability. These transactions mark a new milestone for the Group in gaining sizeable retail presence in Hong Kong.

With the recent record-high prices on prime Hong Kong commercial/retail property sites, our Hong Kong investment property portfolio will continue to benefit from this upward trend.

物業投資

於二零一八年，本集團之物業投資分部繼續透過維持其位於香港的五項投資物業之理想出租率及收入，為本集團貢獻穩定之租金收入及盈利，該等物業包括葵芳廣場（於二零一八年六月最新收購）、金鐘美國銀行中心、銅鑼灣愉景樓、油塘高輝工業大廈及北角海景大廈之若干樓層。受益於香港穩健之物業市場，該等投資物業於年內產生分部經營收益92.4百萬港元，並錄得物業重估收益總額400.6百萬港元。

本集團於二零一八年二月透過完成於一家合資企業的投資，投資位於香港之多元化零售組合，為提升其於香港物業行業的現有地位採取了重要的舉措。該項囊括位於香港戰略位置的多座商業物業及購物中心、商場及停車場之物業組合，均坐落於人口稠密之社區及毗鄰港鐵站。此項交易標誌本集團於香港獲得大型零售市場份額之新里程碑。於二零一八年六月，本集團完成收購投資組合內其中一項商業物業，葵芳廣場。完成該項收購令本集團能進一步擴大其物業投資業務，並從而創造額外之收入來源並提高其盈利能力。此等交易標誌本集團於香港獲得大型零售市場份額之新里程碑。

隨著近來香港主要商業／零售地段之價格創下歷史新高，我們之香港投資物業組合將繼續受益於此上升趨勢。

CHAIRMAN'S STATEMENT

主席報告書

Financial Services

The Company, through its wholly-owned subsidiaries, holds license under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”) to carry out Type 1 (dealing in securities) (restricted by certain conditions), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities in Hong Kong. The asset management business generates revenue by charging management fees based on the amount of assets under management and the scope of services of corporate finance services includes advising on corporate finance transactions, advising on deal structure and financing strategies in the context of mergers and acquisitions, takeovers and other notifiable transactions. The revenue and profit generated from financial services segment decreased by approximately 15% and 25% respectively, from HK\$61.6 million and HK\$18.5 million in prior year to approximately HK\$52.5 million and HK\$13.9 million in the current year. The decreases were mainly due to the unfavourable economic environment and fluctuating capital markets during the year.

Moreover, the Group will actively seize the investment opportunities, especially the development opportunities arising from the China's Guangdong-Hong Kong-Macao Greater Bay Area strategic plan, in expanding its scope of businesses and exploring potential investment projects by continuously leveraging on the brand of China Great Wall Asset Management Co., Ltd. (a financial conglomerate engaged in a broad range of integrated financial services) (“GWAMCC”). With the support and experience of the Group's controlling shareholder, the Board and the management of the Company are committed to expanding prudently and thoroughly the Group's businesses to generate favourable investment returns to our shareholders.

On behalf of the Board, I would like to express the Board's sincere gratitude to all our shareholders, investors, customers and business partners for their continuous support and to express my appreciation to my fellow Directors, management and all the staff of the Company, who have contributed substantially to our success, for their hard work, dedication and contribution throughout the year.

Mr. Chen Zenan
Chairman of the Board

15 March 2019

金融服務

本公司，透過其全資附屬公司，持有香港法例第571章之證券及期貨條例（「證券及期貨條例」）項下牌照，獲准在香港從事第1類（證券交易）（受若干條件限制）、第4類（就證券提供意見）、第6類（就機構融資提供意見）及第9類（提供資產管理）受規管活動。資產管理業務之收益來源為按管理資產金額收取管理費，而企業融資業務服務範疇包括就機構融資交易提供意見、就併購、收購及其他須予公佈交易之交易結構及融資策略提供意見。由金融服務分部產生之收益及盈利分別減少約15%及25%，由上一年度約61.6百萬港元及約18.5百萬港元減少至本年度約52.5百萬港元及約13.9百萬港元。收益及盈利減少乃主要由於本年度不利的經濟環境及波動的資本市場所致。

此外，本集團將積極抓緊投資機會，特別是國家「粵港澳大灣區」戰略部署的發展機遇，以拓展其業務領域，並透過持續地充份利用中國長城資產管理股份有限公司（一間從事廣泛綜合金融服務之金融集團）（「中國長城資產」）之品牌發掘潛在可發展項目。憑藉本集團控股股東的支持和經驗，本公司董事會及管理層致力於審慎且周全地擴展本集團業務，從而為我們的股東帶來優厚的投資回報。

本人謹代表董事會向全體股東、投資者、客戶及商業夥伴致以衷心之謝意，感謝彼等的持續支持，並對為我們之成功作出巨大貢獻的本公司各董事、管理層及全體員工於年內之辛勞、付出及貢獻表示感謝。

陳澤南先生
董事會主席

二零一九年三月十五日

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Executive Directors

Mr. Huang Hu, aged 55, was born in Ledong County, Hainan Province, and graduated from postgraduate course. He has engaged in finance-related work since August 1983, and obtained the title of senior economist in 1998. He holds a Master degree in Business Administration from Cheung Kong Graduate School of Business, and has investigated and studied asset management and investment banking business in the United States of America, United Kingdom, Germany and Japan. He served as a non-executive Director and a member of the audit committee of the Company from 5 November 2016 until 15 March 2019. He was subsequently re-designated as an executive Director and was appointed as the Chief Executive Officer of the Company on 15 March 2019. From August 1983 to October 1995, Mr. Huang served as deputy division chief, division chief of human resources department, assistant to director and deputy director of human resources department (in charge of comprehensive work) in Guangdong branch of Agricultural Bank of China (“**ABChina**”). From October 1995 to October 1996, he served as deputy governor and Party member in Guangdong Province Jiangmen branch of ABChina, and governor of Jiangmen Waihai sub-branch. From October 1996 to June 1998, he served as Party member in Guangzhou branch and Party secretary in Guangzhou Suixi sub-branch of ABChina. From June 1998 to December 1999, he served as Party secretary to the governor in Guangdong Province Shaoguan branch. From December 1999 to January 2007, he served as deputy general manager, Party member and secretary of the Commission for discipline inspection of Guangzhou office of GWAMCC (“**GW Guangzhou Office**”) GW Guangzhou Office. From January 2007 to January 2014, Mr. Huang served as general manager and Party secretary of the Haikou office of China Great Wall Asset Management Co., Ltd. Since January 2014, Mr. Huang has served as supervisor and chief supervisor of Great Wall Financing Assurance Co., Ltd.* (長城融資擔保有限公司), while also holding the positions of supervisor and vice chairman of the supervisory committee of Great Wall Xinsheng Trust Co., Ltd. (長城新盛信託有限責任公司). Since May 2015, he has served as director of Great Wall Guofu Real Estate Co., Ltd.* (長城國富置業有限公司). Since June 2015, he has served as director of China Great Wall AMC (International) Holdings Company Limited (“**Great Wall International**”).

* For identification purpose only

執行董事

黃虎先生，55歲，生於海南省樂東縣，研究生畢業。一九八三年八月起參加金融工作，一九九八年獲得高級經濟師職稱，擁有長江商學院工商管理碩士學位，曾經赴美國、英國、德國及日本考察和學習進修金融資產管理和投資銀行業務。彼於二零一六年十一月五日至二零一九年三月十五日期間出任本公司非執行董事及審核委員會成員。彼隨後於二零一九年三月十五日獨調任為執行董事及獲委任為行政總裁。黃先生曾經於一九八三年八月至一九九五年十月任中國農業銀行（「**農行**」）廣東省分行人事處幹部科副科長、科長、人事處處長助理、副處長（主持全面工作）；一九九五年十月至一九九六年十月任農行廣東省江門市分行副行長、黨組成員兼江門市外海支行行長；一九九六年十月至一九九八年六月任農行廣州分行黨委委員、廣州穗西支行行長黨組書記；一九九八年六月至一九九九年十二月任農行廣東省韶關市分行行長黨組書記；一九九九年十二月至二零零七年一月任中國長城資產管理股份有限公司廣州辦事處（「**長城廣州辦事處**」）副總經理、黨委委員兼紀委書記；二零零七年一月至二零一四年一月任中國長城資產管理股份有限公司海口辦事處總經理、黨委書記；二零一四年一月至今，黃先生擔任長城融資擔保有限公司監事及監事長，同期兼任長城新盛信託有限責任公司監事及監事會副主席；二零一五年五月至今擔任長城國富置業有限公司董事；二零一五年六月至今擔任中國長城資產（國際）控股有限公司（「**長城國際**」）董事。

* 僅供識別

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Meng Xuefeng, aged 48, has been an executive Director and a member of the remuneration committee of the Company since 5 November 2016, and a Deputy Chief Executive Officer of the Company since 22 March 2017. Mr. Meng is also currently a director of various subsidiaries and associates of the Company. Mr. Meng holds a Master degree in economics from Jinan University. From 2000 to June 2006, Mr. Meng worked in GW Guangzhou Office, and served as deputy director of the business development department of GW Guangzhou Office from May 2005 to June 2006. From June 2006 to July 2010, Mr. Meng served as a director of Guangdong Zhongchangxin Investment Management Co., Ltd.* (廣東中長信投資管理有限公司). From July 2010 to February 2012, Mr. Meng held the position of senior deputy manager and senior manager of the assets operation department of GW Guangzhou Office. From February 2012 to March 2015, Mr. Meng served as senior manager of the intermediary business department of GW Guangzhou Office, where he also once acted as senior manager of the second intermediary business department. From March 2015 to July 2017, Mr. Meng served as senior manager of Great Wall International. He has served as deputy general manager of Great Wall International since July 2017.

孟雪峰先生，48歲，自二零一六年十一月五日起為本公司執行董事及薪酬委員會成員，並自二零一七年三月二十二日起為本公司副行政總裁。孟先生目前亦為本公司若干附屬公司及聯營公司的董事。孟先生擁有暨南大學經濟學碩士學位。自二零零零年至二零零六年六月，孟先生任職於長城廣州辦事處，並於二零零五年五月至二零零六年六月擔任長城廣州辦事處業務拓展部副處長。於二零零六年六月至二零一零年七月，孟先生擔任廣東中長信投資管理有限公司董事。於二零一零年七月至二零一二年二月，孟先生曾擔任長城廣州辦事處資產經營部高級副經理及高級經理。於二零一二年二月至二零一五年三月，孟先生擔任長城廣州辦事處中間業務部高級經理，並曾兼任中間業務二部高級經理。於二零一五年三月至二零一七年七月，孟先生任長城國際高級經理。彼自二零一七年七月起任長城國際副總經理。

* For identification purpose only

* 僅供識別

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Non-executive Directors

Mr. Chen Zenan, aged 56, was born in Chaozhou City, Guangdong Province. Mr. Chen holds a postgraduate degree in economics and holds the title of senior economist. Mr. Chen has been a non-executive Director, the Chairman of the Board, the Chairman of the Nomination Committee and a member of the Audit Committee of the Company since 15 March 2019. He has engaged in finance-related work since 1979 and has 40 years of experience in finance field. He served as the vice president and deputy secretary of the Party affairs committee of the Chaozhou Branch of ABCChina; the director of the finance department, Party member, deputy general manager, secretary of the Commission for discipline inspection, deputy Party secretary, Party secretary and general manager of the GW Guangzhou Office; the director and chairman of the board of directors of Guangzhou Zhongchangxin Investment Management Co., Ltd. (廣州中長信投資管理有限公司). He has served as the chief operating officer of GWAMCC since February 2015 and he has served as a director and chairman of the board of directors of Great Wall International since January 2018.

Ms. Lv Jia, aged 44, has been our non-executive Director since 5 November 2016. Ms. Lv holds a Master degree in Management from Beijing Technology and Business University. From December 2007 to January 2011, Ms. Lv served as chief financial officer of Golden Credit Rating International Co., Ltd. (東方金誠國際信用評估有限公司). From January 2011 to December 2011, she served as vice president and chief financial officer of Golden Credit Rating International Co., Ltd. (東方金誠國際信用評估有限公司). From December 2011 to June 2013, Ms. Lv worked as general manager assistant in the subsidiaries management department (formerly known as division synergy department) of GWAMCC, and she has been a deputy general manager of such department since June 2013.

非執行董事

陳澤南先生，56歲，生於廣東省潮州市，經濟學研究生畢業，高級經濟師。陳先生自二零一九年三月十五日起出任本公司非執行董事、董事會主席、提名委員會主席及審核委員會成員。一九七九年參加金融工作，至今擁有金融行業40年經驗。歷任農行潮州分行副行長、機關黨委副書記；長城廣州辦事處資金財務處處長、黨委委員、副總經理、紀委書記、黨委副書記、黨委書記、總經理；廣州中長信投資管理有限公司董事、董事長。彼自二零一五年二月起任中國長城資產運營總監，二零一八年一月起任長城國際董事、董事長。

呂佳女士，44歲，自二零一六年十一月五日起為我們的非執行董事。呂女士擁有北京工商大學管理學碩士學位。於二零零七年十二月至二零一一年一月，呂女士就職於東方金誠國際信用評估有限公司，擔任財務總監。二零一一年一月至二零一一年十二月，彼擔任東方金誠國際信用評估有限公司副總裁兼財務總監。二零一一年十二月至二零一三年六月，呂女士於中國長城資產子公司管理部（前稱機構協同部）任總經理助理，並於二零一三年六月至今任該部門副總經理。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Independent Non-executive Directors

Dr. Song Ming, aged 57, was appointed as an independent non-executive Director, chairman of the remuneration committee, a member of the audit committee and a member of the nomination committee of the Company on 5 November 2016. Dr. Song graduated from Zhejiang University in July 1982 with a bachelor degree in applied mathematics. Dr. Song obtained his master degree in applied mathematics from Huazhong University of Science and Technology (formerly known as Huazhong Institute of Technology), and was awarded a doctorate by Ohio State University. He has over 26 years of experience in the research of bank regulation and management, financial market, derivatives and macroeconomics. Dr. Song was employed by the school of economics and finance of the University of Hong Kong since 1997 and is currently a professor at the university. Between 1991 and 1997, Dr. Song was the associate professor and assistant professor at the department of economics, Cleveland State University. Dr. Song is currently the director of Centre for China Financial Research and the associate director of the Institute for China and Global Development at the University of Hong Kong, the Dean of the Economics and Management School of Wuhan University and the vice chairman of the Chinese Financial Association of Hong Kong. Dr. Song has been heavily involved in various academic conferences, researches and consultation projects. Dr. Song is currently an independent non-executive director of Wuzhou International Holdings Limited (stock code: 1369), The United Laboratories International Holdings Limited (stock code: 3933) and Guotai Junan International Holdings Limited (stock code: 1788), all of which are listed on the Main Board of the Stock Exchange. In addition, Dr. Song is also an independent director of Tande Co., Ltd. (stock code: 600665), a company listed on the Shanghai Stock Exchange.

獨立非執行董事

宋敏博士，57歲，於二零一六年十一月五日獲委任為本公司獨立非執行董事、薪酬委員會主席、審核委員會成員及提名委員會成員。宋博士於一九八二年七月畢業於浙江大學，取得應用數學學士學位。宋博士獲華中科技大學（前稱華中工學院）頒授應用數學碩士學位，並取得俄亥俄州立大學博士學位。彼擁有逾26年銀行監管與管理、金融市場、衍生工具及宏觀經濟學研究經驗。宋博士自一九九七年起任職香港大學經濟金融學院，現任大學教授一職。一九九一年至一九九七年，宋博士擔任克利夫蘭州立大學經濟系副教授及助理教授。宋博士現任香港大學中國金融研究中心主任及中國與全球發展研究所副主任，武漢大學經濟與管理學院院長，以及香港中國金融協會副主席，一直積極參與各種學術會議、研究及諮詢課題。宋博士現任五洲國際控股有限公司（股份代號：1369）、聯邦製藥國際控股有限公司（股份代號：3933）及國泰君安國際控股有限公司（股份代號：1788）的獨立非執行董事，該等公司均於聯交所主板上市。此外，宋博士亦為於上海證券交易所上市的天地源股份有限公司（股份代號：600665）的獨立董事。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Dr. Sun Mingchun, aged 48, was appointed as an independent non-executive Director, a member of the remuneration committee and a member of the nomination committee of the Company on 5 November 2016. He has served as the chairman and chief investment officer of Deepwater Capital Limited since October 2014. Prior to joining Deepwater Capital Limited, Dr. Sun held the positions as the senior partner and chief economist at China Broad Capital Co., Limited, the managing director, head of China research and chief Greater China economist at Daiwa Capital Markets Hong Kong Limited, the chief China economist, head of China equity research and managing director at Nomura International (Hong Kong) Limited and the senior China economist, vice president at Lehman Brothers Asia Limited. During the period from July 1993 to August 1999, Dr. Sun was also an economist of the State Administration of Foreign Exchange of the People's Republic of China ("PRC"). Dr. Sun is currently the vice chairman of the Chinese Financial Association of Hong Kong and a member of the China Finance 40 Forum. He is also a guest professor of the Finance EMBA program of Shanghai Advanced Institute of Finance, the School of Economics of Fudan University and the PBC School of Finance of Tsinghua University, and the honorary institute fellow of The Asia-Pacific Institute of Business of The Chinese University of Hong Kong. Dr. Sun received a bachelor's degree in international economics from Fudan University in July 1993. He also obtained a master's degree in engineering economic systems and operations research and a doctoral degree in management science and engineering from Stanford University in June 2001 and June 2006, respectively. Dr. Sun is an independent non-executive director of HJ Capital (International) Holdings Company Limited (stock code: 982) and Weimob Inc. (stock code: 2013), both are listed on the Main Board of the Stock Exchange.

孫明春博士，48歲，於二零一六年十一月五日獲委任為本公司獨立非執行董事，薪酬委員會成員及提名委員會成員。彼自二零一四年十月起擔任博海資本有限公司主席兼投資總監。於加盟博海資本有限公司前，孫博士曾任職上海博道投資管理有限公司高級合夥人及首席經濟學家、大和資本市場香港有限公司董事總經理、中國研究部主管及首席大中華經濟學家、野村國際(香港)有限公司中國首席經濟學家、中國股票研究部主管及董事總經理，以及美國雷曼兄弟亞洲投資有限公司高級中華經濟學家、副總裁。於一九九三年七月至一九九九年八月期間，孫博士亦曾任中華人民共和國(「中國」)國家外匯管理局經濟學家。孫博士目前為香港中國金融協會副主席及中國金融四十人論壇成員。彼亦為上海高級金融學院金融EMBA課程、復旦大學經濟學院及清華大學五道口金融學院的客座教授，以及香港中文大學亞太工商研究所名譽教研學人。孫博士於一九九三年七月取得復旦大學國際經濟學士學位，彼亦分別於二零零一年六月及二零零六年六月獲史丹福大學工程經濟系統碩士學位以及管理科學及工程博士學位。孫博士現為華金國際資本控股有限公司(股份代號：982)及微盟集團*(股份代號：2013)的獨立非執行董事，該等公司均於聯交所主板上市。

* For identification purpose only

* 僅供識別

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Ms. Liu Yan, aged 48, was appointed as an independent non-executive Director and the chairlady of the audit committee of the Company on 26 November 2018. Ms. Liu obtained a Bachelor degree in Economics from Central University of Finance and Economics in 1992 and obtained a Master degree in Business Administration from University of Rochester in 2005. She is a member of Chinese Institute of Certified Public Accountants (CICPA) and passed all three levels for Chartered Financial Analyst (CFA) Program. Ms. Liu has over 20 years of experience in auditing, financial management, taxation and fund management. From 1992 to 1994, Ms. Liu worked at Brilliance Group Holdings Limited in Shanghai. From 1994 to 2001, she worked at PricewaterhouseCoopers in Guangzhou. From 2005 to 2007, she worked at the Global Financial Risk Management Department at Barclays Capital in New York City. From 2007 to 2010, Ms. Liu served as vice president at Angelo Gordon Asia Limited. From 2010 to 2015, she served as managing director of Investment Management Department and Fund Management Department at China Everbright Limited (Hong Kong). From November 2016 to September 2018, Ms. Liu served as an independent non-executive director of U Banquet Group Holding Limited (stock code: 1483), a company listed on the Main Board of the Stock Exchange. She is currently an independent non-executive director of Tai United Holdings Limited (stock code: 718) and Haitong International Securities Group Limited (stock code: 665), both of which are listed on the Main Board of the Stock Exchange.

劉艷女士，48歲，於二零一八年十一月二十六日獲委任為本公司獨立非執行董事及審核委員會主席。劉女士於一九九二年於中央財經大學取得經濟學學士學位，並於二零零五年取得羅徹斯特大學工商管理碩士學位。彼為中國註冊會計師協會(CICPA)會員及通過特許財務分析師(CFA)三級考試。劉女士於審計、財務管理、稅務及資金管理方面擁有逾20年經驗。於一九九二年至一九九四年期間，劉女士任職於上海華晨集團有限公司。於一九九四年至二零零一年期間，彼任職於廣州普華永道會計師事務所。於二零零五年至二零零七年期間，彼任職於巴克萊資本(紐約)全球金融風險管理部。於二零零七年至二零一零年期間，劉女士任安祖高頓亞洲有限公司副總裁。於二零一零年至二零一五年期間，彼任中國光大控股有限公司(香港)投資管理部及基金管理部董事總經理。劉女士於二零一六年十一月至二零一八年九月期間曾於聯交所主板上市之譽宴集團控股有限公司(股份代號：1483)擔任獨立非執行董事。彼現擔任太和控股有限公司(股份代號：718)及海通國際證券集團有限公司(股份代號：665)的獨立非執行董事，該等公司均於聯交所主板上市。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Senior Management

Ms. Li Li Hua, aged 56, was appointed as the Deputy General Manager of the Company with effect from 21 September 2017 and the Chief Operating Officer of the Company with effect from 15 March 2019. Prior to joining our Company, she was an executive director of Shanghai Zendai Property Limited (“**Shanghai Zendai**”), a company listed on the Main Board of the Stock Exchange (stock code: 755), during 18 August 2014 to 20 September 2017. From March 2008 to June 2015, she held various positions in Shanghai Zendai, including manager of finance department, general manager of the Hong Kong region, vice president and chief executive officer and her principal duties were corporate governance, expansion of overseas business, financial management, financing arrangement and public relations management. Ms. Li was an on-the-job postgraduate majoring in monetary banking in the finance division of the Graduate School of Renmin University of China. Ms. Li has over 20 years of experience in the investment and management of securities investment and capital markets. She served as chief economist of Xiangcai Securities Co., Ltd. and general manager of its southern headquarter, as well as deputy chief economist and general manager of the finance department of Hainan Securities Company Limited.

Mr. Wang Han, aged 38, was appointed as the Chief Financial Officer of the Company with effect from 22 March 2017. Mr. Wang has extensive experience in financial analysis, valuation analysis and audit. He obtained his bachelor degree majoring in finance from the business school of The University of Auckland in New Zealand in 2004 and master degree of business administration from City University of Seattle in the United States of America in 2014. He is also a Certified Public Accountant and a member of the Association of Chartered Certified Accountants. From 2012 to 2015, Mr. Wang worked in the debt valuation department of Great Wall Golden Bridge Financial Consulting Co., Ltd. He acts as the head of finance department of Great Wall International since 2015. Prior to 2012, he worked as Assistant to chief financial officer of Carlton Party Hire in New Zealand, auditor of Ernst & Young Hua Ming and worked in the research department of ICBC Credit Suisse Asset Management Co., Ltd.

高級管理層

黎利華女士，56歲，自二零一七年九月二十一日起獲委任為本公司之副總經理並自二零一九年三月十五日起獲委任為本公司首席運營官。在加入本公司前，彼曾於二零一四年八月十八日至二零一七年九月二十日期間為於聯交所上市的上海証大房地產有限公司（「**上海証大**」）（股份代號：755）的執行董事。由二零零八年三月至二零一五年六月，彼於上海証大歷任財務部經理、香港區總經理、副總裁及行政總裁，彼之主要工作為企業管治、海外業務的拓展、財務管理、融資安排及公共關係管理。黎女士為中國人民大學研究生院財政金融學院貨幣銀行學在職研究生。黎女士在證券投資及資本市場擁有逾20年投資及管理經驗，曾擔任湘財證券股份有限公司總經濟師兼南方總部總經理，及海南省證券公司副總經濟師兼財務部總經理。

王晗先生，38歲，自二零一七年三月二十二日起獲委任為本公司之財務總監。王先生擁有豐富的財務分析、估值分析及審計之經驗。彼於二零零四年獲新西蘭奧克蘭大學商學院頒授學士學位（主修金融專業），並於二零一四年獲美國西雅圖城市大學頒授工商管理碩士學位。彼亦為註冊會計師及特許公認會計師公會會員。於二零一二年至二零一五年期間，王先生就職於長城金橋金融諮詢有限公司之債權估值部，並自二零一五年起任職於長城國際財務部主管。於二零一二年，彼曾於新西蘭Carlton Party Hire擔任財務總監助理，亦曾於安永華明會計師事務所出任審計師及於工銀瑞信資產管理公司研究部任職。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Ms. Zheng Yuanyuan, aged 40, was appointed as the company secretary of the Company with effect from 31 October 2016 and also acted as head of the legal department of the Company from the same date until June 2018. She was appointed as the Deputy General Manager of the Company with effect from 15 March 2019. Ms. Zheng has extensive experience in handling large investment and transaction projects. She passed the National Judicial Examination of the PRC and obtained the Legal Profession Qualification Certificate in 2002. She acquired bar qualification in the New York State of the United States in 2008 and qualified as a practicing solicitor in Hong Kong in 2015. After obtaining a Master degree in Common Law from the University of Pennsylvania in the United States, Ms. Zheng worked in the Hong Kong office of Baker & McKenzie from 2007 to 2015, and served as special counsel prior to her resignation. Since December 2015 to June 2018, Ms. Zheng served as co-head of the legal department of Great Wall International and acted as the Chief Administrative Officer of the general affairs department of Great Wall International from June 2018 to March 2019.

鄭遠遠女士，40歲，自二零一六年十月三十一日起獲委任為本公司之公司秘書，並於同日起至二零一八年六月期間擔任本公司法務部門主管。彼於二零一九年三月十五日起獲委任為本公司副總經理。鄭女士在處理大型投資交易方面擁有豐富的項目經驗。彼於二零零二年通過中國司法考試並取得法律職業資格證書，且自二零零八年起取得美國紐約州執業律師資格並自二零一五年起擁有香港執業律師資格。在美國賓夕法尼亞大學法學院取得普通法碩士學位後，鄭女士於二零零七年至二零一五年就職於貝克·麥堅時律師事務所香港辦公室（離職前擔任高級法律顧問）。自二零一五年十二月至二零一八年六月，鄭女士任職於長城國際法律部聯席主管，並自二零一八年六月至二零一九年三月期間任長城國際綜合管理部行政總監。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Operating Results of the Group

The Group's consolidated operating results for the years ended 31 December 2018 and 2017 ("FY2018" and "FY2017" respectively) were as follows:

本集團之經營業績

本集團分別截至二零一八年及二零一七年十二月三十一日止年度（「二零一八年財政年度及二零一七年財政年度」）之綜合經營業績如下：

(HK\$ millions, except percentages and per share amounts)	(百萬港元，百分比及每股金額除外)	For the year ended 31 December		
		2018	2017	% Change
		二零一八年	二零一七年	變動百分比
Revenue	收益	144.9	123.0	18%
Production costs	生產成本	(5.2)	(5.2)	-
Rental and utilities	租金及設施	(17.5)	(12.2)	43%
Other operating expenses	其他經營開支	(69.6)	(59.5)	17%
Operating costs before depreciation	未計折舊之經營成本	(92.3)	(76.9)	20%
Depreciation	折舊	(2.1)	(1.7)	24%
Adjusted operating profit[^]	經調整經營盈利[^]	50.5	44.4	14%
Other income	其他收入	2.4	0.3	**
Fair value gain on investment properties	投資物業公平值收益	400.6	221.0	81%
Operating profit	經營盈利	453.5	265.7	71%
Net finance cost	財務成本淨額	(143.7)	(3.8)	**
Share of profits/(losses) of associates	應佔聯營公司盈利/(虧損)	279.7	(0.4)	**
Income tax expense	所得稅開支	(6.1)	(12.3)	(50%)
Profit for the year	全年盈利	583.4	249.2	**
Profit attributable to shareholders	股東應佔盈利	583.4	249.2	**
Earnings per share (HK cents)	每股盈利 (港仙)	37.2	15.9	**

[^] Adjusted operating profit is defined as operating profit before other income and fair value gain on investment properties.

[^] 經調整經營盈利界定為未計其他收入及投資物業公平值收益之經營盈利

** Represents a change in excess of 100%.

** 表示變動超過100%

Profit attributable to shareholders for FY2018 was HK\$583.4 million, which included fair value gain on investment properties of HK\$400.6 million. Comparatively, profit attributable to shareholders for the preceding year was HK\$249.2 million, which included HK\$221.0 million fair value gain on investment properties. Excluding the revaluation gain of investment properties, the net profit attributable to shareholders for FY2018 was HK\$182.8 million, representing an increase of 548.2% as compared with HK\$28.2 million in 2017. The increase in net profit was mainly due to the share of profits of associates of approximately HK\$279.7 million in 2018.

截至二零一八年財政年度，股東應佔盈利為583.4百萬港元，其中包括投資物業公平值收益400.6百萬港元。相較而言，股東於上一年度應佔盈利為249.2百萬港元，其中包括投資物業公平值收益221.0百萬港元。不計入投資物業之重估收益，截至二零一八年財政年度股東應佔淨盈利為182.8百萬港元，較二零一七年的28.2百萬港元增長548.2%。淨盈利增加乃主要由於於二零一八年應佔聯營公司盈利279.7百萬港元所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Revenue

The consolidated revenue for the years ended 31 December 2018 and 2017 by business segments and for the Group were as follows:

收益

截至二零一八年及二零一七年十二月三十一日止年度，按業務分部及集團整體之綜合收益如下：

		For the year ended 31 December 截至十二月三十一日止年度		
		2018	2017	% Change
(HK\$ millions, except percentages)	(百萬港元，百分比除外)	二零一八年	二零一七年	變動百分比
Property investment	物業投資	92.4	61.3	51%
Financial services	金融服務	52.5	61.7	(15%)
Total revenue	收益總額	144.9	123.0	18%

Business Review

The Group principally engages in the operation of two segments, namely, the property investment segment and the financial services segment.

The positive results of the Group for FY2018 are primarily attributable to the contribution by the property investment segment. The Group has maintained a diversified investment property portfolio in Hong Kong which comprises Kwai Fong Plaza, certain floors of the Bank of America Tower, Yue King Building, Ko Fai Industrial Building and Seaview Estate. On the other hand, the Group has also participated in the investment in the JV Group (as defined below) which holds a diversified portfolio of properties and has thus enjoyed a considerable share of profits of associates. Details of the said investment in the JV Group have been set out in the paragraph headed “share of profits of associates” in the section headed “Management Discussion and Analysis”. Leveraging on the successful strategy in diversifying its portfolio of investment properties for the FY2018, the Group will continue to review its portfolio of investment properties from time to time so as to generate sustainable return for its shareholders.

業務回顧

本集團主要從事運營兩個分部，即物業投資分部及金融服務分部。

本集團截至二零一八年財政年度的優異業績乃主要歸因於物業投資分部的貢獻。本集團於香港持有多元化的投資物業組合，包括葵芳廣場、美國銀行中心、愉景樓、高輝工業大廈及海景大廈之若干樓層。另一方面，本集團亦參與合營集團（定義見下文）的投資，該合營集團擁有多元化的物業組合，故分佔相當大份額的聯營公司盈利。上述於合營集團投資之詳情已載於「管理層討論及分析」一節「分佔聯營公司盈利」一段。憑藉其於二零一八年財政年度的投資物業組合多元化的成功策略，本集團將持續檢討其投資物業組合，以為其股東帶來可持續回報。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group also operates in the financial services segment which comprises provision of asset management and corporate finance services (licensed by the Securities and Futures Commission of Hong Kong (the “SFC”) to carry out Types 1, 4, 6 and 9 regulated activities) and loan investment. Although the Group recorded a year-on-year decrease in the revenue generated from asset management and corporate finance services for the FY2018 given the volatile financial market in the Year 2018, as more particularly discussed in the paragraph headed “Financial Services” below, the Group will continue to explore and seize opportunities to develop the financial services segment. The Group will look for development opportunities arising from the China’s Guangdong-Hong Kong-Macao Greater Bay strategic plan and leverage upon the brand of “China Great Wall Asset Management”.

The Board identifies certain risks and uncertainties in the operations of the Group, which include the risks pertaining into the property markets and the keen competition in the financial services industry, details of which are included in the paragraph headed “Principal Risks and Uncertainties” in the section headed “Corporate Governance Report”. Despite all those challenges that the Group is facing, the Board is optimistic that the Group can maintain a steady growth in its business.

Financial Review by Operating Segments

The Group’s reportable and operating segments during FY2018 are as follows:

- (a) property investment segment which comprises investments in retail shops, fresh market, office buildings, industrial buildings and car parking spaces for rental income; and
- (b) financial services segment which comprises provision of asset management and corporate finance services (licensed by the SFC to carry out Types 1, 4, 6 and 9 regulated activities) and loan investment.

本集團亦經營金融服務分部，包括提供資產管理及企業融資服務（獲香港證券及期貨事務監察委員會（「證監會」）授權從事第1、4、6及9類的受規管活動），以及貸款投資。誠如於下文「金融服務」一段內敘述更多有關詳情，受二零一八年金融市場動盪影響，儘管本集團二零一八年財政年度資產管理及企業融資服務產生的收入同比下降，本集團將繼續探索及抓住發展金融服務分部的機會。本集團將尋求中國粵港澳大灣區戰略規劃所帶來的發展機遇，發揮「中國長城資產管理」的品牌效應。

董事會確定本集團營運的若干風險及不確定因素，包括與物業市場有關的風險及金融服務行業的激烈競爭，其詳情載於「企業管治報告」一節「主要風險及不確定因素」一段。儘管本集團面臨所有該等挑戰，董事會仍就本集團的業務保持穩定增長表示樂觀。

營運分部之財務回顧

本集團於截至二零一八年財政年度之可呈報及營運分部如下：

- (a) 物業投資分部包括投資於具租金收入之零售店、鮮活街市、辦公大樓、工廈及泊車位；及
- (b) 金融服務分部包括提供資產管理及企業融資服務（獲證監會授權從事第1、4、6及9類的受規管活動），以及貸款投資。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Property Investment

物業投資

(HK\$ millions, except percentages)	(百萬港元，百分比除外)	For the year ended 31 December		
		2018	2017	% Change
		二零一八年	二零一七年	變動百分比
Revenue	收益	92.4	61.3	51%
Adjusted EBITDA [^]	經調整的未計利息、稅項、折舊及攤銷之盈利 [^]	47.8	49.5	(3%)
Adjusted operating profit	經調整經營盈利	47.5	48.2	(1%)
Segment profit [#]	分部盈利 [#]	422.9	261.2	62%

[^] Adjusted EBITDA is defined as earnings before interest, tax, depreciation, other income and fair value gain on investment properties.

[#] Including fair value gains on investment properties of HK\$400.6 million for 2018 and HK\$221.0 million for 2017.

[^] 經調整的未計利息、稅項、折舊及攤銷之盈利界定為未計利息、稅項、折舊、其他收入及投資物業公平值收益之盈利。

[#] 包括二零一八年投資物業公平值收益400.6百萬港元及二零一七年投資物業公平值收益221.0百萬港元。

Revenue of property investment segment for 2018 was HK\$92.4 million, compared with HK\$61.3 million for 2017. The increase is mainly due to the revenue generated from Kwai Fong Plaza of approximately HK\$35.0 million since the acquisition of Kwai Fong Plaza in June 2018. However, no rental income was generated from Yue King Building as it was vacant since 1 April 2018, after the expiry of the previous tenancy agreement.

The increase in profit attributable to shareholders was mainly due to the increase in fair value gain on investment properties. Excluding the fair value gain on investment properties and the tax impact, the adjusted operating profit slightly decreased by HK\$0.7 million, which was mainly attributable to certain one-off expenses with the acquisition of Kwai Fong Plaza.

As at the date of this report, the Group's diversified investment property portfolio in Hong Kong comprises Kwai Fong Plaza, certain floors of the Bank of America Tower, Yue King Building, Ko Fai Industrial Building and Seaview Estate.

Revaluation gain on investment properties for 2018 was HK\$400.6 million, compared with HK\$221.0 million for 2017. The revaluation gain was mainly due to the contributions from the investment properties at the Bank of America Tower for around HK\$187.0 million and at Yue King Building for around HK\$100.0 million.

二零一八年物業投資分部之收益為92.4百萬港元，而二零一七年則為61.3百萬港元。該增加乃主要由於自二零一八年六月收購葵芳廣場後，來自葵芳廣場之收益約35.0百萬港元，但由於愉景樓自二零一八年四月一日因前租賃協議到期後一直空置，導致沒有產生任何租金收入。

股東應佔盈利增加乃主要由於投資物業公平值收益增加。不計入投資物業公平值收益及稅務影響，經調整經營盈利輕微下降0.7百萬港元，乃主要由於收購葵芳廣場而產生的若干一次性開支所致。

於本報告日期，本集團於香港之多元化投資物業組合包括葵芳廣場，以及位於美國銀行中心、愉景樓、高輝工業大廈及海景大廈之若干樓層。

二零一八年之投資物業重估收益為400.6百萬港元，而二零一七年則為221.0百萬港元。重估收益乃主要由位於美國銀行中心之投資物業錄得收益約187.0百萬港元及位於愉景樓之投資物業錄得收益約100.0百萬港元所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's investment properties were revalued as at 31 December 2018 by independent professionally qualified valuers, Cushman & Wakefield Limited and Savills Valuation and Professional Services Limited, both firms hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties being valued. For all investment properties, their current use equates the highest and best use. The revaluation gains or losses are shown as "Fair value gain or loss on investment properties" in the consolidated statement of comprehensive income. Fair values of the office buildings, retail shops, fresh market, car parking spaces and industrial buildings are derived using the income capitalisation approach. There were no changes to the valuation techniques during the year.

本集團之投資物業於二零一八年十二月三十一日由獨立專業合資格估值師戴德梁行有限公司及第一太平戴維斯估值及專業顧問有限公司（其皆持有獲認可的相關專業資格，且最近曾對所估值的投資物業之地點及種類進行估值）重新估值。所有投資物業乃就其目前最有效及最佳方式使用。重估收益或虧損於綜合全面收益表以「投資物業公平值收益或虧損」列賬。辦公大樓、零售店、鮮活街市、泊車位及工廈的公平值乃使用收入資本化方法計算。年內，估值法並無變動。

Financial Services

金融服務

		For the year ended 31 December		
		截至十二月三十一日止年度		
		2018	2017	% Change
(HK\$ millions, except percentages)	(百萬港元，百分比除外)	二零一八年	二零一七年	變動百分比
Revenue	收益	52.5	61.6	(15%)
Adjusted EBITDA [^]	經調整的未計利息、稅項、折舊及攤銷之盈利 [^]	19.4	23.2	(16%)
Adjusted operating profit	經調整經營盈利	19.1	22.8	(16%)
Segment profit	分部盈利	13.9	18.5	(25%)

[^] Adjusted EBITDA is defined as earnings before interest, tax, depreciation and other income.

[^] 經調整的未計利息、稅項、折舊之盈利界定為未計利息、稅項、折舊及其他收入之盈利

The revenue derived from asset management services for year 2018 was around HK\$31.6 million (2017: HK\$35.9 million, representing a 12% decrease) and the corporate finance services fees for year 2018 recorded around HK\$10.5 million (2017: HK\$25.7 million, representing a 59% decrease). The decrease of the financial service revenue was mainly attributable to the decrease of asset management income and corporate finance service income but partially offset by the interest income from the loan receivable of HK\$10.4 million.

二零一八年來自資產管理服務的收益約為31.6百萬港元（二零一七年：35.9百萬港元，降幅為12%），而二零一八年所錄得的企業融資服務費用約為10.5百萬港元（二零一七年：25.7百萬港元，降幅為59%）。金融服務收入下降乃主要由於資產管理的收益及企業融資服務收入下降，惟部分由應收貸款之利息收入10.4百萬港元抵銷所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Share of Profits of Associates

The Group completed the investment in a joint venture, Everwell City Limited (together with its subsidiaries, collectively the “**JV Group**”) in February 2018. Investment in associate represents the Group’s equity interests in such JV Group, which owns 16 diversified commercial properties and shopping centres, plazas and car parks across Hong Kong at Cheung Hang Shopping Centre, Kai Yip Commercial Centre, Kam Tai Shopping Centre, Lei Cheng Uk Shopping Centre, On Ting Commercial Complex, Shek Lei Shopping Centre I & II, Tai Wo Hau Commercial Centre, Tsz Ching Shopping Centre, Yau Oi Commercial Centre, Yung Shing Shopping Centre, Kwai Shing East Shopping Centre, Lai Kok Shopping Centre, Lee On Shopping Centre, retail and car park within Shun Tin Estate, Tsing Yi Commercial Complex and Lions Rise Mall. The Group’s share of profits of associates was approximately HK\$280.2 million in 2018. This encouraging result has proven that such investment can enhance the Group’s profitability and benefit our future development.

Liquidity and Capital Resources

The Group’s main source of liquidity is recurring cash flows from the property investment and financial services businesses. The Group’s financial position as at 31 December 2018 and 31 December 2017 were as follows:

分佔聯營公司盈利

本集團於二零一八年二月完成於一家合營公司 Everwell City Limited (連同其附屬公司統稱「合營集團」) 之投資。於合營公司的投資反映本集團於合營集團的權益。合營集團擁有分佈於香港的16項多元化商業物業以及購物中心、廣場及停車場，包括長亨商場、啟業商場、錦泰商場、李鄭屋商場、安定商場、石籬商場一期及二期、大窩口商場、慈正商場、友愛商場、雍盛商場、葵盛東商場、麗閣商場、利安商場、順天邨之商舖與停車場、青衣商場及現崇山商場。二零一八年，本集團分佔聯營公司盈利約280.2百萬港元。此理想成績證明該投資能提升本集團的盈利能力，有助我們的未來發展。

流動資金及資本來源

本集團之主要流動資金來源為來自物業投資及金融服務業務之經常性現金流量。本集團於二零一八年十二月三十一日及二零一七年十二月三十一日之財務狀況如下：

		For the year ended 31 December		
		截至十二月三十一日止年度		
		2018	2017	% Change
		二零一八年	二零一七年	變動百分比
(HK\$ millions, except percentages)	(百萬港元，百分比除外)			
Cash and bank balances	現金及銀行結餘	169.6	118.6	43%
Shareholders’ funds	股東資金	2,472.6	1,890.1	31%
Current ratio [#]	流動比率 [#]	1.77	4.31	(59%)
Gearing ratio	資產負債比率	65.5%	41.1%	59%

[#] The balance of approximately HK\$1,435 million, being the deposit paid for the investment in a joint venture as at 31 December 2017, was subsequently accounted for as investment in an associate at the end of February 2018 and was excluded when calculating the current ratio.

[#] 於二零一七年十二月三十一日之餘額約1,435百萬港元為投資合營公司的已付按金，其後於二零一八年二月底以一家聯營公司之投資入賬，並於計算流動比率時排除。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's cash and bank balances are held predominantly in Hong Kong dollars. The Group has no significant exposure to foreign exchange fluctuations. The Group has maintained a strong cash position and expects its cash and cash equivalents, and cash generated from operations to be adequate to meeting its working capital requirements.

As at 31 December 2018, the Group had total cash and cash equivalents of approximately HK\$169.6 million, as compared to HK\$118.6 million as at 31 December 2017. The Group's gearing ratio as at 31 December 2018 was 65.5% (as at 31 December 2017: 41.1%), being calculated as total debts (which includes the loans from an intermediate holding company and bank borrowings) less cash and bank balances, over the Company's total capital employed. The increased borrowings are attributable to the loans from an intermediate holding company of the Company amounted to HK\$3,915.0 million and bank borrowings amounted to HK\$943.3 million for the expansion of the Group's businesses. As at 31 December 2018, the Group had outstanding principal of unsecured shareholder loans of HK\$3,915.0 million (as at 31 December 2017: HK\$1,435.7 million). As at 31 December 2018, the Group has undrawn bank facility of approximately HK\$335.0 million (as at 31 December 2017: Nil), and the Group had outstanding bank borrowings of approximately HK\$943.3 million as at 31 December 2018 (as at 31 December 2017: Nil). The Group actively and regularly reviews and manages its liquidity position and financial resources and makes adjustments in light of changes in economic conditions and business development needs.

For the SFC licensed corporations under the Group, the Group has ensured that each of the licensed corporations maintains a liquidity level adequate to support the level of activities with a sufficient buffer to accommodate increases in liquidity requirements arising from potential increases in the level of business activities. During FY2018, all the licensed subsidiaries have complied with the liquidity requirements under the Securities and Futures (Financial Resources) Rules.

本集團持有之現金及銀行結餘主要以港元持有。本集團並無重大外匯折算波動風險。本集團一直維持穩健之現金狀況，並預期其現金及現金等值，以及經營產生之現金，足以應付營運資金需要。

於二零一八年十二月三十一日，本集團之現金及現金等值總額約169.6百萬港元，相比於二零一七年十二月三十一日為118.6百萬港元。本集團於二零一八年十二月三十一日之資產負債比率為65.5%（於二零一七年十二月三十一日：41.1%），乃按債務總額（包括來自中間控股公司之貸款及銀行借貸）減現金及銀行結餘除以本公司已動用資本總額計算。借貸增加源自作為拓展本集團業務用途的來自本公司的中間控股公司之貸款金額3,915.0百萬港元及銀行借貸金額943.3百萬港元。於二零一八年十二月三十一日，本集團無抵押股東貸款之未償還本金為3,915.0百萬港元（於二零一七年十二月三十一日：1,435.7百萬港元）。於二零一八年十二月三十一日，本集團有尚未提取之銀行融資約335.0百萬港元（於二零一七年十二月三十一日：無），及本集團於二零一八年十二月三十一日之未償還銀行借貸約943.3百萬港元（於二零一七年十二月三十一日：無）。本集團積極地定期檢討並視乎經濟狀況及業務拓展需求之變化調整其流動資金及財務資源。

就本集團旗下持有證監會牌照之法團而言，本集團已確保各持牌法團均保持足以支持業務經營之流動資金水平，並預留足夠緩衝以於業務活動可能轉趨頻繁而引致流動資金需求上升時亦能應付自如。於截至二零一八年財政年度內，所有持牌附屬公司一直遵守證券及期貨（財政資源）規則項下流動資金規定。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Charges on Assets

As at 31 December 2018, an investment property of the Group with fair value of approximately HK\$1,680 million and restricted cash of HK\$9.2 million (as at 31 December 2017: Nil) were pledged to secure the mortgage loan granted to the Group.

Operating Activities

Net cash generated from operating activities for FY2018 was HK\$1,507.4 million, compared with net cash generated from operating activities of HK\$33.8 million in 2017. The increase in operating cash flows was due to higher revenue in the operations generated and decrease in prepayments, deposits and other receivables during the year.

Investing Activities

Net cash used in investing activities for FY2018 was HK\$3,965.2 million, compared with the net cash used in investing activities of HK\$1,480.9 million in 2017. The cash outflow was mainly used for the investment in an associate of HK\$3,123.4 million and for the acquisition of business and subsidiaries of HK\$714.3 million.

Financing Activities

Net cash generated from financing activities for FY2018 was HK\$2,508.9 million, compared with the net cash generated of HK\$1,435.7 million in 2017. During the year, HK\$2,479.3 million loan was received from an intermediate holding company of the Company, compared with HK\$1,435.7 million received in 2017.

資產抵押

於二零一八年十二月三十一日，本集團公平值約為1,680百萬港元之一項投資物業及受限制現金9.2百萬港元（於二零一七年十二月三十一日：無）已抵押作為銀行授予本集團之按揭貸款之抵押品。

經營活動

截至二零一八年財政年度，經營活動產生現金淨額為1,507.4百萬港元，二零一七年經營活動產生之現金淨額則為33.8百萬港元。經營現金流增加乃由於年內產生之經營業務收益增加以及預付款項、按金及其他應收款項減少所致。

投資活動

截至二零一八年財政年度，投資活動所用之現金淨額為3,965.2百萬港元，而二零一七年投資活動所用之現金淨額則為1,480.9百萬港元。該現金流出主要用於於聯營公司之投資3,123.4百萬港元及收購業務及附屬公司714.3百萬港元。

融資活動

截至二零一八年財政年度，融資活動產生之現金淨額為2,508.9百萬港元，而二零一七年融資活動產生之現金淨額則為1,435.7百萬港元。年內，本集團向本公司中間控股公司收取2,479.3百萬港元貸款，而二零一七年則收取1,435.7百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Significant Investments Held, Material Acquisitions or Disposals of Subsidiaries and Affiliated Companies, and Plans for Material Investments or Capital Assets

In the year ended 31 December 2018, the Group completed its investment in 16 diversified commercial properties and shopping centres, plazas and carparks across Hong Kong and acquisition of Kwai Fong Plaza through its investment of the JV Group and acquisition of Patrol Hall 12 (as defined below) group which have been recognised as an associate and subsidiary of the Group following their respective completion. Please refer to pages 22, 76 and 77 of this Annual Report for details.

The investment properties held by the Group as disclosed in Note 6 to the consolidated financial statements, together with the investment in associate, are significant to the operation of the Group. Please refer to the paragraphs headed “Financial Review by Operating Segments” and “Outlook” for the discussion on the performance and future prospects of the portfolio of investment properties held by the Group. Save as disclosed, there is no other significant investment held by the Group as at 31 December 2018.

As at the date of this Annual Report, the Group has no future plans for material investments or capital assets.

Employees and Remuneration Policy

As at 31 December 2018, the Group had a total of 21 employees (31 December 2017: 20). As the Group’s businesses continue to grow, its remuneration philosophy is designed to provide its employees with the opportunity to excel and grow, while aligning with our business strategies and values.

The Group’s remuneration and benefit policies, which are structured in accordance to market terms and statutory requirements, aim to recognise employees with outstanding performance, motivate and reward employees in order to achieve its business performance targets, retain and attract key talents and ensure alignment with the interests of our businesses, and thereby enhancing shareholder value. In addition, other staff benefits such as medical insurance, medical check-up scheme, mandatory provident fund scheme and rental reimbursement scheme are offered to eligible employees.

The Group’s employee recruitment and promotion are primarily based on individuals’ merits, relevant experiences, development potentials for the positions offered and performance.

所持重大投資，附屬公司及聯屬公司的重大收購或出售，以及重大投資或資本資產計劃

於截至二零一八年十二月三十一日止年度，本集團透過其於合營集團的投資並同時透過收購 Patrol Hall 12 (定義見下文) 集團完成分佈於香港的16項多元化商業物業以及購物中心、廣場及停車場的投資及收購葵芳廣場，相關收購完成後，有關公司確認為本集團的聯營公司及附屬公司。詳情請參閱本年度報告第22、76及77頁。

本集團持有的投資物業(誠如綜合財務報表附註6所披露)連同於聯營公司的投資對本集團的營運具有重大意義。有關本集團持有的投資物業組合的表現及未來前景的討論，請參閱「營運分部之財務回顧」及「展望」等段落。除所披露者外，本集團於二零一八年十二月三十一日並無持有其他重大投資。

截至本年度報告日期，本集團並無任何未來作重大投資或購入資本資產的計劃。

僱員及薪酬政策

於二零一八年十二月三十一日，本集團共有21名員工(二零一七年十二月三十一日：20)。因應本集團業務持續擴展，其薪酬待遇理念乃為其僱員提供發揮所長及發展之機會，且與集團之業務策略及價值相輔相成。

本集團的薪酬福利政策(其乃根據市場水平及法定規則制訂)旨在肯定員工之優秀表現、激勵及獎勵員工達成業務績效目標、挽留及吸納出色人才並確保與業務利益一致，從而提升股東價值。此外，亦向合資格僱員提供其他員工福利，如醫療保險、身體檢查計劃、強制性公積金計劃及租住房屋津貼計劃。

本集團之員工招聘及晉升主要乃按個人工作業績、相關經驗及彼等在所屬職位之發展潛能及表現而定。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Outlook

With the earnest efforts of the Group's management and each operation team, the Group focused on the development of its two principal business segments, namely, property investment and financial services, and has achieved considerable progress in FY2018 with remarkable growth in total assets, operating profit and profit for the year, which lays a solid foundation for our future development.

While China's economy remains stable with enhanced resilience of economic growth, it is still confronted with complicated internal and external situations. Numerous uncertainties arising from the escalating trade conflict between China and the United States, in particular, present us with unprecedented severe challenges. To cope with such challenges, the Board and management of the Company will fully leverage on and utilise the functions of licenses owned by the Group, and will continue to actively seize investment opportunities prudently and thoroughly in order to generate favourable returns for our shareholders while maintaining strong cash position.

Looking ahead, in the complicated and constantly-changing macro-economic environment with fierce competition, the Group will seize the development opportunities arising from the China's Guangdong-Hong Kong-Macao Greater Bay Area strategic plan and further strengthen the synergy effect by leveraging on the substantial resources from GWAMCC, our controlling shareholder, through the integration of domestic and foreign capital markets, and aggressively expanding its domestic business, to ensure the Group can make full use of its role as the sole overseas listed platform of GWAMCC Group.

展望

透過本集團管理層及各個營運團隊的努力，本集團專注於發展其物業投資及金融服務兩個主營業務，並於二零一八年財政年度取得可觀的進展，總資產、經營盈利及全年盈利均錄得顯著增長，為我們的未來發展奠定更扎實的基礎。

國家經濟保持穩定，經濟增長韌性增強，但當前仍面臨的內外部形勢錯綜複雜，特別是中美貿易戰升級後帶來很多的不確定性因素，給我們帶來了前所未有的嚴峻挑戰。面對此等挑戰，本公司董事會及管理層將充份發揮及全面運用本集團擁有的牌照之功能，並將繼續以審慎的態度、周全的計劃，積極地抓緊投資機會，於維持穩健的現金狀況下努力為我們的股東爭取最佳回報。

展望未來，在競爭激烈、複雜且不斷變化的宏觀經濟環境下，本集團將抓緊國家「粵港澳大灣區」戰略部署的發展機遇，依托控股股東中國長城資產的雄厚資源，透過結合境內外資本市場，進一步深化協同效應，積極拓展國內業務，充分發揮本集團作為中國長城資產集團唯一境外上市平台的角色。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board of Directors (the “**Board**”) and the Company’s management are committed to upholding the Group’s obligations to shareholders. We regard the promotion and protection of shareholders’ interests as one of our priorities and keys to success.

The Board believes that good corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders and enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Group has put in place sound corporate governance practices to ensure it adheres to high ethical and business standards. The key test of corporate governance practices is whether they can align the interests of management with those of shareholders to adequately protect and promote shareholders’ interests. The Group is committed to the continuous improvement of corporate governance practices to support the performance of our business and enable effective oversight. The Group constantly reviews these guidelines and policies and implements new ones to ensure they remain relevant and practical in today’s fast changing business environment and market expectations.

The Group has adopted and applied the applicable principles and code provisions set out in the Corporate Governance Code (the “**Corporate Governance Code**”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”) as its corporate governance practices. The Group also adheres to certain recommended best practices of the Corporate Governance Code insofar as they are relevant and practicable.

The Board is of the view that, throughout the year ended 31 December 2018, the Company has complied with the principles and code provisions set out in the Corporate Governance Code, save as deviations from code provisions A.2.1 and A.2.7 as explained in this report.

董事會（「**董事會**」）及本公司管理層一直致力履行本集團對股東之責任，本集團視提升及維護股東權益為我們的首要任務及成功要訣之一。

董事會相信良好企業管治水平對本集團而言屬不可或缺之框架，以保障股東利益以及提升企業價值、制定其業務策略及政策，以及提升其透明度及問責程度。

本集團已建立了完善之企業管治常規，確保集團緊守高尚之道德及商業標準。企業管治常規是否具成效，關鍵是要驗證這套管治常規能否將管理層與股東之利益連成一線，充分保障及提升股東權益。本集團致力持續改善企業管治常規，以支持業務表現及容許我們執行有效的監督。本集團定期檢討此等指引及政策，推陳出新，確保有關指引及政策可行並能切合當今瞬息萬變之營商環境及市場要求。

本集團採納及應用香港聯合交易所有限公司（「**聯交所**」）證券上市規則（「**上市規則**」）附錄十四所載之《企業管治守則》（「**企業管治守則**」）之適用原則及守則條文為其企業管治常規。本集團亦在適用及可行情況下遵守企業管治守則內所載之若干建議最佳常規。

董事會認為，於截至二零一八年十二月三十一日止年度的期間內，本公司一直遵守企業管治守則所載之原則及守則條文，惟於本報告所闡述偏離守則條文第A.2.1條及第A.2.7條除外。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Group believes that its current corporate governance practices, which combine governance framework and practices that develop over time and new practices set out in the Corporate Governance Code, provide the Group with a sound and sensible framework for balancing the business of the Group and the interests of its shareholders. The Group will continue to evaluate its corporate governance practices in light of its business needs, regulatory changes and new corporate governance philosophies.

Set out below are our current framework of governance and explanations about how the provisions of the Corporate Governance Code have been applied.

The Board of Directors

The Board recognises its responsibility to represent the interests of shareholders. As at the date of this Annual Report, the Board comprises seven Directors: two executive Directors and five non-executive Directors (including three independent non-executive Directors). Independent non-executive Directors represent more than one-third of the Board.

The Directors of the Company during the year and as at the date of this Annual Report are:

Executive Directors:

Mr. Ou Peng (resigned on 15 March 2019)
Mr. Huang Hu (re-designated from non-executive Director to executive Director on 15 March 2019)
Mr. Meng Xuefeng

Non-executive Directors:

Mr. Chen Zenan (appointed on 15 March 2019)
Ms. Lv Jia

Independent Non-executive Directors:

Dr. Song Ming
Dr. Sun Mingchun
Mr. Woo Chin Wan (resigned on 26 November 2018)

Ms. Liu Yan (appointed on 26 November 2018)

There is no relationship (including financial, business, family or other material/relevant relationship) among members of the Board. The biographies of all the Directors and the senior management are set out on pages 9 to 16 of this Annual Report.

本集團現行之企業管治常規結合了不斷發展之管治框架和常規及企業管治守則所載之新常規，本集團相信其為本集團提供一個完善合理之架構，以平衡其業務及股東權益。本集團將繼續按其業務需要、監管規例之變動及新企業管治理念，檢討其企業管治常規。

下文闡述本集團現行之管治架構，並闡釋如何應用企業管治守則之條文。

董事會

董事會確認其代表股東權益之責任。於本年度報告日期，董事會由七位董事組成，包括兩名執行董事及五名非執行董事（其中三名為獨立非執行董事）。獨立非執行董事佔董事會逾三分之一人數。

年內及於本年度報告日期的本公司董事如下：

執行董事：

歐鵬先生（於二零一九年三月十五日辭任）
黃虎先生（於二零一九年三月十五日從非執行董事調任為執行董事）
孟雪峰先生

非執行董事：

陳澤南先生（於二零一九年三月十五日獲委任）
呂佳女士

獨立非執行董事：

宋敏博士
孫明春博士
胡展雲先生（於二零一八年十一月二十六日辭任）
劉艷女士（於二零一八年十一月二十六日獲委任）

董事會成員之間並無任何關係（包括財務、業務、家屬或其他重要／相關關係）。全體董事及高級管理層之簡歷載於本年度報告第9至16頁。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board's main responsibility and purpose is to deliver the long-term success of the Group and to create long-term value for its shareholders by providing strategic and entrepreneurial leadership, and by exercising prudent oversight and control over the Company. As the business continues to grow, the Board needs to ensure that the Company has sufficient resources – both funding and talent – to deliver success. The Board also recognises the need for effective engagement by the Company with its key stakeholders, including all its investors.

Each Director brings a wide range and years of business experience to the Board to meet our long-term objectives. The Directors' combined knowledge, expertise and experience are extremely valuable in overseeing the Group's business operations.

The Board sets the strategic direction and oversees the performance of the Group's business and management. The principal matters the Board is responsible for include:

- approval of strategic direction, policies and objectives
- review and approval of business plans and budgets
- monitoring operational and financial performance
- review and approval of annual and interim results
- review and approval of annual and interim reports as well as the related financial statements
- review and approval of dividend policy and recommendation of final dividend, and declaration of interim dividend and where appropriate, special dividends
- appointment of auditor
- review and approval of significant acquisitions and disposals and major financings, borrowings and guarantees
- approval of material contracts
- overseeing the risk management and internal control systems and ensuring their effectiveness

In addition, the Board discusses major operating issues, evaluates opportunities and business risks. Decisions and conduct of matters other than those specifically reserved to the Board are delegated to the management whilst structured monthly updates on the Group's performance, position and prospects in sufficient details are provided to the Directors to enable them to discharge their duties.

董事會透過提供策略及企業領導，於本公司實行審慎的監控，以履行其主要責任及目的，為本集團帶來長遠的成功，為股東創造長遠價值。隨着本公司業務持續增長，董事會須確保本公司在財政及人才方面均擁有足夠資源以達致成功。董事會亦明白，本公司必須與包括所有投資者在內的主要持份者保持有效互動。

各董事均具有多年廣泛業務經驗以迎合我們長遠目標，並具備不同範疇之知識、專業技能及豐富經驗，對監察本集團之業務營運有莫大裨益。

董事會負責制訂策略方針，並監察本集團之業務及管理表現。董事會負責的主要事宜包括以下各項：

- 批准策略性方針、政策及目標
- 審閱及批准業務計劃及財政預算
- 監察營運與財務表現
- 審閱及批准年度業績及中期業績
- 審閱及批准年度報告及中期報告，以及相關財務報表
- 審閱及批准股息政策，以及建議宣派末期股息、及宣派中期股息及（如適用）特別股息
- 委任核數師
- 審閱及批准重大收購及出售事項，以及主要融資、借貸及擔保事項
- 批准重大合約
- 監督風險管理及內部監控系統並確保其有效性

此外，董事會亦討論重大營運事宜、評估商機及業務風險。除特定必須由董事會作出決定及處理之事務外，其他事宜均交由管理層負責，並每月向董事提呈本集團業績表現、營運狀況及業務展望的具組織最新資料，內容足以讓董事履行彼等的職責。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board reviews the arrangements between the responsibilities of the Board and the matters delegated to the Management periodically to ensure that they remain appropriate to the need of the Group and its businesses.

Corporate Governance and Code of Conduct

The Board is also responsible for performing the corporate governance functions set out in code provision D.3.1 of the Corporate Governance Code and adopted a revised Terms of Reference of the Board on Corporate Governance Functions in March 2017, including:

- development and review of the Company's policies and practices on corporate governance
- review and monitoring of the training and continuous professional development of Directors and senior management
- review and monitoring of the Company's policies and practices on compliance with legal and regulatory requirements
- development, review and monitoring of the code of conduct and compliance manual applicable to employees and Directors
- review of the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report as specified under the Listing Rules

Key corporate governance matters reviewed by the Board during the year were:

- review of the Company's compliance with legal and regulatory requirements
- review of the Company's compliance with the Corporate Governance Code
- review of the effectiveness of the internal control system
- proposal on the re-appointment of the Company's external auditor, PricewaterhouseCoopers
- appointment of Ms. Liu Yan as an independent non-executive Director and Chairlady of the Audit Committee
- review and adoption of updated Terms of Reference of the Audit Committee
- annual review of continuing connected transactions
- approval of material transactions

董事會定期檢討董事會與管理層職責分工之安排及指派予管理層的事宜，以確保有關安排切合本集團及其業務之需要。

企業管治及行為守則

董事會亦負責履行企業管治守則的守則條文第D.3.1條載列的企業管治職能，並已於二零一七年三月採納經修訂之董事會就企業管治職能的職權範圍，包括：

- 制定及檢討本公司的企業管治政策及常規
- 檢討及監察董事及高級管理層之培訓及持續專業發展
- 檢討及監察本公司遵守法律及監管規定方面的政策及常規
- 制定、檢討及監察適用於僱員及董事的操守準則及合規手冊
- 檢討本公司遵守企業管治守則的情況及按上市規則所訂在企業管治報告內的披露

年內，董事會審議下列主要企業管治事宜：

- 檢討本公司於法律及監管要求方面的合規情況
- 檢討本公司於企業管治守則方面的合規情況
- 檢討內部監控系統的成效
- 建議續聘本公司外聘核數師羅兵咸永道會計師事務所
- 委任劉艷女士為獨立非執行董事及審核委員會主席
- 檢討及採納更新的審核委員會職權範圍
- 持續關連交易之年度審閱
- 批准重大交易事項

CORPORATE GOVERNANCE REPORT

企業管治報告

The Group has devised a Whistleblowing Policy on malpractice reporting and investigation setting out specific procedures facilitating whistle-blowing reports and investigation thereof.

The Company is also committed to upholding sound corporate governance practices and complying with its obligations to disclose inside information under the SFO as well as the Listing Rules. The Company had adopted a Policy on Disclosure of Inside Information setting out specific policies and procedures facilitating the Company's compliance with these obligations.

Board Proceedings

The Board holds four regular meetings annually as a minimum, usually quarterly, and also meets at such other times if necessary. The Company generally gives notice and draft agenda of regular Board and Board Committees meetings at least 14 days in advance. For other Board and Committees meetings, notice is generally given pursuant to the Company's Bye-Laws and the respective Terms of Reference of the Committees.

Agenda of Board meetings are prepared by the Company Secretary in consultation with the Chairman, and based on a forward calendar that helps ensure that all relevant matters for the year ahead are considered by the Board in a timely manner. Each Director is encouraged to contribute to the agenda setting process. The Board is provided with adequate, timely and reliable information about the Group's businesses and developments before each Board meeting at which the Directors actively participate and make informed discussions. Each Director is asked to review and comment on the Board minutes within a reasonable time after each meeting to maintain accurate records of Board discussions and decisions.

本集團設立通報及調查不當行為之舉報政策，當中載列通報及調查不當行為之特定程序。

本公司亦致力緊守完善之企業管治常規及遵守其根據證券及期貨條例及上市規則之內幕消息披露責任。本公司已採納內幕消息披露政策，當中載列本公司遵守有關責任之特定政策及程序。

董事會會議程序

董事會每年至少召開四次常規會議，通常於每季度舉行，並於需要時召開會議。本公司一般於最少十四日前就董事會及董事會轄下委員會常規會議發出事先通知及提供議程初稿。而其他董事會及委員會會議一般按照本公司之公司細則和各委員會職權範圍給予通知。

公司秘書經諮詢主席後根據未來日程編製會議議程，以確保該年內接下來所有相關事宜均經董事會及時考慮。我們鼓勵每名董事參與制訂議程的過程。每次董事會會議前，董事會均獲提供本集團業務及發展之充足、適時和可靠之資料，會上董事積極參與及開展知情討論。每名董事須於會議後一段合理時間內審議及評核董事會會議記錄，以確保所存置之董事會會議討論和決策記錄準確。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the year, the Board held four Board meetings. The attendance of each Director at Board and Committee meetings, and the annual general meeting and special general meeting is detailed in the table below.

年內，董事會已舉行四次董事會會議。各董事在董事會及委員會會議，以及股東週年大會及股東特別大會出席率詳列如下。

Name of Director	董事姓名	Attendance/No. of Meeting(s)					
		Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	Annual General Meeting	Special General Meeting
		董事會會議	審核委員會會議	薪酬委員會會議	提名委員會會議	股東週年大會	股東特別大會
Mr. Ou Peng ⁽¹⁾	歐鵬先生 ⁽¹⁾	4/4	-/-	-/-	1/1	1/1	0/1
Mr. Meng Xuefeng	孟雪峰先生	4/4	-/-	1/1	-/-	1/1	1/1
Mr. Huang Hu ⁽²⁾	黃虎先生 ⁽²⁾	4/4	3/3	-/-	-/-	1/1	1/1
Ms. Lv Jia	呂佳女士	4/4	-/-	-/-	-/-	0/1	0/1
Dr. Song Ming	宋敏博士	2/4	2/3	1/1	1/1	0/1	0/1
Dr. Sun Mingchun	孫明春博士	4/4	-/-	1/1	1/1	1/1	1/1
Mr. Woo Chin Wan ⁽³⁾	胡展雲先生 ⁽³⁾	3/3	2/2	-/-	-/-	1/1	1/1
Ms. Liu Yan ⁽⁴⁾	劉艷女士 ⁽⁴⁾	1/1	1/1	-/-	-/-	-/-	-/-

Notes:

附註：

- | | |
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| <p>(1) Resigned as the Chairman of the Board, an executive Director and Chairman of the Nomination Committee on 15 March 2019.</p> <p>(2) Re-designated as an executive Director and appointed as the Chief Executive Officer and ceased to be a member of the Audit Committee on 15 March 2019.</p> <p>(3) Resigned as an independent non-executive Director and ceased to be the Chairman of the Audit Committee on 26 November 2018, three Board meetings and two Audit Committee meetings were held on or before 26 November 2018.</p> <p>(4) Appointed as an independent non-executive Director and Chairlady of the Audit Committee on 26 November 2018, one Board meeting and one Audit Committee meeting were held on or after 26 November 2018.</p> | <p>(1) 於二零一九年三月十五日辭任董事會主席、執行董事及提名委員會主席。</p> <p>(2) 於二零一九年三月十五日獲調任為執行董事及獲委任為行政總裁，並終止出任審核委員會成員。</p> <p>(3) 於二零一八年十一月二十六日辭任獨立非執行董事及不再擔任審核委員會主席，於二零一八年十一月二十六日或之前已舉行三次董事會會議及兩次審核委員會會議。</p> <p>(4) 於二零一八年十一月二十六日獲委任為獨立非執行董事及審核委員會主席，於二零一八年十一月二十六日或之後已舉行一次董事會會議及一次審核委員會會議。</p> |
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All the Directors have access to the advice and services of the Company Secretary to ensure all board procedures and all applicable laws, rules and regulations are complied with. The Directors update the Board regarding offices held in public companies and organisations, and other significant commitments once every half year. There are also procedures for the Directors to obtain independent professional advice at the Company's expense.

Code provision A.2.7 of the Corporate Governance Code effective during the financial year ended 31 December 2018 stipulated that the chairman should at least annually hold a meeting with the non-executive directors (including independent non-executive directors) without the executive directors present.

During the year ended 31 December 2018, despite a formal meeting could not be arranged between the Chairman of the Board and the non-executive Directors (including independent non-executive Directors) without the other executive Director present due to their tight schedules, the non-executive Directors and the independent non-executive Directors may communicate with the Chairman of the Board directly at any time to voice their opinions and share their views on the Company's affairs. The Company considers that there are sufficient channels for discussion of the Company's affairs between the Chairman and the non-executive Directors (including the independent non-executive Directors).

Board Diversity Policy

The Group recognises and embraces the benefits of having a diverse Board to enhance the quality of the Company's performance.

The Nomination Committee of the Board is primarily responsible for leading the process for Board appointments and for identifying and nominating, for approval by the Board, suitably qualified candidates to become members of the Board. The benefits of diversity continue to influence the succession planning of the Board.

全體董事均取得公司秘書之意見及服務，以確保所有董事會程序及所有適用法例、規則及規例已獲遵守。董事每半年向董事會提供彼等在公眾公司及組織所擔任職務及其他重大承擔之最新資料。此外，本公司亦備有程序讓董事尋求獨立專業意見，費用由本公司支付。

於截至二零一八年十二月三十一日止財政年度生效的企業管治守則守則條文第A.2.7條規定董事會主席應至少每年與非執行董事（包括獨立非執行董事）舉行一次沒有執行董事出席的會議。

截至二零一八年十二月三十一日止年度，縱使因董事會主席及非執行董事（包括獨立非執行董事）的行程緊密，無法為董事會主席與非執行董事（包括獨立非執行董事）之間在其他執行董事不在場的情況下安排正式會議，然而，非執行董事及獨立非執行董事可隨時與董事會主席直接溝通，就本公司事務向主席表達意見及交流觀點，因此，本公司認為已有足夠渠道讓主席及非執行董事（包括獨立非執行董事）討論本公司事務。

董事會多元化政策

本集團深信擁有成員多元化的董事會有利於提升本公司的表現質素。

董事會提名委員會主要負責主導委任董事會成員的過程，並物色及提名具備合適資格的候選人成為董事會成員待董事會批准。多元化帶來之裨益繼續影響董事會的繼任計劃。

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When identifying candidates for Board membership of the Company, the Nomination Committee takes into account the board diversity policy of the Company (“**Board Diversity Policy**”). A range of diversity factors, including but not limited to gender, age, cultural and educational background, professional and industry experience, skills, knowledge and time commitments will be considered in selection of each candidate to become a member of the Board. All Board appointments will be based on merits and contribution that the selected individuals will bring to the Board. The Company’s own business model and specific needs has also been taken into consideration in setting the Board Diversity Policy. External recruitment professionals may be engaged to carry out the selection and recruitment process when necessary.

In conducting the annual review of the effectiveness of the Board, the Nomination Committee will consider the balance of talents, skills, experience and background and the diversity representation of the Board. The Nomination Committee will review annually all measurable objectives for achieving diversity on the Board and recommend them to the Board for adoption. The Nomination Committee will report annually on the process used for Board appointments.

Appointment and Re-election of Directors

The Board confirms the term of appointment and functions of all non-executive Directors and Board Committee members with formal letters of appointment.

Directors who are appointed to fill vacancies or as an addition to the Board are subject to re-election at the next following general meeting of the Company after his or her appointment. In addition, every Director, including every non-executive Director, shall retire from office no later than the third annual general meeting after he/she was last elected or re-elected. One-third of the Directors for the time being, or if their number is not three or a multiple of three, then a number not less than one-third, are required to retire by rotation from office at every annual general meeting under the Company’s Bye-Laws. A retiring Director is eligible for re-election.

The Company maintains procedures for shareholders to propose a person for election as a director of the Company. The details of these procedures are published on the Company’s website.

物色本公司董事候選人時，提名委員會參考本公司的董事會成員多元化政策（「**董事會多元化政策**」）。甄選相關候選人成為董事會成員時將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、專業及行業經驗、技能、知識及承諾投放時間。董事會所有委任均以任用賢能為原則及根據獲選人將為董事會帶來的貢獻而作出，並於制訂董事會多元化政策時一併考慮本公司自身的業務模式及特定需要。如有需要，外部招聘專業人士可能參與遴選及招聘過程。

每年進行檢討董事會的工作成效時，提名委員會將考慮董事會內之人才、技能、經驗及背景與多元化之間的均衡組合。提名委員會將每年檢討董事會達致多元化之所有可量化目標，並向董事會提出採納建議。提名委員會將每年就有關董事會委任之程序作出匯報。

董事之委任及重選

董事會出具正式委任函件確認所有非執行董事及董事會轄下委員會成員之任期及職能。

獲委任以填補空缺及為新增成員之董事須於其獲委任後舉行的首次本公司股東大會上重選。此外，每位董事（包括每位非執行董事）須不遲於其最近一次被選舉或重選後之第三次股東週年大會上退任。根據本公司之公司細則，每屆股東週年大會須有三分之一在職董事（或倘人數並非三或三之倍數，則不少於三分之一的董事）輪值告退。退任之董事可膺選連任。

本公司訂立股東提名人士選舉為本公司董事的程序，這些程序的詳情已刊登於本公司網站。

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Directors' Remunerations

The Directors' fees and all other reimbursements and emoluments (if any) paid or payable to the Directors during the year are set out, on an individual and named basis, in Note 19 to the consolidated financial statements of this Annual Report on pages 171 to 175.

The remuneration policy of the Group is set out on page 25 of this Annual Report.

Compliance with the Model Code and the Company's Guidelines

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the **"Model Code"**) as set out in Appendix 10 of the Listing Rules as the Company's code of conduct for securities transactions by its Directors. Having made specific enquiry with all Directors, all Directors have confirmed their compliance with the required standards set out in the Model Code throughout the year ended 31 December 2018 and up to the date of this Annual Report.

The Company has also adopted written guidelines (the **"Company's Guidelines"**), which are equally stringent as the Model Code, in respect of securities transactions by relevant employees of the Company who are likely to be in possession of unpublished inside information of the Company pursuant to code provision A.6.4 of the Corporate Governance Code. No incident of non-compliance against the Model Code or the Company's Guidelines by the Company's relevant employees has been noted after making reasonable enquiry.

董事酬金

年內，已支付或應付予董事之董事袍金及所有其他付還款項及酬金（如有），按個別董事具名載列於本年度報告第171至175頁之綜合財務報表附註19內。

本集團之薪酬政策載於本年度報告第25頁。

遵守標準守則及公司指引

董事會已採納上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》（「標準守則」）作為本公司董事進行證券交易之操守準則。經向全體董事作出具體查詢後，全體董事均已確認彼等於截至二零一八年十二月三十一日止整個年度及截至本年度報告日期期間一直遵守標準守則所載的規定標準。

就可能得知本公司未公佈內幕消息之本公司有關僱員所進行之證券交易，本公司亦已根據企業管治守則守則條文第A.6.4條，採納不比標準守則寬鬆之書面指引（「公司指引」）。本公司於進行合理查詢後，知悉並無本公司有關僱員不遵守標準守則或公司指引之事宜。

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Independence of Independent Non-Executive Directors

The Board has received from each of the independent non-executive Directors a written annual confirmation of his/her independence pursuant to the guidelines set out in Rule 3.13 of the Listing Rules.

The Company is of the view that all independent non-executive Directors are independent in accordance with the independence guidelines as set out in the Listing Rules and is grateful for the contribution and independent advice and guidance that they have been giving to the Board and the Board Committees.

Directors are required to declare their direct or indirect interests, if any, in any proposals or transactions to be considered by the Board at Board meetings and withdraw if appropriate.

Continuous Professional Development of Directors

Directors keep abreast of responsibilities as a Director of the Company and of the conduct, business activities and development of the Company.

All Directors are encouraged to participate in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. Internally-facilitated briefings for Directors are arranged and reading materials on relevant topics are distributed to Directors from time to time.

During the year ended 31 December 2018, all the Directors had participated in continuous professional development programmes, including but not limited to internally-facilitated briefings organised by the Company and qualified professionals and trainings conducted by law firm, and reading materials relevant to directors' duties and responsibilities. A record of the trainings received by the respective Directors are kept and updated by the Company. The training areas that the Directors received during the year were as follow.

獨立非執行董事之獨立性

董事會已接獲各獨立非執行董事根據上市規則第3.13條所載之指引就其獨立性發出的書面年度確認。

本公司認為，根據上市規則所載獨立性指引，全體獨立非執行董事均屬獨立，並對彼等一直以來為董事會及董事會轄下委員會所作貢獻和提供獨立意見及指導表示謝意。

董事須申報彼等在將由董事會於董事會會議審議的任何建議或交易中的直接或間接利益（如有），並就該部份董事會會議酌情避席。

董事的持續專業發展

董事不時了解其作為本公司董事的職責及操守以及本公司的業務活動及發展。

本公司鼓勵董事參與適當的持續專業發展，以發展及更新彼等的知識及技能，確保其繼續對董事會作出知情及相關的貢獻。我們不時為董事安排內部簡介會，並向董事派發有關議題的參考資料。

截至二零一八年十二月三十一日止年度，所有董事均已參與持續專業發展計劃，包括但不限於由本公司及合資格專業人士舉辦的內部簡介會，及由律師事務所提供的培訓，以及閱讀有關董事職務及責任的材料。各董事所接受之培訓記錄由本公司保管及更新。董事於年內所接受之培訓範疇如下。

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		Training Areas 培訓範疇		
		Corporate Governance, Risk Management and Internal Control 企業管治、風險管理 及內部監控	Legal and Regulatory 法律及 監管規定	Group's Business 本集團業務
Name of Director	董事姓名			
Mr. Ou Peng ⁽¹⁾	歐鵬先生 ⁽¹⁾	✓	✓	✓
Mr. Meng Xuefeng	孟雪峰先生	✓	✓	✓
Mr. Huang Hu ⁽²⁾	黃虎先生 ⁽²⁾	✓	✓	✓
Ms. Lv Jia	呂佳女士	✓	✓	✓
Dr. Song Ming	宋敏博士	✓	✓	✓
Dr. Sun Mingchun	孫明春博士	✓	✓	✓
Mr. Woo Chin Wan ⁽³⁾	胡展雲先生 ⁽³⁾	✓	✓	✓
Ms. Liu Yan ⁽⁴⁾	劉艷女士 ⁽⁴⁾	✓	✓	✓

Notes:

附註：

(1) Resigned as an executive Director on 15 March 2019.

(1) 於二零一九年三月十五日辭任執行董事。

(2) Re-designated as an executive Director on 15 March 2019.

(2) 於二零一九年三月十五日獲調任為執行董事。

(3) Resigned as an independent non-executive Director on 26 November 2018.

(3) 於二零一八年十一月二十六日辭任獨立非執行董事。

(4) Appointed as an independent non-executive Director on 26 November 2018.

(4) 於二零一八年十一月二十六日獲委任為獨立非執行董事。

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Directors' Responsibility for Financial Reporting in respect of Financial Statements

All Directors acknowledge their responsibilities for preparing the consolidated financial statements of the Group for the year ended 31 December 2018.

Other matter relating to the Board

The Group has appropriate insurance in place to cover the liabilities of the Directors and officers of the Group.

Chairman and Chief Executive Officer

The primary role of the Chairman is to provide leadership for the Board. He is responsible for the proper functioning of the Board and for securing the application of good corporate governance practices. The Chairman ensures the Board has formulated the corporate goals and objectives, long-term business model and strategy for delivering the corporate strategy of the Group, and establishes an effective system for monitoring the progress of their effective implementation and achievement. He directs the corporate development activities of the Group, and ensures that effective steps are taken to provide effective communication with shareholders and that their views are communicated to the Board as a whole. The Chairman is also responsible for setting the Board's agenda and ensuring that adequate time is available for discussion of all agenda items in particular strategic issues. He promotes a culture of openness and debate by facilitating the effective contribution of non-executive Directors in particular and ensuring constructive relations between executive and non-executive Directors. Furthermore, the Chairman is responsible for ensuring that the Directors receive, in a timely manner, accurate, clear, complete and reliable information.

The primary role of the Chief Executive Officer is to focus on attending to the formulation and implementation of Group's policies and overseeing the implementation of the strategies and objectives agreed by the Board. The senior management should support the Chief Executive Officer in performing this. The Chief Executive Officer has principal responsibility for overseeing day-to-day management of the Group's businesses and operations, maintaining the operational performance of the Group and monitoring the operating and financial results of the Group's businesses against plans and budgets.

董事對財務報表的財務報告責任

全體董事確認彼等有責任編製本集團截至二零一八年十二月三十一日止年度的綜合財務報表。

與董事會有關之其他事宜

本集團已就本集團董事及高級行政人員之責任作出適當投保。

主席及行政總裁

主席的主要職務是擔當領導董事會角色，並負責董事會的妥善運作，確保良好企業管治常規得以實行。主席確保董事會制定本集團的企業目標及宗旨、長期業務模式及策略以實現本集團的企業戰略，並建立有效機制以監控實際推行及完成的進展。彼指引本集團的企業發展活動及確保已採取有效舉措與股東保持有效聯繫，致使彼等意見可傳達整個董事會。主席亦負責訂下董事會議程，確保有足夠時間討論議程上所有事項，特別是策略上的事宜。主席通過促進非執行董事作出良好貢獻，確保執行及非執行董事間的建設性關係，從而推廣開放及議論的文化。此外，主席負責確保董事適時接收準確、清晰、完善及可靠的資訊。

行政總裁的主要職務是專注參與制訂及實行本集團政策，以及監督經董事會同意的策略及目標之落實情況，並應就此獲高級管理層的支援。行政總裁首要負責監督本集團業務及營運的日常管理、維持本集團經營表現，以及根據計劃及預算監控本集團業務的經營及財務業績。

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The roles of Chairman of the Board and Chief Executive Officer of the Company had been performed by Mr. Ou Peng, our former executive Director, since 9 November 2016 until his resignation from the above positions on 15 March 2019. Although under code provision A.2.1 of the Corporate Governance Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual, the combination of the roles of chairman and chief executive officer by Mr. Ou was considered to be in the best interests of the Company and its shareholders as a whole. The Company believed that the combined roles of Mr. Ou promoted unity of command and developed strong, clear and better leadership for both the Board and the management and enabled more focused development of business strategies and implementation of objectives and policies. The balance between power and accountability is maintained by the openness and cooperative spirit of the senior management and the Board, which comprise experienced and high-calibre individuals. The structure was supported by the Company's well established corporate governance structure and internal control policies. Subsequent to the appointments of Mr. Chen Zenan as Chairman of the Board and Mr. Huang Hu as Chief Executive Officer on 15 March 2019 respectively, the Company has complied with the requirements under code provision A.2.1 of the Corporate Governance Code as from that date.

Board Committees

The Board has established the Audit, Remuneration and Nomination Committees with mandates to deal with certain corporate governance affairs of the Group. The Terms of Reference of each of the abovementioned Committees are available on the website of the Stock Exchange and the Company's website.

From time to time, the Board will also establish other board committee(s) to deal with specific aspects of its business.

Each Committee is established with written terms of reference which are no less exacting than those set out in the Corporate Governance Code, setting out its roles and functions. Each member of the Committee has a formal letter of appointment setting out key terms and conditions relating to his/her appointment.

自二零一六年十一月九日起，本公司董事會主席兼行政總裁之角色由我們的前任執行董事歐鵬先生同時擔任，直至彼於二零一九年三月十五日辭任上述職務為止。儘管根據企業管治守則守則條文第A.2.1條，主席與行政總裁之角色應有區分，不應由一人同時兼任，惟由歐先生兼任主席及行政總裁乃符合本公司及其股東整體之最佳利益。本公司認為，歐先生兼任兩職有助於統一指令，建構強而有力、明確及更有領導能力的董事會及管理層，並使其更致力專注於制定業務策略，以及實行目標及政策。高級管理層與董事會由富經驗及才能之人士組成，富有開放及合作精神，可達成權力與問責之間的平衡。此架構獲本公司完善的企業管治架構及內部監控政策支援。自陳澤南先生及黃虎先生分別於二零一九年三月十五日獲委任為董事會主席及行政總裁後，本公司自該日起遵守企業管治守則守則條文第A.2.1條所載之規定。

董事會轄下委員會

董事會轄下設有審核、薪酬及提名委員會，負責處理本集團的若干企業管治事務。上述各委員會之職權範圍均載於聯交所之網站及本公司之網站。

董事會亦不時成立其他董事會轄下委員會，處理其他特定範疇之事務。

各獲設立之委員會均具書面職權範圍（條款不比企業管治守則所載條款寬鬆）載列其角色及職能。每名委員會成員均有正式委任函件，載有關於其委任之主要條款及條件。

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Each Committee meets as frequently as required by business developments and the operation of the Group. Committee members are provided with adequate and timely information before each meeting or discussion. All Committee members are asked to review and comment on the minutes of their meetings within a reasonable time after the meetings.

The procedures and arrangements relating to the meetings of the Board are applied to meetings of the Board Committees whenever it is appropriate.

Audit Committee

The Audit Committee was established in 1998 with its defined written terms of reference (which was revised in August 2018). As at the date of this report, the Audit Committee comprises two independent non-executive Directors, namely Ms. Liu Yan (Chairlady of the Audit Committee) and Dr. Song Ming, and a non-executive Director, Mr. Chen Zenan. A majority of Audit Committee members are independent non-executive Directors, with Mr. Liu Yan and Dr. Song Ming possessing the appropriate professional qualifications and accounting and related financial management expertise.

The Audit Committee members have professional qualifications and experience in financial matters that enable the Committee to exercise its powers effectively and provide the Board with independent views and recommendations in relation to financial matters.

The principal roles of the Audit Committee are to ensure that the Company has formal and transparent arrangements for considering matters relating to the Group's financial reporting, and risk management and internal control systems and for maintaining an appropriate relationship with the Company's internal auditors (if any) and external auditor.

The duties of the Audit Committee, as set out in its terms of reference, covering the relevant code provisions of the Corporate Governance Code.

各委員會按本集團之業務發展和運作於需要時召開會議。在每次會議或討論前，委員會成員均獲提供充足及適時之資訊。全體委員會成員須於會議後一段合理時間內審議及評核會議記錄。

董事會會議適用之程序及安排亦應用於董事會轄下委員會之會議。

審核委員會

本公司訂有書面職權範圍（於二零一八年八月修訂）的審核委員會於一九九八年成立。截至本報告日期，審核委員會由兩名獨立非執行董事劉艷女士（審核委員會主席）及宋敏博士，以及非執行董事陳澤南先生組成。審核委員會成員大部份為獨立非執行董事，其中劉艷女士及宋敏博士具備適當的專業資格以及會計及相關財務管理專長。

審核委員會成員具專業資格和財務事宜之經驗，有助委員會有效行使權力，並就財務事宜向董事會提供獨立意見及建議。

審核委員會之主要職責為確保本公司作出正規及具透明度之安排，以審議與本集團財務匯報，及風險管理及內部監控系統方面有關之事宜，並與本公司之內部核數師（如有）及外聘核數師維持恰當關係。

審核委員會職權範圍所載列之職務，涵蓋企業管治守則之相關守則條文。

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The Audit Committee holds two regular meetings annually and also meets at such other times as circumstances require. Any Audit Committee member may convene a meeting of the Committee. The external auditor may also request the Committee Chairman to convene a meeting of the Audit Committee. The Audit Committee may invite the external auditor and/or members of management to attend any of the meetings. Special meetings may be called at the discretion of the Committee Chairman or at the request of management to review significant internal control, risk management or financial issues. The Committee Chairman reports to the Board at least twice a year on the Committee's activities and highlights any significant issues.

During the year, Audit Committee held three meetings and the individual attendance records of each of the Audit Committee members are set out on page 32 of this Annual Report.

The Audit Committee's main works during the year included reviewing:

- 2017 Annual Report, including the Corporate Governance Report, Directors' Report and the audited consolidated financial statements, as well as the related results announcement (with recommendations made to the Board for approval)
- 2018 Interim Report and interim results announcement (with recommendations made to the Board for approval)
- compliance with the Corporate Governance Code, the SFO, the Hong Kong Companies Ordinance and the Listing Rules
- in relation to the external auditor, their report on the audit of the Group's accounts, key audit findings, audit services plan and letter of management's representation, and their re-appointment and terms of engagement
- establishment of the Enterprise Risk Management framework
- Internal Control Assessment Report (with areas of concerns discussed and highlighted to the Board)
- effectiveness of the financial reporting system, risk management and internal control systems and associated procedures within the Group
- annual review of the continuing connected transactions

審核委員會每年召開兩次定期會議，亦應情況需要時舉行會議。任何審核委員會成員均可召開委員會會議。外聘核數師亦可要求委員會主席召開審核委員會會議。審核委員會可邀請外聘核數師及／或管理層成員出席任何會議。委員會主席可酌情決定或應管理層要求召開特別會議，審閱重大內部監控、風險管理或財務事宜。委員會主席每年向董事會作出至少兩次報告，匯報委員會之工作和提出任何重大事項。

年內，審核委員會已舉行三次會議，各審核委員會成員的個人出席記錄載於本年度報告第32頁。

審核委員會於年內的主要工作包括審閱以下各項：

- 二零一七年年報，包括企業管治報告、董事會報告及經審核綜合財務報表，以及相關業績公告（向董事會提供推薦建議供其審批）
- 二零一八年中報及中期業績公告（向董事會提供推薦建議供其審批）
- 企業管治守則、證券及期貨條例、香港公司條例及上市規則的合規情況
- 就有關外聘核數師、彼等對本集團賬目之審核報告、重大審核事項、審核服務計劃及管理層聲明函件、彼等的續聘及服務條款
- 企業風險管理框架之建立
- 內部監控評估報告（討論關注事項並提醒董事會注意）
- 本集團財務匯報制度、風險管理及內部監控系統及相關程序之成效
- 持續關連交易之年度審閱

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- Whistleblowing policy, i.e. procedures to facilitate employees to raise, in a strictly confidential manner, concerns about possible improprieties in financial reporting, internal control or other matters
- amendments to the Terms of Reference of the Audit Committee and recommendation to the Board for adoption
- 舉報政策，即促進僱員就財務匯報、內部監控或其他方面可能發生的不正當行為在高度保密的情況下提出關注的程序
- 修訂的審核委員會職權範圍，並向董事會提出建議，以供採納

During the year, the Board has not taken any view that is different from that of the Audit Committee nor rejected any recommendation presented by the Audit Committee.

年內，董事會與審核委員會並無意見分歧，亦無拒絕接納審核委員會呈報之任何建議。

There were no material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

並無任何重大不確定性事件或情況可能導致對本公司持續經營之能力產生重大疑慮。

The Audit Committee recommended to the Board (which in turn endorsed the view) that, subject to shareholders' approval at the forthcoming annual general meeting, PricewaterhouseCoopers be re-appointed as the external auditor for year 2019.

審核委員會向董事會建議（而董事會亦贊同），續聘羅兵咸永道會計師事務所為二零一九年度外聘核數師，惟須待股東在應屆股東週年大會上作出批准後方可作實。

Remuneration Committee

薪酬委員會

The Remuneration Committee was established in 2000 with its defined written terms of reference (which was revised in March 2017). A majority of its members are independent non-executive Directors. As at the date of this report, the Remuneration Committee comprises two independent non-executive Directors, namely Dr. Song Ming (Chairman of the Remuneration Committee) and Dr. Sun Mingchun, and an executive Director, Mr. Meng Xuefeng.

本公司訂有書面職權範圍（於二零一七年三月修訂）的薪酬委員會於二零零零年成立，其大部份成員為獨立非執行董事。截至本報告日期，薪酬委員會由兩名獨立非執行董事宋敏博士（薪酬委員會主席）及孫明春博士，以及執行董事孟雪峰先生組成。

The Remuneration Committee reviews remuneration policies and structure of the Group with the delegated responsibility to determine the remuneration packages of executive Director(s) and senior management of the Group (as defined in the terms of reference of the Remuneration Committee). It also makes recommendations to the Board on the remuneration of non-executive Directors.

薪酬委員會審議本集團之薪酬政策及架構，並獲授予職責釐定本集團個別執行董事及高級管理層（如薪酬委員會職權範圍所界定）的薪酬待遇，並就非執行董事之薪酬向董事會提供建議。

In conducting its work in relation to the determination of remuneration of Directors and senior management, the Remuneration Committee ensures that no individual (or any of his/her close associates) was involved in determining his or her own remuneration.

進行有關釐定董事及高級管理層薪酬的工作時，薪酬委員會確保並無個別人士（或其任何緊密聯繫人）參與釐定其自身薪酬。

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The duties of the Remuneration Committee, as set out in its terms of reference, covering the relevant code provisions of the Corporate Governance Code.

The Remuneration Committee meets once a year and at such other time as necessary. Any Committee member may convene a meeting of the Remuneration Committee.

During the year, the Remuneration Committee held one meeting and the individual attendance records of each of the Remuneration Committee members are set out on page 32 of this Annual Report.

The Remuneration Committee's main work during the year included:

- review of the remuneration policy and structure of the Group
- review and determination of the remuneration package of executive Directors and senior management
- review and recommendation of the Directors' fees of all the independent non-executive Directors for approval by the Board
- review of the letter of appointment setting out the remuneration package of Ms. Liu Yan as an independent non-executive director and Chairlady of the Audit Committee

Nomination Committee

The Nomination Committee was established in 2005 with its defined written terms of reference (which was revised in March 2017). A majority of its members are independent non-executive Directors. As at the date of this report, the Nomination Committee comprises a non-executive Director, Mr. Chen Zenan (Chairman of the Nomination Committee) and two independent non-executive Directors, namely Dr. Song Ming and Dr. Sun Mingchun.

薪酬委員會職權範圍所載列之職務，涵蓋企業管治守則之相關守則條文。

薪酬委員會每年召開一次會議，並於有需要時舉行會議。委員會任何成員均可召開薪酬委員會會議。

年內，薪酬委員會已舉行一次會議，各薪酬委員會成員的個人出席記錄載於本年度報告第32頁。

薪酬委員會於年內的主要工作包括：

- 審議本集團之薪酬政策及結構
- 審議及釐定執行董事及高級管理層之薪酬待遇
- 審閱全體獨立非執行董事的董事袍金，並向董事會提出建議，以供批准
- 審議載有劉艷女士獲委任為獨立非執行董事及審核委員會主席薪酬待遇的委任函。

提名委員會

本公司訂有書面職權範圍（於二零一七年三月修訂）的提名委員會於二零零五年成立，其大部份成員為獨立非執行董事。截至本報告日期，提名委員會由一名非執行董事陳澤南先生（提名委員會主席）及兩名獨立非執行董事宋敏博士及孫明春博士組成。

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The Nomination Committee is primarily responsible for identifying suitably qualified individuals to become members of the Board, making recommendations to the Board on the appointment of Directors and senior management, reviewing the size, structure and composition (including the skills, knowledge, experience and diversity) of the Board, reviewing the effectiveness of the Company's Board Diversity Policy annually and making recommendations to the Board on the measurable objectives for achieving diversity on the Board. It also assesses the independence of independent non-executive Directors.

Before an appointment is made, the Nomination Committee evaluates the balance of skills, knowledge and experience on the Board and, in the light of this evaluation, prepares a description of the role and capabilities required for a particular appointment. If deemed appropriate, external consultants may be engaged to identify suitable candidates.

The duties of the Nomination Committee, as set out in its terms of reference, covering the relevant code provisions of the Corporate Governance Code.

The Nomination Committee shall meet at least annually or meet at such time as the Committee Chairman shall require. Any Nomination Committee member may convene a meeting of the Committee.

During the year, the Nomination Committee held one meeting and the individual attendance records of each of the Nomination Committee members are set out on page 32 of this Annual Report.

During 2018, the Nomination Committee completed the review of the size, structure and composition of the Board and assessed the independence of independent non-executive Directors pursuant to code provision A.5.2 of the Corporate Governance Code and made recommendations to the Board on the re-election of retiring Directors. It also conducted an review on the diversity of the Board and recommended to the Board for approval of the appointment of Ms. Liu Yan as independent non-executive Director.

提名委員會主要負責物色具備合適資格人士成為董事會成員，就董事和高級管理人員委任向董事會提出建議，並檢討董事會之規模、架構和組成（包括技能、知識、經驗及多元化），並每年檢討本公司董事會多元化政策之有效性以及就董事會達致多元化之可量化目標向董事會提出建議。其亦評估獨立非執行董事之獨立性。

在作出委任前，提名委員會評估董事會於技能、知識及經驗之均衡組合，並按此訂下該特定職位之職責及所須具備之才能。倘委員會認為恰當，亦會外聘顧問，以物色合適人選。

提名委員會職權範圍所載列之職務，涵蓋企業管治守則之相關守則條文。

提名委員會須每年最少舉行一次會議或於委員會主席要求時召開會議。任何提名委員會成員均可召開委員會會議。

年內，提名委員會舉行一次會議，各提名委員會成員的個人出席記錄載於本年度報告第32頁。

於二零一八年，提名委員會已根據企業管治守則守則條文第A.5.2條完成檢討董事會的規模、架構及組成及評估獨立非執行董事的獨立性，並就重選退任董事向董事會提出建議。提名委員會亦已就董事會多元化進行檢討，並就委任劉艷女士為獨立非執行董事向董事會提出建議，以供批准。

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Company Secretary

The Company Secretary reports to the Chairman, Chief Executive Officer and Deputy Chief Executive Officer and is responsible for ensuring there is a good and timely flow of information to Directors, both in their roles as Board members and as members of individual Board Committees. She also assists with the continuing professional development of Board members. The Company Secretary is responsible for taking and keeping minutes of all Board and Board Committee meetings.

The Company Secretary also plays an important role in advising the Board on all corporate governance-related matters. She is also available to provide advice to the Board. Ms. Zheng Yuanyuan, the Company Secretary, has confirmed that she has undertaken no less than 15 hours of relevant professional training during the year ended 31 December 2018.

Risk Management and Internal Control

All activities conducted and all decisions made by the Company may involve risks to a certain extent. The Board plays a critical role of monitoring the risk exposure of the Company. The Board considers the risks in an active manner in setting of strategies. The Board also considers the risks in assessing opportunities for business development and growth so as to determine the risk appetite of the Company.

The Board acknowledges that it has overall responsibility for the risk management and internal control systems and for reviewing the effectiveness of these systems annually so as to safeguard the shareholders' investments and the Company's assets. Accordingly, the Company has established internal control and risk management systems to provide reasonable assurance against material misstatement or loss and manage or mitigate the risk of failure to achieve business objectives.

The Company's objective is to establish a comprehensive and effective risk management and internal control systems. The Board is aware of its responsibility to ensure that an appropriate and effective risk management system is established and maintained by the Company.

公司秘書

公司秘書向主席、行政總裁及副行政總裁匯報，並負責確保董事作為董事會成員及個別董事委員會成員均能及時獲得良好資訊。彼亦為董事會成員的持續專業發展提供協助。公司秘書負責記錄及保管所有董事會及董事委員會的會議記錄。

公司秘書的另一重要職責，乃就所有企業管治相關事宜向董事會作出建議。彼亦為董事會提供建議。公司秘書鄭遠遠女士已確認彼已於截至二零一八年十二月三十一日止年度內參與不少於15個小時的相關專業培訓。

風險管理及內部監控

本公司進行的所有活動及作出的所有決定均涉及及一定程度的風險。董事會於監督本公司所承受風險方面擔當重要角色。作為策略制訂過程的一部份，董事會積極考慮風險；亦於評估發展及擴張業務的機會時考慮風險，釐定公司的風險偏好。

董事會承認其須對風險管理及內部監控系統負有整體責任，並有責任每年檢討該等制度的有效性，以保障股東投資及公司資產。為此，本公司已設立內部監控及風險管理系統，以合理保證不會出現嚴重失實或損失，並管理或降低未能達到業務目標的風險。

本公司的目標是建立一套完備有效的風險管理及內部監控系統。董事會知悉其有責任確保本公司建立及維持適當及有效之風險管理系統。

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The Group has in place an Enterprise Risk Management (“**ERM**”) framework to effectively identify, assess, report, mitigate and monitor key risks. The framework provides a proactive and structured approach to identify, manage and monitor risks on an on-going basis with a common framework across the organisation to evaluate risk significance and likelihood of occurrence.

Risks faced by the Company fall into a number of principal categories: strategic risk, operational risk, compliance risk, financial risk and information risk. The procedures of ERM of the Company involve risk identification, risk assessment/prioritisation, risk response and risk monitoring and reporting. Risks and uncertainties associated with the business of the Company may have an adverse effect on business, financial conditions and results of the Company. The Company has identified certain principal risks through risk identification and assessment, and has developed risks monitoring mechanism to facilitate risk monitoring and control.

The Group operates a “Three Lines of Defence” risk governance model to delegate and coordinate essential risk management and control duties in a clear and cohesive manner:

(a) First line of defence – Business units are responsible for maintaining effective internal controls and for executing risk and control procedures on a day-to-day basis. Operational management identifies, assesses, controls, and mitigates risks, guides the development and implementation of internal policies and procedures and ensures that activities are consistent with goals and objectives. Through a cascading responsibility structure, mid-level managers design and implement detailed procedures that serve as controls and supervise execution of those procedures by their employees.

為有效識別、評估、報告、降低及監控關鍵風險，本集團已制定企業風險管理（「**企業風險管理**」）框架。該框架為持續識別、管理及監控風險提供積極及有系統的方法，在整個組織中以共同框架評估風險嚴重程度及發生的可能性。

本公司面對的風險主要分為數個主要類別：戰略風險、營運風險、合規風險、財務風險及信息風險。本公司企業風險管理程序包括風險識別、風險評估／釐定風險程度、風險應對以及風險監控及報告。與本公司業務有關之風險及不確定因素可能對本公司之業務、財務狀況及業績造成不利影響。本公司已透過風險識別及評估辨析若干重大風險，並已制定風險監控機制以協助風險監測及控制。

本集團實施「三道防線」風險管治模式，按清楚且一致的方法分配及協調關鍵風險管理及控制職責：

(a) 第一道防線－業務單位負責維持每日有效的內部監控及執行風險及監控程序。經營管理層識別、評估、控制及降低風險，指導內部政策及程序的發展及推行並確保活動與目標及宗旨一致。透過階層式責任架構，中層的經理設計並推行詳細程序，以控制及監督員工執行的程序。

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(b) Second line of defence – (1) Business Management Department monitors the risk management system, and facilitates the development, setting and effective implementation of policies and guidelines. It provides advice and guidance to the first-line functional units on implementation of the risk management and internal control systems; (2) Legal and Compliance Department monitors various specific risks such as non-compliance with applicable rules and regulations; (3) Company Secretarial Department monitors various specific risks such as violation of laws and regulations; (4) Finance Department serves as a controllership function that monitors financial risks and financial reporting issues.

(c) Third line of defence – internal audit function, which reports to the Audit Committee, provides independent assessment over the effectiveness of the risk management and internal control systems and makes recommendations based on the audit findings.

During the year, an independent professional advisory firm has been engaged by the Company as the consultant of the Group. It is responsible for conducting in-depth review on risk management and internal control systems of the Group. The advisory firm has issued a report with its opinion that the Company has maintained effective and adequate risk management and internal control systems, which are compliant and align with the Company's operational and management systems.

The purpose of the internal control system of the Company is to improve the operating effectiveness and efficiency, safeguard assets against abuse and unauthorised disposition, ensure the maintenance of proper accounting records and that the financial statements give a true and fair view, and ensure compliance with relevant legislation and regulations. It provides reasonable, but not absolute, assurance against material misstatement or loss, and manages, rather than eliminates, risks associated with the business activities of the Company.

(b) 第二道防線 – (1)業務管理部監控風險管理系統以及促進政策和指引之發展、制定，及有效執行。該部門為第一道防線的職能單位提供就推行風險管理及內部監控制度過程的建議及指引；(2)法律合規部監控各類特定風險如違反適用規則及規定；(3)公司秘書部監督各類特定風險如違反適用法例及規例；(4)資金財務部提供控制功能，監督財務風險及財務報告事宜。

(c) 第三道防線 – 內部審核職能，其向審核委員會報告，就風險管理及內部監控制度之有效性提供獨立評核，並根據審核結果提供建議。

年內，本公司已委任專業獨立諮詢機構作為本集團顧問，負責對本集團的風險管理及內部監控系統進行深入的檢討。該諮詢機構已就此出具報告，認為本公司風險管理及內部監控系統維持有效及足夠，並與本公司經營管理系統兼容且匹配。

本公司內部監控系統旨在提高營運效益與效率，確保資產不會被濫用及未經授權處理，維持恰當之會計紀錄及真實公平之財務報表，並確保遵守相關法律及規定。內部監控就是否存在重大錯誤陳述或損失做出合理但非絕對之保證，並管理而非消除與本公司業務活動有關之風險。

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The Board together with the Audit Committee have reviewed the effectiveness and adequacy of the risk management and internal control systems of the Company during the year. The Board will upgrade the existing systems of the Company with reference to the recommendations given by the abovementioned independent professional advisory firm, in the areas of financial management, operation and corporate controls and risk management. The Board is satisfied that effective and adequate risk management and internal control systems of the Company are maintained and align with the operational and management systems of the Company. The Directors consider that it is necessary for the Company to continuously improve its internal control system to the extent that the risks preventing the Company from achieving its objectives can be properly managed.

Handling and Dissemination of Inside Information

The Company has established and implemented specific policies and procedures and internal controls for the handling and dissemination of inside information, including limiting employees' access to inside information on a "need-to-know" basis and ensuring that those who need to know understand their obligations to maintain the confidentiality of any confidential information of the Group. Appropriate confidentiality agreements are put in place when the Company enters into significant negotiations. All inside information is disclosed to the public pursuant to the requirements under the SFO and the Listing Rules and is kept strictly confidential before disclosure.

Principal Risks and Uncertainties

Risks and uncertainties can affect the Group's business, financial condition and operating results. Key risks affecting the Group are identified below. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also have a material adverse effect on our business, financial condition, results of operations and cash flows. The Group employs an ERM framework to identify current and foreseeable risks at different levels of the organisation so as to take preventive actions to manage and mitigate their adverse impacts.

董事會連同審核委員會已於年內檢討本公司風險管理及內部監控系統是否有效及足夠。董事會將按前述專業獨立諮詢機構的意見提升公司現時的系統，包括財務管理、營運及企業控制及風險管理等方面。董事會信納本公司維持有效及足夠的風險管理及內部監控系統，並與本公司經營及管理系統匹配。董事認為本公司有必要不斷持續完善內部監控系統，以讓阻礙達成本公司目標的各種風險能獲妥善管理。

處理及發佈內幕消息

本公司就處理及發佈內幕消息已建立並推行特定政策及程序以及內部監控，包括按「需要知道」原則限制員工取得內幕消息，並確保需知情者了解其對本集團任何機密資料具有維持保密之責任。本公司進行重大磋商時須訂立適當保密協議。所有內幕消息乃根據證券及期貨條例及上市規則項下規定向公眾披露，並在披露前受到嚴格保密。

主要風險及不確定因素

風險及不確定因素可影響本集團之業務、財務狀況及營運業績。影響本集團的關鍵風險識別如下。本公司目前並不知悉或本公司目前認為並非重大的其他風險及不確定因素亦可能對我們的業務、財務狀況、經營業績及現金流量帶來重大不利影響。本集團採用企業風險管理框架來識別機構內不同層面目前及可預見的風險，並採取防範措施以管理及減輕風險帶來的不利影響。

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(1) Regulatory compliance risks

The Hong Kong financial market in which the Group operates is highly regulated. The Company, as a listed company in Hong Kong, together with certain subsidiaries with SFC licences to carry out relevant regulated activities, are required to comply with the rules and regulations from various regulatory bodies. The regulatory and compliance regime in the financial industry of Hong Kong is changing constantly, which increases the likelihood of regulatory non-compliance as new rules are introduced and existing ones are tightened. The Group may encounter challenges in keeping abreast of the changes and managing regulatory compliance risks, particularly in the areas of handling connected transactions, notifiable transactions and managing the disclosure of inside information, preventing money laundering transactions for money lending business. In case of failure to comply with the applicable rules and regulations, the Group may be subject to fines, or even suspension or revocation of some or all of the licenses for carrying on the business activities. Accordingly, the Group's business operations and financial results might be materially and adversely affected.

(2) The Group requires the right people, skills and capability to manage growth and change

The Group has established an organisation structure to address recent business changes and relevant regulatory requirements. Staff roles and responsibilities, authorities and limits, reporting lines and segregation of duties need to be clearly defined. Since most of the Group's core businesses commenced operation with limited number of key personnel in each business segment, the Group is required to review the needs of staff resources in order to cope with the business expansion and deliver success in the future. Given that the competition for competent personnel in the industry is intense, there is high likelihood that competent personnel may leave the Company, therefore, the Group may encounter difficulties in attracting or retaining the services of the necessary key personnel for that business segment. The Group should hire and retain highly skilled employees with particular expertise or leadership capability in order to remain competitive. The implementation of the Group's strategic business plans could be undermined by failure to build a resilient corporate culture, failure to recruit or retain key personnel, unexpected loss of key senior employees, failures in the Group's succession planning and incentive plans, or failure to invest in the development of key skills.

(1) 監管合規風險

本集團經營地點香港金融市場受到高度監管。本公司作為香港一家上市公司，連同持有證監會牌照進行相關受規管活動的若干附屬公司，均須遵守各類監管機構之規則及規例。香港金融業的監管及合規制度經常變動，引進新規例或收緊現規例會增加違反監管規定的可能性。本集團在掌握相關變化和管理監管法規方面的風險可能會受到挑戰，尤其是在處理關連交易，須予公佈的交易及管理內幕消息之披露、防止放債業務出現洗錢交易等方面。倘未能遵守適用規則及規例，本集團可能會被處以罰款或甚至被停止或吊銷部份或全部從事業務活動之牌照。因此，本集團之業務營運及財務業績可能受到重大及不利影響。

(2) 本集團須合適人材、技能及能力以管理增長及變動

本集團已建立組織架構以應對近期業務變動及相關監管規則。員工職務及責任、職權及限制、匯報途徑及職責分工需要清楚界定。本集團大多數核心業務開展時，各業務分部以少數主要人員進行營運，本集團需檢討人力資源之需求以應對業務擴張及於未來達致成功。由於行業對有能力人士的競爭激烈，有能力人士很可能會離開本公司，因此本集團可能在吸引或挽留對該業務分部而言屬必要的主要人員之服務上遭遇困難。為確保競爭力，本集團必須僱用及挽留具專業技能或領導能力的高技術員工。若未能建立彈性的企業文化、未能招聘或挽留主要人員、無法預計之主要高級員工流失、本集團繼任安排及激勵計劃不成功或未能投資關鍵技術之發展，本集團策略業務計劃之推行可能會因而受到負面影響。

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(3) *The Group is subject to a competitive and changing industry*

Financial services segment is one of the reportable and operating segments of the Group. The financial service industry in Hong Kong has a large number of participants which makes the industry highly competitive. The Group has to compete against competitors which may have greater brand recognition in the market, more human and financial resources, a wider range of services and longer operating history than that of the Group. Apart from large multinational financial institutions, the Group also faces competition from local small and medium-sized financial services firms which offer a similar range of services. Failure to maintain the Group's competitive strengths by responding rapidly to the changing business environment and intensified competition may erode the Group's market share and result in an adverse impact on the operating performance and financial results.

(4) *Risks related to strategic planning and reputation*

GWAMCC, one of the four major state-owned financial asset management corporations in the PRC, is engaged in the businesses of acquisition, management and disposal of non-performing assets, asset management, banking, securities, insurance, trust, leasing, investment, etc. As a result of changes in the Group's shareholding structure and businesses in 2016 and 2017, GWAMCC became the ultimate controlling shareholder of the Company. The Group is now principally engaged in property investment and provision of financial services including asset management and corporate finance. The Board has formulated development plans and strategies to accomplish the strategic objectives of transforming the Group into a conglomerate with businesses in property investment and integrated financial services, and developing the Company as a major listed entity and an integrated development platform of GWAMCC outside Mainland China.

The Group will leverage the solid foundation, strengths and reputation that GWAMCC has formed in Hong Kong and Mainland China, in order to constantly expand its businesses. As such, the Group is exposed to inherent reputation risks, failure to deliver quality services to clients could result in an adverse impact on Great Wall's brand reputation.

(3) *本集團處於競爭且瞬息萬變的行業*

金融服務分部為本集團其中一個可報告及運營分部。香港金融服務業參與者眾多，使得該行業競爭非常激烈。本集團必須和在市場中可能擁有較高品牌知名度、具更多人力及財務資源、提供更多種服務及更具悠久營運歷史的競爭者競爭。除了大型跨國金融機構外，本集團亦面臨來自當地提供類似服務的中小型金融服務機構的競爭。倘未能迅速回應變動營商環境及激烈的競爭以保持本集團競爭力，本集團可能會流失市場份額並對營運表現及財務業績有不利影響。

(4) *有關策略計劃及聲譽風險*

中國長城資產為中國四家主要國有金融資產管理企業之一，其業務包括收購、管理及處置不良資產、資產管理、金融、證券、保險、信託、租賃、投資等。於二零一六年及二零一七年本集團股權架構及業務改變後，中國長城資產成為本集團最終控股股東。本集團目前主要從事物業投資及提供金融服務，包括資產管理及企業融資。董事會已制定發展計劃及策略以達成策略目標，以將本集團轉型為業務包括物業投資及綜合金融服務的集團，並將本公司發展成為中國長城資產於中國內地境外之主要上市實體和綜合發展平台。

本集團將依賴中國長城資產於香港及中國內地所建立的紮實基礎、優勢及聲譽以持續擴展業務，因此面臨固有聲譽風險，未能向客戶提供優質服務可能對長城的品牌聲譽產生不利影響。

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(5) Financial and regulatory reporting risks

As a listed company, the Company has statutory and social responsibilities to prepare accurate and timely financial statements which provide objective and reliable information for stakeholders to base their decisions upon. Inaccurate or untimely reporting could seriously damage the Group's position such as a drop in share price, or impaired sourcing/financing ability. The Group introduced various new businesses in 2017 (i.e. asset management and corporate finance businesses), which indicates that new financial reporting processes are implemented and experienced finance staff would be required to extract, assemble, aggregate and analyse financial data to ensure accurate financial reporting. The process of financial reporting becomes more complex and frequent, and transactions may involve complex accounting treatment or estimation. In 2018, the Group has adopted new and revised accounting standards (i.e. HKFRS 15 – Revenue from Contracts with Customers), and the Group will adopt revised accounting standards (i.e. HKFRS 16 – Lease in 2019). The Finance Department is required to assess the impact of the new or revised standards upon adoption. In addition, licensed corporations are subject to various statutory returns (i.e. the Securities and Futures (Financial Resources) Rules, Disclosure of Interests, etc.) under the requirement of the SFC and other regulatory bodies.

The Group is exposed to various key risks including credit risks, interest rate risk and liquidity risk. Details of the aforesaid key risks and risk mitigation measures are elaborated in Note 31 “Financial Risk Management” to the consolidated financial statements included in this Annual Report.

(5) 財務及監管報告風險

作為上市公司，公司負有法定和社會責任確保財務報表的準確性和及時性，為利益持份者提供客觀和可靠的信息，以供其決策依據。不準確及未適時報告可能會嚴重損害本集團的狀況如股價下跌或削弱採購／融資能力。本集團於二零一七年引進各類新業務（即資產管理及企業融資業務），代表集團需要完善的財務報告流程和具有金融服務行業經驗的財務人員，方能編製、匯總和分析財務數據以確保財務報告的準確性。財務匯報之程序變得更為複雜及頻繁，交易可能涉及複雜會計處理或估計。於二零一八年度，本集團採納新訂及經修訂會計準則（如香港財務報告準則第15號—來自客戶合約的收益），及本集團將於二零一九年度採納經修訂的香港財務報告準則（如香港財務報告準則第16號—租賃）。因此，財務部門須評估採納新訂及經修訂準則後的影響。此外，持牌法團須根據證監會及其他監管機構規定提交各類報告（即證券及期貨（財政資源）規則、披露權益等）。

本集團承擔多項重大風險，包括信貸風險、利率風險及流動資金風險。上述重大風險及減輕風險措施之詳情於本年度報告之綜合財務報表附註31「財務風險管理」中展述。

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(6) *The Group requires a robust internal control system and controls*

The Group is operating under a highly regulated environment. As a listed company with SFC licensed subsidiaries, members of the Group are required to establish sound and effective internal controls which are designed to identify and manage the risk of failure to achieve business objectives, ensure reliable financial reporting, effective and efficient operations, and compliance with applicable laws and regulations. Apart from the investment property business, other core businesses, including asset management and corporate finance were newly introduced in 2017. The Group has established relevant policies and procedures to cope with the business development. Strengthening of the internal control and risk management systems is an ongoing process, the Group is expected to continue designing and implementing appropriate measures to meet the changing business environment. Failure in delivering services in a proper manner, the Group may result in facing a loss in market share, reputation and sales revenue.

(7) *Risks pertaining to investment properties*

The prospects of the Group's property investment business depend on the performance of the property market in Hong Kong. The property market in Hong Kong is affected by many factors, including but not limited to, changes in local and international economic, political, social and legal environments and changes in Hong Kong's fiscal and monetary policies, all of which are beyond the control of the Group. The Group holds various commercial, retail and industrial buildings in Hong Kong and derives revenue through leasing out the properties. Being one of the Group's core businesses, any property market downturn in Hong Kong may materially and adversely affect the financial position, operations, businesses and prospects of the Group and may lead to fair value loss of the Group's investment properties.

(6) 本集團須要穩健的內部監控系統及控制

本集團在嚴格規管的環境下經營。身為包含證監會持牌附屬公司的上市公司，本集團成員公司須建立完善且有效的內部監控，旨在識別及管理失敗風險以達成業務目標、確保財務報告乃可靠、經營兼具成效及效率，以及符合適用法例及規例。除投資物業業務外，其他包括資產管理及企業融資之核心業務皆於二零一七年新引進。本集團已建立相關政策及程序以應對業務發展。我們將持續加強內部監控及風險管理系統，本集團期許持續設計及落實妥善的措施以面對變動的業務環境。如未能以適當方式提供服務，本集團可能會面臨市場份額、聲譽及銷售收入的虧損。

(7) 投資物業涉及的風險

本集團物業投資業務的前景視乎香港物業市場之表現而定。香港物業市場受多項因素影響，包括但不限於當地及國際經濟、政治、社會及法律環境改變以及香港財政及貨幣政策改變，這一切因素並非本集團所能控制。本集團在香港擁有多項商業、零售及工廈，並透過出租其物業獲得收益。作為本集團其中一項核心業務，香港物業市場不景可對本集團財務狀況、營運、業務及前景構成重大不利影響，亦可引致本集團投資物業公平值虧損。

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External Auditor

PricewaterhouseCoopers was first appointed as the Group's external auditor in 2001.

During the year ended 31 December 2018, PricewaterhouseCoopers provided the following audit and non-audit services to the Group:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
External audit	外聘審核	1,350	1,100
Tax services	稅務服務	69	145
Other services	其他服務	950	1,647

Other services were mainly rendered in connection with the transactions entered into by the Group during the current year.

PricewaterhouseCoopers will retire and offer themselves for re-appointment at the annual general meeting of the Company to be held on Friday, 21 June 2019.

The statement by PricewaterhouseCoopers about their reporting responsibilities for the financial statements of the Group is set out in the "Independent Auditor's Report" section of this Annual Report on pages 104 to 114.

Investor Relations & Shareholders' Rights

All of the Company's shares are ordinary shares carrying equal voting rights. Please refer to the "Directors' Report" section of this Annual Report on page 77 for information regarding the public float status of the Company.

The Company recognises its responsibility to look after the interests of its shareholders. Shareholder relations play an integral part in corporate governance. The Company keeps shareholders informed of its performance, operations and significant business developments by adopting a transparent and timely corporate disclosure policy, i.e. the Shareholders' Communication Policy, which complies with the Listing Rules and provides all shareholders with equal access to such information.

外聘核數師

羅兵咸永道會計師事務所於二零零一年首次獲委聘為本集團之外聘核數師。

截至二零一八年十二月三十一日止年度內，羅兵咸永道會計師事務所向本集團提供下列審核及非審核服務：

	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
External audit	1,350	1,100
Tax services	69	145
Other services	950	1,647

其他服務乃主要就本集團於本年度訂立的交易而提供。

羅兵咸永道會計師事務所將於二零一九年六月二十一日（星期五）召開之本公司股東週年大會上退任，並同意受聘連任。

羅兵咸永道會計師事務所關於其在本集團財務報表之報告責任聲明載於本年度報告第104至114頁「獨立核數師報告」一節。

投資者關係及股東之權利

本公司所有股份均為附帶相同投票權之普通股。有關本公司公眾持股量狀況之資料，請參閱本年度報告第77頁「董事會報告」一節。

本公司確認其有責任照顧股東之利益，而集團與股東之關係乃企業管治不可或缺之一環。本公司採取具透明度及適時之公司資料披露政策（股東通訊政策），持續向股東匯報業績表現、營運情況及重大業務發展。該政策符合上市規則之規定，讓所有股東均有同等機會取得有關資料。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Shareholders' Communication Policy is available on the website of the Company.

The Company reports on financial and operating performance to shareholders twice each year through annual and interim reports. Shareholders are given opportunities to raise concerns or propose recommendations to the Board at the Company's annual general meetings. The Company's external auditor attend annual general meetings to answer questions about the external audit and the audit report. Shareholders may visit our website (www.gwpaholdings.com) for share price information, latest business developments, announcements, corporate governance policies and practices and other relevant shareholder information.

The Company Secretary is responsible for responding enquiries from shareholders and other interested parties. Specific enquiries by shareholders requiring the Board's and management's attention (to the extent it is publicly available and appropriate to provide) can be sent to the Company, for the attention of the Company Secretary, by mail to Units 6507-6510, 65/F., The Center, 99 Queen's Road Central, Hong Kong.

Note: Any such letter from the shareholders should be marked "Shareholders' Communication" on the envelope.

The Company will not normally deal with verbal or anonymous enquiries.

The Company promotes fair disclosure of information to all investors and uses best endeavours to ensure that disclosures made by the Company comply with the Listing Rules' prohibition against selective disclosure of inside information.

From 1990 to 2018, all annual general meetings of shareholders held by the Company were attended by the then incumbent chairman of the Board. During the year, the Company held one annual general meeting and one special general meeting, and the attendance records of each of the individual Directors are set out on page 32 of this Annual Report.

股東通訊政策可於本公司網站內查閱。

本公司透過年度報告及中期報告，每年兩次向股東匯報財務及經營表現。股東可於本公司之股東週年大會上向董事會提出所關注之事宜或提出建議。本公司之外聘核數師出席股東週年大會，回應關於外部審核及審核報告之提問。股東可瀏覽本集團網站(www.gwpaholdings.com)，查閱有關本集團的股價資料、最新業務發展概況、公告、企業管治政策及常規以及其他相關股東資訊。

公司秘書負責回應股東及其他有興趣人士之查詢。股東可以郵寄方式送函致公司秘書，地址為香港皇后大道中99號中環中心65樓6507-6510室，向董事會及管理層作出特定查詢（以可公開查閱及適當提供者為限）。

註：任何來自股東的該等函件須於信封註明「股東通訊」。

一般而言，本公司不會處理口頭或匿名的查詢。

本公司致力向所有投資者公正披露資料，並竭盡所能確保本公司作出的資料披露符合上市規則禁止選擇性披露內幕消息之規定。

由一九九零年至二零一八年，當時在任之董事會主席均有出席本公司舉行之所有股東週年大會。年內，本公司曾舉行一次股東週年大會及一次股東特別大會，各董事的個人出席記錄載於本年度報告第32頁。

CORPORATE GOVERNANCE REPORT

企業管治報告

Shareholders have specific rights to convene special general meetings. A shareholder or shareholders holding not less than one-tenth of the Company's shares may require the Directors to convene a special general meeting of the Company by depositing a signed requisition at the registered office of the Company, pursuant to the Companies Act 1981 of Bermuda, with a copy to the principal place of business of the Company in Hong Kong, stating the purpose of the meeting.

Note: Any such written requisition from the shareholders should be marked "Shareholders' Communication" on the envelope.

Shareholders can submit a written requisition to move a resolution at general meeting. The shareholders shall represent 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 general meeting to which the requisition relates, or shall not be less than one hundred shareholders. The written requisition must be signed by all the requisitionists and state the resolution, accompanied by a 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 the general meeting. The requisition must be deposited at the Company's registered office pursuant to the Companies Act 1981 of Bermuda, with a copy to its principal place of business in Hong Kong, for the attention of the Company Secretary, not less than six weeks before the general meeting in the case of a requisition requiring notice of a resolution and not less than one week before the general meeting in the case of any other requisition. If, after the requisition requiring notice of a resolution has been deposited at the registered office of the Company, an annual general meeting is called for a date six weeks or less after the requisition has been deposited, the requisition though not deposited within the above-mentioned time shall be deemed to have been properly deposited for the purposes thereof. The requisitionists shall be responsible for the relevant expenses incurred in accordance with the Companies Act 1981 of Bermuda unless the Company otherwise resolves.

Note: Any such written requisition from the shareholders should be marked "Shareholders' Communication" on the envelope.

股東有特定權利召開股東特別大會。持有不少於本公司股份十分之一的一名或多名股東，可根據百慕達一九八一年《公司法》向本公司註冊辦事處交付一份說明會議目的之經簽署書面要求，並向本公司於香港之主要營業地點交付一份副本要求董事召開本公司股東特別大會。

註：任何來自股東的該等書面要求須於信封註明「股東通訊」。

股東可提出書面要求於股東大會上提呈決議案。股東人數須佔於提出要求當日有權與該要求有關之股東大會上投票之全體股東總投票權不少於二十分之一的股東，或不少於一百名股東。有關書面要求須由所有呈遞要求人士簽署及列明有關決議案，連同一份不多於一千字之聲明，內容有關任何所建議決議案提述之事宜或將在股東大會上處理之事務。該要求必須根據百慕達一九八一年《公司法》交回本公司之註冊辦事處，並向其於香港之主要營業地點交付一份副本，註明收件人為公司秘書。如該要求需要發出決議案通告，須在股東大會舉行前不少於六個星期送達，如為任何其他要求，則須在股東大會舉行前不少於一個星期送達。如須要刊發決議案通告之要求提交予本公司註冊辦事處後，已於提交要求後六星期或以內期間召開股東週年大會，則即使該要求未於上述期限內提交，亦應視為已就有關目的妥為提交。除非本公司另有決議，呈遞要求人士應按百慕達一九八一年《公司法》負責相關產生的開支。

註：任何來自股東的該等書面要求須於信封註明「股東通訊」。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company held an annual general meeting in June 2018, during which matters including re-election of retiring Directors, authorisation of the Board to fix Directors' remuneration, re-appointment of external auditor, and grant of general mandates for the issuance and buy-back of Company's shares by the Group, were presented for shareholders' approval. At such annual general meeting, details of the poll voting procedures and the rights of shareholders to demand a poll were set out in the circular to shareholders. All proposed resolutions were voted by poll and the poll results were published on the websites of the Stock Exchange and the Company.

During the year 2018, the Company has not made any significant amendment to its Memorandum of Association and Bye-Laws. The Company's Memorandum of Association and Bye-Laws is available on the websites of the Stock Exchange and the Company.

The Company's forthcoming annual general meeting will be held on Friday, 21 June 2019. A circular containing, among other matters, further information relating to the forthcoming annual general meeting will be dispatched to the shareholders of the Company as soon as practicable.

Disclosures of Directors' Information Pursuant to Rule 13.51B(1) of the Listing Rules

Directors' Positions Held

On 26 November 2018:

- Mr. Woo Chin Wan resigned as an independent non-executive Director and the Chairman of the Audit Committee of the Company; and
- Ms. Liu Yan was appointed as an independent non-executive Director and the Chairlady of the Audit Committee of the Company.

本公司於二零一八年六月舉行之股東週年大會上，提呈予股東批准之事宜包括重選退任董事、授權董事會釐定董事薪酬、重新委聘外聘核數師及授予本集團發行及購回本公司股份之一般授權。於該股東週年大會，有關以投票方式表決之程序及股東要求以投票方式表決之權利的詳情載列於致股東之通函內。所有提呈之決議案均以投票方式表決。表決結果已在聯交所及本公司網站上刊載。

於二零一八年，本公司並無對其組織章程大綱及公司細則作出任何重大修訂。本公司的組織章程大綱及公司細則可於聯交所及本公司網站內查閱。

本公司應屆股東週年大會將於二零一九年六月二十一日（星期五）舉行。本公司將在切實可行情況下盡快向本公司股東寄發載有關於應屆股東週年大會之進一步詳情以及其他事項之通函。

根據上市規則第13.51B(1)條披露董事資料

董事職位

於二零一八年十一月二十六日：

- 胡展雲先生辭任本公司獨立非執行董事及審核委員會主席；及
- 劉艷女士獲委任為本公司獨立非執行董事及審核委員會主席。

CORPORATE GOVERNANCE REPORT

企業管治報告

On 15 March 2019:

- Mr. Ou Peng resigned as an executive Director, the Chairman of the Board, Chief Executive Officer and the Chairman of the Nomination Committee of the Company;
- Mr. Chen Zenan was appointed as a non-executive Director, the Chairman of the Board, the Chairman of the Nomination Committee and a member of the Audit Committee of the Company; and
- Mr. Huang Hu was re-designated as an executive Director and was appointed as Chief Executive Officer, and ceased to be a member of the Audit Committee of the Company.

Renewal of Appointment Letters

On 15 March 2019, the Board approved the renewal of the below appointment letters:

- Mr. Huang Hu as executive Director for a term of three years commencing from 15 March 2019;
- Mr. Meng Xuefeng as executive Director for a term of three years commencing from 15 March 2019;
- Ms. Lv Jia as non-executive Director for a term of three years commencing from 15 March 2019;
- Dr. Song Ming as independent non-executive Director for a term of three years commencing from 15 March 2019; and
- Dr. Sun Mingchun as independent non-executive Director for a term of three years commencing from 15 March 2019.

Other Major Appointment

- Dr. Sun Mingchun (our independent non-executive Director) was appointed as an independent non-executive director of Weimob Inc. (stock code: 2013), a company listed on Main Board of the Stock Exchange, with effect from 30 July 2018.

* For identification purpose only

於二零一九年三月十五日:

- 歐鵬先生辭任本公司執行董事、董事會主席、行政總裁及提名委員會主席;
- 陳澤南先生獲委任為本公司非執行董事、董事會主席、提名委員會主席及審核委員會成員; 及
- 黃虎先生獲調任為本公司執行董事及獲委任為行政總裁, 並退任審核委員會成員職務。

重續董事委任函

於二零一九年三月十五日, 董事會批准重續下列委任函:

- 黃虎先生出任執行董事, 自二零一九年三月十五日起, 為期三年;
- 孟雪峰先生出任執行董事, 自二零一九年三月十五日起, 為期三年;
- 呂佳女士出任非執行董事, 自二零一九年三月十五日起, 為期三年;
- 宋敏博士出任獨立非執行董事, 自二零一九年三月十五日起, 為期三年; 及
- 孫明春士出任獨立非執行董事, 自二零一九年三月十五日起, 為期三年。

其他主要任命

- 孫明春博士(本公司獨立非執行董事)於二零一八年七月三十日獲委任為微盟集團*(股份代號: 2013)的獨立非執行董事, 該公司於聯交所主板上市。

* 僅供識別

CORPORATE GOVERNANCE REPORT

企業管治報告

Disclosures Pursuant to Rule 13.21 of the Listing Rules

In accordance with the disclosure requirements of Rule 13.21 of the Listing Rules, the following disclosures are included in respect of two of the Company's loan agreements, which contain covenants requiring performance obligations of the controlling shareholder of the Company, as follows:

- (1) On 1 February 2018, the Company (as the borrower) entered into a facility letter with a bank (as the lender) in relation to an uncommitted revolving loan facility in an aggregate principal amount of up to HK\$50,000,000 (or its equivalent amount in the optional currency(ies)) for a period of 1 year from the date of acceptance of the facility letter. Pursuant to the facility letter, the Company has undertaken to the bank that during the term of the facility letter, (i) Great Wall International directly or indirectly owns not less than 50.1% of the total share capital of the Company and retains management control of the Company; and (ii) GWAMCC directly or indirectly owns not less than 50.1% of the total share capital of Great Wall International and retains management control of Great Wall International. A breach of such undertakings will constitute an event of default and the bank may terminate the facility letter and demand immediate payment and/or repayment of all amounts outstanding (together with interest accrued thereon and any other amounts owing to the bank) under or in connection with the uncommitted revolving loan facility from the Company.

On 1 February 2019, the Company and the bank entered into a supplemental letter to the facility letter to, among other things, extend the term of the Loan Facility to 1 February 2020. Save for the extension of the Loan Facility and certain other amendments, the specific performance obligations on Great Wall International and GWAMCC as disclosed above remain unchanged.

根據上市規則第13.21條之披露

根據上市規則第13.21條之披露規定，以下披露乃就本公司兩項貸款協議而提供，有關協議載有本公司控股股東履行責任之契諾如下：

- (1) 於二零一八年二月一日，本公司（作為借款人）與一間銀行（作為貸款人）訂立貸款函件，內容有關一筆本金總額上限為50,000,000港元（或按可供選擇貨幣計值之等值金額）之非承諾性循環貸款，期限為自接受貸款函件起計一年。根據貸款函件，本公司向銀行承諾於貸款函件期間內(i)長城國際須直接或間接持有不少於本公司總股本50.1%之股權，且擁有對其的管理控制權；及(ii)中國長城資產須直接或間接持有不少於長城國際總股本50.1%之股權，且擁有對其的管理控制權。違反該等承諾將構成違約事件，銀行可終止貸款函件，並要求本公司立即支付及／或償還非承諾性貸款融資項下或與貸款融資有關的所有未償還金額（以及當中應計利息及任何其他銀行欠款）。

於二零一九年二月一日，本公司與該銀行訂立一項授信函的補充函件以（其中包括）將貸款融資期限延長至二零二零年二月一日。除延長貸款融資及若干其他修訂外，上述披露有關長城國際及中國長城資產須特定履行的責任維持不變。

CORPORATE GOVERNANCE REPORT

企業管治報告

(2) On 11 June 2018, the Company (as the borrower) entered into a facility letter with a bank (as the lender) in relation to a one-year uncommitted revolving loan facility in an aggregate principal amount of up to HK\$300,000,000. Pursuant to the facility letter, the Company has undertaken to the bank that during the term of the facility letter, (i) Great Wall International directly or indirectly owns not less than 50.1% of the total share capital of the Company and retains management control of the Company; and (ii) GWAMCC directly or indirectly owns not less than 50.1% of the total share capital of Great Wall International and retains management control of Great Wall International.

(2) 於二零一八年六月十一日，本公司（作為借款人）與一間銀行（作為貸款人）訂立貸款函件，內容有關一筆為期一年本金總額上限為300,000,000港元之非承諾性循環貸款。根據貸款函件，本公司向銀行承諾於貸款函件期間內(i)長城國際須直接或間接持有不少於本公司總股本50.1%之股權，且擁有對其的管理控制權；及(ii)中國長城資產須直接或間接持有不少於長城國際總股本50.1%之股權，且擁有對其的管理控制權。

Remuneration of Senior Management

The remuneration of the members of the senior management by band for the year ended 31 December 2018 is set out below:

高級管理層酬金

截至二零一八年十二月三十一日止年度高級管理層成員按薪酬範圍劃分的酬金載列如下：

		Number of members of senior management 高級管理層成員數目
HK\$500,000 – HK\$2,000,000	500,000港元 – 2,000,000港元	1
HK\$2,000,001 – HK\$3,500,000	2,000,001港元 – 3,500,000港元	1
Total	合計	2

DIRECTORS' REPORT

董事會報告

The Board is pleased to submit this report together with the audited consolidated financial statements of the Group for the year ended 31 December 2018.

Principal Activities and Segments Information

The Company is an investment holding company. The principal activities of the Group during the year are property investment and provision of financial services.

An analysis of the Group's performance for the year by operating segments is set out in Note 4 to the consolidated financial statements.

Business Review

A fair review of the Group's business and the analysis of its performance as well as prospects of the Group's business are provided in the "Chairman's Statement" and "Management Discussion and Analysis" sections of this Annual Report (which form part of the Directors' Report).

Major Suppliers and Customers

During the year, the aggregate revenue attributable to the Group's five largest customers represented 57% of the Group's total revenue and revenue attributable to the largest customer included therein amounted to 22%.

Save for the continuing connected transactions entered with the Company's controlling shareholder, Great Wall International, as disclosed in this report, as far as the Directors are aware, neither the Directors, their close associates, nor shareholders who owned more than 5% of the Company's total number of issued shares as at 31 December 2018 had any interest in the five largest customers.

Since the Group is engaged in property investment and provision of financial services, in the opinion of the Directors, it is of no value to disclose details of the Group's suppliers.

董事會欣然提呈本報告以及本集團截至二零一八年十二月三十一日止年度之經審核綜合財務報表。

主要業務及分部資料

本公司為投資控股公司。本集團於本年度之主要業務為物業投資及提供金融服務。

本集團各營運分部於本年度之業績分析載於綜合財務報表附註4。

業務回顧

本集團業務之公平審視及其表現之分析以及本集團業務之前景載於本年度報告的「主席報告書」及「管理層討論及分析」內（其組成董事會報告之一部份）。

主要供應商及客戶

年內，本集團五大客戶應佔收益總額佔本集團收益總額的57%，而當中計及之最大客戶營業額佔22%。

除於本報告披露有關與本公司控股股東長城國際訂立之持續關連交易外，就董事所知，所有董事、其緊密聯繫人或於二零一八年十二月三十一日擁有本公司已發行股份總數逾5%之股東，概無擁有五大客戶之任何權益。

由於本集團從事物業投資及提供金融服務業務。董事認為，披露本集團供應商詳情並無價值。

DIRECTORS' REPORT

董事會報告

Financial Results

The profits of the Group for the year and the financial position of the Company and the Group as at 31 December 2018 are set out in the consolidated financial statements on pages 115 to 120 of this Annual Report.

Dividends

The Board resolved not to declare any interim dividend for the six months ended 30 June 2018 (2017: Nil).

The Board has resolved not to recommend any payment of final dividend for the year ended 31 December 2018 (2017: Nil).

Five-year Financial Summary

The summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 196 of this Annual Report.

Investment Properties

All of the Group's investment properties were revalued by independent professionally qualified valuers as at 31 December 2018 using the fair value model. Details of investment properties of the Group are disclosed in Note 6 to the consolidated financial statements.

Subsidiaries

Particulars of the Company's principal subsidiaries as at 31 December 2018 are set out in Note 32 to the consolidated financial statements.

Associates

Particulars of the Group's principal associates as at 31 December 2018 are set out in Note 32 to the consolidated financial statements.

財務業績

本集團於本年度之盈利以及本公司和本集團於二零一八年十二月三十一日之財務狀況詳列於本年度報告第115至120頁之綜合財務報表。

股息

董事會議決不宣派截至二零一八年六月三十日止六個月之任何中期股息（二零一七年：無）。

董事會議決不建議派發截至二零一八年十二月三十一日止年度之任何末期股息（二零一七年：無）。

五年財務摘要

本集團過往五個財政年度之業績及資產與負債摘要載於本年度報告第196頁。

投資物業

本集團所有於二零一八年十二月三十一日之投資物業由獨立專業合資格估值師採用公平值模式進行重估。本集團的投資物業之詳情於綜合財務報表附註6中披露。

附屬公司

本公司於二零一八年十二月三十一日之主要附屬公司之詳情載於綜合財務報表附註32。

聯營公司

本集團於二零一八年十二月三十一日之主要聯營公司之詳情載於綜合財務報表附註32。

DIRECTORS' REPORT

董事會報告

Share Capital

Details of the authorised and issued share capital of the Company are set out in Note 17 to the consolidated financial statements.

Distributable Reserves

Distributable reserves of the Company as at 31 December 2018, calculated under the Companies Act 1981 of Bermuda, amounted to HK\$639,101,000 (2017: HK\$639,101,000).

Bank Loans and Other Borrowings

The total borrowings of the Group as at 31 December 2018 amounted to HK\$4,858.3 million (2017: HK\$1,435.7 million). Particulars of borrowings are set out in Notes 14 and 15 to the consolidated financial statements.

Pre-emptive Rights

There is no provision for pre-emptive rights under the Company's Bye-Laws or the laws in Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

Charitable Donations

During the year, charitable donations made by the Group amounted to HK\$26,000 (2017: HK\$33,000).

股本

本公司法定及已發行股本之詳情載於綜合財務報表附註17。

可供分派儲備

根據百慕達一九八一年《公司法》所計算本公司於二零一八年十二月三十一日的可供分派儲備為639,101,000港元(二零一七年: 639,101,000港元)。

銀行貸款及其他借貸

本集團於二零一八年十二月三十一日的借貸總額為4,858.3百萬港元(二零一七年: 1,435.7百萬港元)。借貸詳情載於綜合財務報表附註14及15。

股份優先購買權

本公司之公司細則或百慕達之法例均無規定本公司須按比例優先向現有股東發行新股份之優先購買權規定。

慈善捐款

本集團於本年度之慈善捐款為26,000港元(二零一七年: 33,000港元)。

DIRECTORS' REPORT

董事會報告

Directors

董事

The Directors of the Company during the year and as at the date of this Annual Report are: 年內及於本年度報告日期的本公司董事如下：

Executive Directors 執行董事	Title 職銜	Notes 附註
Mr. Ou Peng 歐鵬先生		Appointed on 5 November 2016 and resigned on 15 March 2019 二零一六年十一月五日獲委任，並於二零一九年三月十五日辭任
Mr. Meng Xuefeng 孟雪峰先生	Deputy Chief Executive Officer 副行政總裁	Appointed on 5 November 2016 二零一六年十一月五日獲委任
Mr. Huang Hu 黃虎先生	Chief Executive Officer 行政總裁	Appointed as non-executive Director on 5 November 2016 and re-designated as executive Director on 15 March 2019 二零一六年十一月五日獲委任為非執行董事，並於二零一九年三月十五日獲調任為執行董事
Non-executive Directors 非執行董事		
Mr. Chen Zenan 陳澤南先生	Chairman of the Board 董事會主席	Appointed on 15 March 2019 二零一九年三月十五日獲委任
Ms. Lv Jia 呂佳女士		Appointed on 5 November 2016 二零一六年十一月五日獲委任
Independent Non-executive Directors 獨立非執行董事		
Dr. Song Ming 宋敏博士		Appointed on 5 November 2016 二零一六年十一月五日獲委任
Dr. Sun Mingchun 孫明春博士		Appointed on 5 November 2016 二零一六年十一月五日獲委任
Mr. Woo Chin Wan 胡展雲先生		Appointed on 5 November 2016 and resigned on 26 November 2018 二零一六年十一月五日獲委任，並於二零一八年十一月二十六日辭任
Ms. Liu Yan 劉艷女士		Appointed on 26 November 2018 二零一八年十一月二十六日獲委任

DIRECTORS' REPORT

董事會報告

The Board has established three committees, being the Audit Committee, the Remuneration Committee and the Nomination Committee. The table below details the membership and composition of each of the three committees as at the date of this Annual Report.

董事會轄下設有三個委員會，分別為審核委員會、薪酬委員會及提名委員會。下表分別載列於本年度報告日期三個委員會各自的成員及組成詳情。

Director	董事	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Mr. Chen Zenan	陳澤南先生	M		C
Mr. Meng Xuefeng	孟雪峰先生		M	
Dr. Song Ming	宋敏博士	M	C	M
Dr. Sun Mingchun	孫明春博士		M	M
Ms. Liu Yan	劉艷女士	C		

C: Chairman of the Committee

M: Member of the Committee

C: 委員會主席

M: 委員會成員

In accordance with Bye-Law 99 of the Company's Bye-Laws, Mr. Huang Hu, Mr. Meng Xuefeng and Ms. Lv Jia shall retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

根據本公司之公司細則第99條規定，黃虎先生、孟雪峰先生及呂佳女士將輪值退任，並符合資格且願意於本公司應屆股東週年大會上膺選連任。

Ms. Liu Yan and Mr. Chen Zenan, who were appointed as an independent non-executive Director and a non-executive Director of the Company by the Board with effect from 26 November 2018 and 15 March 2019, respectively, to hold office until the next following general meeting of the Company after their appointments pursuant to Bye-Law 102(B) of the Company's Bye-Laws, will retire and, being eligible, offer themselves for re-election as Directors at the Company's Special General Meeting to be held on 30 April 2019. For details, please refer to the circular of the Company dated 4 April 2019.

分別自二零一八年十一月二十六日及二零一九年三月十五日獲董事會委任為本公司獨立非執行董事及非執行董事的劉艷女士及陳澤南先生根據公司細則第102(B)條留任至彼等獲委任後舉行的首次本公司股東大會將退任，並符合資格且願意在本公司將於二零一九年四月三十日召開的股東特別大會上膺選連任。詳情請參閱本公司日期為二零一九年四月四日的通函。

DIRECTORS' REPORT

董事會報告

Directors' Service Contracts

Each of the Directors has entered into an appointment letter with the Company and is appointed for a specific term.

No Director proposed to be re-elected at the forthcoming annual general meeting has a service contract with the Group, which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

There are no service contracts with Directors that are exempt under Rule 13.69 of the Listing Rules. No emoluments were paid to any Directors as an inducement to join or upon joining the Group or as compensation for loss of office during the year (2017: Nil).

Interests of Directors and Chief Executives

As at 31 December 2018, so far as was known to the Directors, none of the Directors and Chief Executives of the Company had any interest or short position in any 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 Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Directors' and Chief Executives' rights to acquire shares or debentures

As at 31 December 2018, none of the Directors and Chief Executives (including their spouses and children under 18 years of age) had any interest in, or had been granted, or exercised, any rights to subscribe for shares (or warrants or debentures, if any) of the Company and its associated corporations (within the meaning of Part XV of the SFO).

Interests of Substantial Shareholders

The interests of substantial shareholders in the shares and underlying shares of the Company as at 31 December 2018, as recorded in the register required to be kept under Section 336 of Part XV of the SFO or as the Company is aware, are set out in the table below.

董事服務合約

各董事已與本公司訂立委任函並按特定任期委任。

本集團並無與擬於應屆股東週年大會上膺選連任之董事訂立本集團不可於一年內不須作出賠償（法定賠償除外）而可予以終止之服務合約。

概無與董事訂立的服務協議可豁免遵守上市規則第13.69條項下規定。年內，本公司概無向任何董事支付任何酬金，作為彼加入本集團或加入本集團後的獎勵或離職的補償（二零一七年：無）。

董事及最高行政人員權益

於二零一八年十二月三十一日，就董事所知，本公司董事及最高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（「證券及期貨條例」）第XV部）之任何股份、相關股份及債權證中擁有記錄於根據證券及期貨條例第XV部第352條規定備存之登記冊，或根據標準守則須另行知會本公司及聯交所的任何權益或淡倉。

董事及最高行政人員購買股份或債權證之權利

於二零一八年十二月三十一日，概無董事及最高行政人員（包括彼等配偶及其不足十八歲之子女）於本公司及其相聯法團（定義見證券及期貨條例第XV部）股份中擁有任何權益，或曾獲授或行使任何認購本公司及其相聯法團之股份（或認股權證或債權證（如有））的權利。

主要股東權益

根據證券及期貨條例第XV部第336條規定備存的登記冊所載或據本公司所知悉，主要股東於二零一八年十二月三十一日於本公司股份及相關股份中擁有的權益載列於下表。

DIRECTORS' REPORT

董事會報告

The Company had been notified of the following substantial shareholders' interests in the shares of the Company as at 31 December 2018:

本公司獲悉下列主要股東於二零一八年十二月三十一日持有的本公司股份權益如下：

Name of substantial shareholder	Capacity/Nature of interest	Number of ordinary shares held	Approximate percentage of the issued share capital ⁽³⁾ 佔已發行股本的概約百分比 ⁽³⁾
主要股東名稱	身份／權益性質	持有普通股數目	
China Great Wall Asset Management Co., Ltd. ⁽¹⁾ 中國長城資產管理股份有限公司 ⁽¹⁾	Interest in a controlled corporation 受控制法團權益	1,174,018,094 (L)	74.89%
China Great Wall AMC (International) Holdings Company Limited ⁽¹⁾ 中國長城資產(國際)控股有限公司 ⁽¹⁾	Interest in a controlled corporation 受控制法團權益	1,174,018,094 (L)	74.89%
Great Wall Pan Asia (BVI) Holding Limited ⁽¹⁾	Beneficial owner 實益擁有人	1,174,018,094 (L)	74.89%
Central Huijin Investment Ltd. ⁽²⁾ 中央匯金投資有限責任公司 ⁽²⁾	Interest in a controlled corporation 受控制法團權益	155,000,000 (L)	9.89%
China Construction Bank Corporation ⁽²⁾ 中國建設銀行股份有限公司 ⁽²⁾	Interest in a controlled corporation 受控制法團權益	155,000,000 (L)	9.89%
Wan Tai Investments Limited ⁽²⁾ 萬鈦投資有限公司 ⁽²⁾	Beneficial owner 實益擁有人	155,000,000 (L)	9.89%

The letter "L" denotes the entity's long position in such shares.

「L」表示該實體於有關股份中的好倉。

DIRECTORS' REPORT

董事會報告

Notes:

- (1) Great Wall Pan Asia (BVI) Holding Limited is a wholly-owned subsidiary of China Great Wall AMC (International) Holdings Company Limited which, in turn, is wholly-owned by China Great Wall Asset Management Co., Ltd.. Under the SFO, China Great Wall AMC (International) Holdings Company Limited and China Great Wall Asset Management Co., Ltd. are deemed to be interested in all the shares of the Company owned by Great Wall Pan Asia (BVI) Holding Limited.
- (2) Central Huijin Investment Ltd. holds 57.31% of China Construction Bank Corporation which, in turn, indirectly owns 100% of Wan Tai Investments Limited. Wan Tai Investments Limited is therefore a controlled corporation of China Construction Bank Corporation and Central Huijin Investment Ltd. pursuant to Section 316 of the SFO.
- (3) Approximate percentage was calculated based on the 1,567,745,596 ordinary shares of the Company in issue as at 31 December 2018.

Save as disclosed above, as at 31 December 2018, the Company had not been notified of any persons who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of Part XV of the SFO.

Share Option Scheme

The Company has a share option scheme (the “**Scheme**”) which was approved at the annual general meeting of the Company held on 24 May 2010. The Scheme is designed to motivate the eligible persons, whose contributions are or will be beneficial to the performance, growth and success of the Group, to optimise their future contributions to the Group and reward them for their past contributions and enable the Group to attract and retain individuals with experience and ability.

Under the Scheme, the Board may, at its discretion, grant options to the eligible persons as defined in the Scheme (the “**Eligible Persons**”) to subscribe for shares of the Company (the “**Shares**”). The basis of eligibility of any of the Eligible Persons to the grant of any options shall be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group.

附註：

- (1) Great Wall Pan Asia (BVI) Holding Limited為中國長城資產(國際)控股有限公司的全資附屬公司，而中國長城資產(國際)控股有限公司則由中國長城資產管理股份有限公司全資擁有。根據證券及期貨條例，中國長城資產(國際)股份有限公司及中國長城資產管理股份有限公司均被視為於Great Wall Pan Asia (BVI) Holding Limited擁有的全部本公司股份中擁有權益。
- (2) 中央匯金投資有限責任公司持有中國建設銀行股份有限公司57.31%權益，而中國建設銀行股份有限公司則間接擁有萬鈦投資有限公司100%權益。根據證券及期貨條例第316條，萬鈦投資有限公司因而屬中國建設銀行股份有限公司及中央匯金投資有限責任公司的受控制法團。
- (3) 概約百分比按本公司於二零一八年十二月三十一日已發行的1,567,745,596股普通股計算。

除上述披露者外，於二零一八年十二月三十一日，本公司並無獲悉尚有任何人士於本公司股份或相關股份中擁有記錄於根據證券及期貨條例第XV部第336條規定備存的登記冊的任何其他權益或淡倉。

購股權計劃

本公司設有購股權計劃(「**計劃**」)，並於二零一零年五月二十四日舉行之本公司股東週年大會上獲批准通過。該計劃旨在鼓勵其貢獻確屬或將會有利於本集團之業績表現、增長及成就之合資格人士，於日後充份發揮彼等對本集團之貢獻及嘉獎彼等過往之貢獻，亦有助本集團吸納及挽留具經驗及能力之人才。

根據計劃，董事會可酌情向計劃中所界定之合資格人士(「**合資格人士**」)授予購股權，以認購本公司股份(「**股份**」)。董事會將不時根據合資格人士對本集團發展及增長之貢獻，釐定彼等獲授任何購股權資格之基準。

DIRECTORS' REPORT

董事會報告

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Scheme (and under any other scheme of the Company) shall not in aggregate exceed 10% of the Shares in issue as at the date of the adoption of the Scheme (the “**Mandate Limit**”) provided that the Company may seek approval from its shareholders to refresh the Mandate Limit. Moreover, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme (and under any other scheme of the Company) shall not exceed 30% of the Shares in issue from time to time. The maximum number of Shares issued and to be issued upon exercise of the options granted to any one Eligible Person (including exercised and outstanding options) under the Scheme in any 12-month period shall not exceed 1% of the Shares in issue from time to time.

There are no outstanding options under the Scheme at the beginning of the year ended 31 December 2018.

The period within which an option may be exercised will be determined by the Board at its absolute discretion but no option may be exercised later than 10 years from the date on which the option is granted. The minimum period for which an option must be held before it can be exercised is determined by the Board upon the grant of an option. The amount payable on acceptance of an option is HK\$1.

The subscription price of the options under the Scheme shall be determined by the Board at its absolute discretion at the time of grant of the options but it shall not be less than whichever is the highest of: (i) the nominal value of a Share; (ii) the closing price of the Shares as stated in the daily quotation sheet of the Stock Exchange on the date of the Board's approval of grant of the option (the “**Offer Date**”); and (iii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the Offer Date.

The Scheme will expire on 23 May 2020.

No share option was granted or cancelled under the Scheme during the year ended 31 December 2018.

根據計劃（及本公司任何其他計劃）授出之所有購股權獲行使而可予發行之股份總數，最多不得超過於採納計劃當日已發行股份之10%（「**授權上限**」），惟本公司可尋求股東批准修訂授權上限。此外，行使所有根據計劃（及本公司任何其他計劃）授出但未行使之購股權而可予發行之股份數目，最多不得超過不時已發行股份之30%。在任何十二個月期間，任何合資格人士根據計劃獲授之購股權（包括已行使及未行使之購股權）獲行使而已發行及將予發行之股份總數，最多不得超過不時已發行股份之1%。

於截至二零一八年十二月三十一日止年度之初，計劃項下概無任何未行使購股權。

購股權之行使期將由董事會全權酌情釐定，惟購股權不可於購股權授出之日起計十年後行使。購股權行使前必須符合董事會於授出購股權時所釐定之最短持有期限。接納購股權時應付之代價為1港元。

根據計劃，購股權之認購價將由董事會於授出購股權之時全權酌情釐定，惟不得低於下列之最高者：(i)股份之面值；(ii)股份於董事會批准授出購股權當日（「**授出日期**」）在聯交所每日報價表所報之收市價；及(iii)股份於緊接授出日期前五個營業日在聯交所每日報價表所報之平均收市價。

計劃將於二零二零年五月二十三日屆滿。

截至二零一八年十二月三十一日止年度，概無根據計劃授出或註銷任何購股權。

DIRECTORS' REPORT

董事會報告

Dividend Policy

The Company has adopted a dividend policy (“**Dividend Policy**”) that, in recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholding value.

Under the Dividend Policy, the Company does not have any pre-determined dividend payout ratio. The recommendation and declaration of payment of any dividend is subject to the absolute discretion of the Board, and any declaration of final dividend will be subject to the approval of the Shareholders.

When deciding whether to propose or declare a dividend and in determining the dividend amount, the Board shall also take into account, inter alia, the Group’s actual and expected financial performance, retained earnings and distributable reserves, working capital requirements, capital expenditure requirements and future expansion plans, liquidity position, Shareholders’ interests, general economic conditions and business cycle of the Group’s businesses, any restrictions on payment of dividends and other internal or external factors that may have an impact on the business or financial performance and position of the Group and other factors that the Board may consider relevant.

The payment of dividends by the Company is also subject to any restrictions under the Listing Rules and all relevant applicable rules and regulations in Bermuda, Hong Kong and the Memorandum of Association and Bye-Laws of the Company.

The Board will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time, and the Dividend Policy shall not constitute a legally binding commitment by the Company that dividends will be paid in any particular amount for any given period.

股息政策

本公司已採納股息政策（「**股息政策**」），旨在列明於建議或宣派股息時，本公司應維持足夠現金儲備，以應付其資金需求、未來增長以及其股權價值。

根據股息政策，本公司並無任何預設股息分派比率。董事會擁有絕對酌情權決定派付任何股息的建議，而任何末期股息之宣派均須經股東批准，方可作實。

當決定是否建議或宣派股息及釐定股息金額時，董事會應考慮（其中包括）本集團的實際及預期財務表現、保留盈餘及可供分派儲備、營運資本需求、資本開支需求及未來擴展計劃、流動資金狀況、股東權益、整體經濟狀況及本集團業務的經濟週期、任何派付股息的限制及其他可能對本集團業務或財務表現及狀況產生影響的內在或外在因素，以及董事會可能認為相關的其他因素。

本公司派發股息亦須遵守上市規則及於百慕達、香港及本公司組織章程大綱及公司細則的相關適用規則及規例的任何限制。

董事會將持續檢討其股息政策，並保留其唯一及絕對酌情權隨時更新、修訂及／或修改股息政策。股息政策不構成本公司須於任何指定期間派付任何特定金額股息之具法律約束力的承諾。

DIRECTORS' REPORT

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Directors' Interest in Competing Business

None of the Directors of the Company has any interest in a business which competes or is likely to compete, directly or indirectly, or with the businesses of the Group during the year.

Directors' Material Interests in Transactions, Arrangements and Contracts of Significance

No transaction, arrangement or contract of significance in relation to the Group's businesses to which the Company, the Company's subsidiaries, fellow subsidiaries or its holding company was a party and in which a Director of the Company or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted as at 31 December 2018 or at any time during the year.

Management Contracts

- (1) A Tenancy Management Agreement was entered into between a wholly-owned subsidiary of the Company and Cushman & Wakefield Property Management Limited ("DTZ") whereby DTZ is responsible for the management of certain investment properties of the Group.

The Tenancy Management Agreement was entered for a term of 2 years commencing from 14 November 2018 to 13 November 2020 and will be renewed automatically on a year to year basis unless terminated in accordance with the terms of such agreement. Management fee of approximately HK\$402,387 was paid by the Company for the year ended 31 December 2018.

- (2) An Advertising Agency Agreement was entered into between a wholly-owned subsidiary of the Company and SCMP Outdoor Media Limited, the then wholly-owned subsidiary of the Group, whereby SCMP Outdoor Media Limited was responsible for management of our outdoor billboards, which are at the exterior wall of 1/F. to 3/F. of Yue King Building at 1 Leighton Road, Causeway Bay, Hong Kong.

The Advertising Agency Agreement ended on 31 May 2018. Approximately HK\$1,356,800 was paid by the Company for the year ended 31 December 2018.

董事於競爭性業務之權益

本公司董事於本年度概無於任何足以或可能直接或間接與本集團業務構成競爭之業務中擁有任何權益。

董事於重大交易、安排及合約之權益

本公司、其附屬公司、同系附屬公司或其控股公司概無訂立有關本集團業務而本公司董事或其有關連企業直接或間接於其中享有重大利益，於二零一八年十二月三十一日或在本年度內任何時間仍生效之重要交易、安排及合約。

管理合約

- (1) 本公司全資附屬公司與戴德梁行物業管理有限公司（「戴德梁行」）簽訂租賃管理協議。根據該協議，戴德梁行負責管理本集團若干投資物業。

該租賃管理協議由二零一八年十一月十四日起至二零二零年十一月十三日止，為期兩年，並自動按年延續，除非根據該協議條款終止。截至二零一八年十二月三十一日止年度，本公司已支付的管理費約為402,387港元。

- (2) 本公司全資附屬公司與本集團當時全資附屬公司SCMP Outdoor Media Limited簽訂廣告代理協議。根據該協議，SCMP Outdoor Media Limited負責管理我們位於香港銅鑼灣禮頓道1號愉景樓1樓至3樓外牆的戶外廣告牌。

該廣告代理協議於二零一八年五月三十一日結束。截至二零一八年十二月三十一日止年度，本公司已支付約1,356,800港元。

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(3) A Services Agreement was entered into between a wholly-owned subsidiary of the Company and Asiaray Advertising Media Limited whereby Asiaray Advertising Media Limited, as the exclusive advertising agent, is responsible for management of our outdoor billboards, which are at the exterior wall of 1/F. to 3/F. of Yue King Building at 1 Leighton Road, Causeway Bay, Hong Kong.

The Services Agreement was entered for a term commencing from 1 June 2018 and ending on 30 April 2020. Approximately HK\$2,558,000 was paid by the Company for the year ended 31 December 2018.

(4) An Asset Management Agreement was entered into between a wholly-owned subsidiary of the Company and Gaw Capital Asset Management (HK) Limited pursuant to which Gaw Capital Asset Management (HK) Limited is responsible for the management of one of the Company's investment properties, Kwai Fong Plaza.

The Asset Management Agreement entered for a term commencing on 13 June 2018 was restructured on 13 March 2019 and shall continue and remain valid unless terminated in accordance with the terms of such agreement. Management fee of approximately HK\$3,601,227 was paid by the Company for the year ended 31 December 2018.

Apart from the foregoing, no contract concerning the management and administration of the whole or any substantial part of the businesses of the Company was entered into or existed during the year.

Permitted Indemnity Provisions

The Company's Bye-Laws provide that, to the extent not avoided by the statutes, the Directors are entitled to be indemnified out of the assets of the Company against all losses, liabilities and costs which he/she may sustain or incur in connection with the execution of the duties of his/her office or otherwise in relation thereto.

(3) 本公司全資附屬公司與Asiaray Advertising Media Limited簽訂服務協議。根據該協議，Asiaray Advertising Media Limited負責管理我們位於香港銅鑼灣禮頓道1號愉景樓1樓至3樓外牆的戶外廣告牌。

該服務協議有效期自二零一八年六月一日起至二零二零年四月三十日止。截至二零一八年十二月三十一日止年度，本公司已支付約2,558,000港元。

(4) 本公司全資附屬公司與Gaw Capital Asset Management (HK) Limited簽訂資產管理協議，據此，Gaw Capital Asset Management (HK) Limited負責管理本集團其中一項投資物業，葵芳廣場。

該自二零一八年六月十三日開始之資產管理協議於二零一九年三月十三日重訂並持續生效，除非根據該協議條款終止。截至二零一八年十二月三十一日止年度，本公司已支付的管理費約為3,601,227港元。

除上述者外，本公司於本年度內並無簽訂或存在有關管理及經營本公司全部或任何主要部份業務之合約。

獲准許的彌償條文

本公司的公司細則規定，於不會因法規以致無效的情況下，每位董事有權就其任期內或因執行其職務而可能遭致或發生之損失、責任及成本從本公司資產中獲得賠償。

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Directors' liability insurance policies containing permitted indemnity provisions have been taken out and maintained in force during the financial year and as at the date of approval of this report to provide appropriate cover for the Directors and directors of the subsidiaries of the Group in respect of the relevant liabilities and costs associated with legal proceedings against them.

Principal Risks and Uncertainties

For more details about the principal risks and uncertainties in which the Group are facing and also the relevant risk management objectives and policies, please refer to the "Risk Management and Internal Control" section contained in the Corporate Governance Report and Note 31 to the consolidated financial statements of this Annual Report.

Financial Key Performance Indicators

The relevant financial key performance indicators relating to the businesses of the Group are set out in the "Management Discussion and Analysis" section and the consolidated financial statements of this Annual Report.

Compliance with the Relevant Laws and Regulations

The Group mainly carries out its businesses in Hong Kong. As far as the Board and management are aware, the Group has complied in all material respects with the relevant laws and regulations in Hong Kong that have a significant impact on the business and operation of the Group. During the year ended 31 December 2018, there was no material breach of, or non-compliance, with the applicable laws and regulations by the Group.

本集團已設有包括獲准許彌償條文的董事責任保險政策，並於本財政年度內及截至批准本報告之日期維持有效，以就針對彼等之法律程序之相關責任及費用為本公司及本集團附屬公司董事提供適當的保障。

主要風險及不確定因素

關於本集團所面對之主要風險及不確定因素以及相關風險管理目標及政策的詳情，請參閱本年度報告企業管治報告中的「風險管理及內部監控」以及綜合財務報表附註31。

財務關鍵表現指標

有關本集團業務的相關財務關鍵表現指標載於本年度報告的「管理層討論及分析」及綜合財務報表內。

遵守相關法例及規例

本集團主要於香港進行其業務。據董事會及管理層所知，本集團於所有重大方面皆已遵守對本集團業務及營運具重大影響之相關香港法例及規例。於截至二零一八年十二月三十一日止年度內，本集團概無嚴重違反或不遵守適用法例及規例。

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Environmental Policies and Performance

The Group is committed to the long-term sustainability of the environment and communities in which it operates. To constantly enhance the sustainable development and strengthen the awareness of environmental protection of all staff, the Company has formulated and implemented the Green Office Policy, and such policy will be updated from time to time in accordance with actual market conditions so as to cover more scopes, thus benefiting the implementation of green office culture. The Green Office Policy states that the Company is committed to the materials saving, energy saving, waste reduction, and strives to minimise the consumption of natural resources and energy; reduce the creation of waste and recycle material whenever practical; ensure all waste is disposed of in a safe and responsible manner; and monitor and evaluate progress and performance for continuous improvement.

The environment policies and performance of the Group for the year ended 31 December 2018 is set out in the “Environmental, Social and Governance Report” section on pages 78 to 103 of this Annual Report.

Relationship with Employees and Customers

The Group ensures all employees are reasonably remunerated and regularly reviews the employment policies on remuneration and other benefits.

Details of the practices in relation to employment are set out in the “Environmental, Social and Governance Report” section on pages 78 to 103 of this Annual Report.

The Group maintains a good relationship and close contacts with the customers and conducts regular review of requirements of customers.

Retirement Benefits Scheme

The Group's principal retirement benefits scheme available to its Hong Kong employees are defined contribution scheme (the Mandatory Provident Fund) which is administered by independent trustees. Both the Group and the employees contribute respectively to the schemes sums which represent a certain percentage of the employees' salaries.

環境政策及表現

本集團致力於其經營環境和社區的長期可持續發展。為不斷提升可持續發展能力和加強全體員工環境保護意識，本公司已制定並實施綠色辦公室政策，並按實際市場情況不時更新，以涵蓋更多範圍，從而增益綠色辦公文化的推行。綠色辦公室政策表明，本公司對營運中的節材、節能、減廢等目標作出承諾，致力於減少對自然資源和能源的消耗；在切實可行的情況下避免產生浪費，及回收可再生資源；確保所有廢物以安全和負責任的方式處置；以及監測並評估進度及表現，以持續改進。

有關本集團截至二零一八年十二月三十一日止年度的環境政策與表現載於本年度報告第78至103頁之「環境、社會及管治報告」內。

與僱員及客戶之關係

本集團確保所有僱員得到合理的薪酬，並定期檢討有關薪酬及其他福利的僱傭政策。

有關僱傭常規之詳情載於本年度報告第78至103頁之「環境、社會及管治報告」內。

本集團與其客戶維持良好的關係及維持緊密聯繫，並定期審閱客戶的要求。

退休福利計劃

本集團的香港僱員退休福利計劃主要是界定供款計劃（強制性公積金），由獨立受託人管理，分別由本集團及僱員同時按僱員薪金的若干百分率為基準供款。

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Continuing Connected Transactions

Continuing Connected Transactions – Asset Management Agreement in relation to the Provision of Discretionary Asset Management Services

On 29 June 2017, Great Wall Pan Asia Asset Management Limited (長城環亞資產管理有限公司) (“**GWPA-AM**”) and Great Wall International entered into an amended and restated asset management agreement (the “**Restated Asset Management Agreement**”), pursuant to which the parties thereto agreed to amend and restate certain terms of the asset management agreement dated 19 May 2017 previously entered between the aforesaid parties. Pursuant to the Restated Asset Management Agreement, GWPA-AM conditionally agreed to provide discretionary asset management services to Great Wall International for a term of three years commencing on 11 October 2017 at a management fee equal to 1.5% per annum of the assets as consideration for performing discretionary asset management services. Details of the Restated Asset Management Agreement and the agreed annual caps set for each of the four financial years ending 31 December 2020 are set out in the circular of the Company dated 30 June 2017.

As Great Wall International is a connected person of the Company under Chapter 14A of the Listing Rules, the entering of Restated Asset Management Agreement and all the transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

For the year ended 31 December 2018, the aggregate amount of management fee received by GWPA-AM under the Restated Asset Management Agreement was HK\$31,579,164 which is within the annual cap for the year ended 31 December 2018 of HK\$40,500,000.

The Group has followed the terms of the continuing connected transactions conducted during the year as mentioned in the paragraph above, which were determined in accordance with the pricing policies as set out in the relevant circular of the Company. Such continuing connected transactions have been reviewed by the independent non-executive Directors of the Company who have confirmed that the transactions have been entered into:

持續關連交易

持續關連交易 – 關於提供自主決定資產管理服務之資產管理協議

於二零一七年六月二十九日，長城環亞資產管理有限公司（「長城資管」）與長城國際訂立一份修訂及重訂資產管理協議（「重訂資產管理協議」），據此，其訂約方同意修訂及重訂先前由上述訂約方訂立日期為二零一七年五月十九日之資產管理協議若干條款。根據重訂資產管理協議，長城資管有條件同意向長城國際提供自主決定資產管理服務，自二零一七年十月十一日開始，為期三年，收取相等於資產按年率1.5%的管理費作為提供自主決定資產管理服務之代價。重訂資產管理協議及有關截至二零二零年十二月三十一日止四個財政年度協定每年的年度上限詳情載於本公司日期為二零一七年六月三十日的通函內。

由於長城國際為上市規則第14章項下本公司的關連人士，重訂資產管理協議的訂立及其項下進行的所有交易根據上市規則第14A章構成本公司的持續關連交易。本公司確認其已遵守根據上市規則第14A章的披露規定。

截至二零一八年十二月三十一日止年度，根據重訂資產管理協議項下由長城資管收取的管理費總額約為31,579,164港元，並無超出截至二零一八年十二月三十一日止年度的年度上限40,500,000港元。

本集團已遵守上文所述於年內實施的持續關連交易條款，其乃根據本公司有關通函內所載的定價政策而制定。本公司獨立非執行董事經審閱該等持續關連交易後確認此等交易：

DIRECTORS' REPORT

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

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor of the Company has issued an unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group in accordance with paragraph 14A.56 of the Listing Rules and confirmations of the matters set out in that rule. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

Related Party Transactions

Details of the significant related party transactions, other than the continuing connected transactions as disclosed above, undertaken in the normal course of business are provided under Note 33 to the consolidated financial statements, none of which constitutes a connected transaction as defined under the Listing Rules.

Purchase, Sale or Redemption of the Listed Securities of the Company

During the year ended 31 December 2018, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

- (a) 乃在本集團的日常業務中訂立；
- (b) 按照一般商業條款或更佳條款進行；及
- (c) 根據有關交易的協議進行，條款屬公平合理，並且符合本公司股東的整體利益。

本公司核數師已獲委聘根據香港會計師公會頒佈的《香港核證工作準則》第3000號（經修訂）「審核或審閱歷史財務資料以外的核證工作」及參照實務說明第740號「關於香港《上市規則》所述持續關連交易的核數師函件」匯報本集團的持續關連交易。本公司核數師已根據上市規則第14A.56條及載於該規定中就該事宜之確認發出無保留意見函件，而該函件載有核數師對有關本集團披露的持續關連交易的發現及結論。本公司已將核數師函件副本呈交聯交所。

關聯方交易

在正常業務過程中進行的重大關聯方交易（除以上披露的持續關連交易外）之詳情載於綜合財務報表附註33，該等關聯方交易並不構成上市規則所定義的關連交易。

購買、出售或贖回本公司上市證券

截至二零一八年十二月三十一日止年度內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

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董事會報告

Code of Conduct for Securities Transactions by Directors

The Board has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the Company's code of conduct for securities transactions by its Directors. Having made specific enquiry with all Directors, all Directors have confirmed their compliance with the required standards set out in the Model Code during the year ended 31 December 2018 and up to the date of this Annual Report.

Corporate Governance

The Company is committed to maintaining a high standard of corporate governance. Details of the Company's corporate governance practices are set out in the "Corporate Governance Report" section on pages 27 to 59 of this Annual Report.

Other matters

Major Acquisition

Reference is made to the circular of the Company dated 25 May 2018 (the "MA Circular"), capitalised terms used in this subparagraph have the same meanings as those defined in the MA Circular.

On 22 February 2018, a joint venture company ("JVCo") and GWPA Property I Holding Limited ("GWPA Property", a wholly-owned subsidiary of the Company) entered into the Call Option Deed, under which the Call Option was granted by the JVCo to GWPA Property in accordance with the Shareholders Agreement ("Shareholders Agreement"). The exercise of the Call Option would entitle GWPA Property to purchase the Sale Shares (representing the entire issued shares of Patrol Hall 12 Limited ("Patrol Hall 12")) and the Sale Loan ("Sale Loan") (representing all of the shareholder's loan owed by Patrol Hall 12). Patrol Hall 12, through Ray Glory, owns Kwai Fong Plaza.

On 11 May 2018, GWPA Property exercised the Call Option for the purchase of the Sale Shares and the Sale Loan. The Purchase Price of HK\$725,051,488 would be paid on 13 June 2018 (the "Completion Date") by setting off against the outstanding amount of the Advance owed by the JVCo to GWPA Property.

董事進行證券交易之操守準則

董事會已採納上市規則附錄十所載標準守則，作為本公司董事進行證券交易之操守準則。經向全體董事作出具體查詢後，全體董事均已確認彼等於截至二零一八年十二月三十一日止整個年度及截至本年度報告日期期間一直遵守標準守則所載的規定標準。

企業管治

本公司致力維持高水平之企業管治。有關本公司之企業管治常規之詳細資料載於本年度報告第27至59頁之「企業管治報告」內。

其他事項

主要收購事項

茲提述本公司日期為二零一八年五月二十五日的通函（「主要收購事項通函」），本分段所用詞彙與主要收購事項通函所界定者具有相同涵義。

於二零一八年二月二十二日，合營公司（「合營公司」）與GWPA Property I Holding Limited（「GWPA Property」，本公司之全資附屬公司）訂立認購選擇權契據，據此，合營公司根據股東協議（「股東協議」）向GWPA Property授出認購選擇權。行使認購選擇權賦予GWPA Property權利購買銷售股份（即Patrol Hall 12 Limited（「Patrol Hall 12」）之全部已發行股份）及銷售貸款（「銷售貸款」）（即Patrol Hall 12結欠之全部股東貸款）。Patrol Hall 12透過頂煌擁有葵芳廣場。

於二零一八年五月十一日，GWPA Property行使認購選擇權購買銷售股份及銷售貸款。購買價725,051,488港元於二零一八年六月十三日（「完成日期」）藉抵銷合營公司結欠GWPA Property之尚未償還該墊款支付。

DIRECTORS' REPORT

董事會報告

Patrol Hall 12 is the sole shareholder of Ray Glory, whose sole material assets are the property interests held in Kwai Fong Plaza. Through the acquisition of Patrol Hall 12 pursuant to the exercise of the Call Option, the Group effectively acquired Kwai Fong Plaza indirectly.

GW Holding (BVI), the Company's controlling shareholder, had given its unconditional written approval to the Acquisition and the transactions contemplated thereunder in lieu of holding a general meeting pursuant to Rule 14.44 of the Listing Rules prior to the publication of the announcement dated 11 May 2018.

Completion of the acquisition of Patrol Hall 12 indirectly owning Kwai Fong Plaza took place on 13 June 2018. Further details are set out in the Company's announcements dated 11 May 2018 and 13 June 2018, and the Company's circular dated 25 May 2018.

Sufficiency of Public Float

According to the information that is available to the Company and within the knowledge of the Directors, the percentage of the Company's shares which were in the hands of the public exceeded 25% of the Company's total issued shares as at the date of this Annual Report.

Auditor

The consolidated financial statements for the year have been audited by the auditor of the Company, PricewaterhouseCoopers, who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

On behalf of the Board
Chen Zenan
Chairman

Hong Kong, 15 March 2019

Patrol Hall 12為頂煌之唯一股東，而頂煌於葵芳廣場之物業權益為其持有之唯一重大資產。透過行使認購選擇權收購Patrol Hall 12，本集團可有效地間接收購葵芳廣場。

本公司之控股股東GW Holding (BVI)已根據上市規則第14.44條，於刊發日期為二零一八年五月十一日的公告前就收購事項及其項下預期進行之交易發出無條件書面批准，以代替召開股東大會。

收購間接持有葵芳廣場之Patrol Hall 12已於二零一八年六月十三日完成。更多詳情列載於本公司日期為二零一八年五月十一日及二零一八年六月十三日的公告，以及本公司日期為二零一八年五月二十五日的通函。

足夠公眾持股量

根據本公司所獲資料及據董事所知，於本年度報告日期，公眾人士所持本公司股份百分比超過本公司全部已發行股份的25%。

核數師

本年度綜合財務報表已由本公司核數師羅兵咸永道會計師事務所審核，而該事務所將任滿告退，惟符合資格且願意於本公司應屆股東週年大會應聘連任。

代表董事會
主席
陳澤南

香港，二零一九年三月十五日

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

About this Report

This Environmental, Social and Governance Report (the “**Report**”) serves as a review on the sustainability efforts and achievements of Great Wall Pan Asia Holdings Limited (the “**Company**”, “**GWPA Holdings**” or “**we**”) in 2018. The Report discloses the Company’s long-standing commitment and responsibilities to environment, social and governance (“**ESG**”) areas. As a communication platform with all stakeholders, the Report also responds to major stakeholders’ key concerns. The Report is to be read in conjunction with GWPA Holdings’ 2018 Annual Report, in particular the Corporate Governance Report contained therein.

Reporting Boundary

The Report covers the Company’s ESG issues, as well as correlated policies, measures, and activities under the control of the Company. The Report covers the period from 1 January 2018 to 31 December 2018 (the “**Reporting Period**”). The Report encompasses the offices rented and operated by GWPA Holdings, which are Units 6507-6510, 65/F., The Center, 99 Queen’s Road Central, Hong Kong.

Approval and Confirmation

The Report was reviewed and approved by the Board in March 2019.

Preparation Basis

The Report complies with all the “comply or explain” provisions of the Environmental, Social and Governance Reporting Guide under Appendix 27 of the Main Board Listing Rules (the “**ESG Reporting Guide**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and was prepared in adherence to the following reporting principles: Materiality, Quantitative, Balance and Consistency.

Feedback to the Report

We welcome your feedback on our sustainability performance and reporting. You can contact us by mail to Units 6507-6510, 65/F., The Center, 99 Queen’s Road Central, Hong Kong, for the attention of the Company Secretary.

關於本報告

本環境、社會及管治報告（「**本報告**」）旨在回顧二零一八年長城環亞控股有限公司（以下簡稱「**本公司**」、「**長城環亞控股**」或「**我們**」）在可持續發展方面的工作以及績效，披露了本公司一直以來對環境、社會及管治（「**ESG**」）方面的貢獻及責任。本報告作為與所有權益人溝通的平台，主要回應了權益人所關注的議題。本報告應與長城環亞控股二零一八年年度報告，特別是當中的「**企業管治報告**」一併閱讀。

報告範圍

本報告涵蓋本公司具有控制權且與本公司的ESG議題相關的政策、措施及行動。本報告的時間範圍涵蓋二零一八年一月一日至二零一八年十二月三十一日（「**報告期**」）。本報告的組織範圍主要包含長城環亞控股租賃並營運的辦公室，即香港皇后大道中99號中環中心65樓6507-6510室。

確認及批准

本報告已通過本公司董事會審閱並於二零一九年三月獲董事會批准。

編製基礎

本報告遵守香港聯合交易所有限公司（「**聯交所**」）發表的《香港聯合交易所有限公司證券上市規則》附錄二十七《環境、社會及管治報告指引》（「**ESG指引**」）中有關「不遵守就解釋」的條文，並且以重要性、量化、平衡及一致性的匯報原則作為編製基礎。

報告意見反饋

我們歡迎您對我們的可持續發展績效和報告提出意見。反饋意見可通過郵寄方式送函致本公司秘書，地址為香港皇后大道中99號中環中心65樓6507-6510室。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholder Engagement

Stakeholder engagement is an integral part of the Company's promotion of sustainable development. The Company has been continuously maintaining good communication and interaction with its major stakeholders through various platforms, in order to thoroughly comprehend their concerns and demands, and to formulate the Company's sustainable development strategy and thus to better fulfil its corporate social responsibility.

權益人溝通

權益人溝通是本公司促進可持續發展不可或缺的一部份。本公司一直通過各種平台與主要權益人保持良好的溝通及交流，充份了解權益人的關注及需求以訂立本公司的可持續發展策略，從而更好地履行我們的企業社會責任。

Stakeholder Group 權益人類別	Communication Channels 溝通渠道	Frequency 頻率	Concerns 關注
Shareholders and Investors	<ul style="list-style-type: none">Corporate reports and other announcementsShareholder meetingsWebsite	<ul style="list-style-type: none">RegularlyAnnual/ad hocAd hoc	<ul style="list-style-type: none">Ensure sustainable protection of their investmentsEnsure the completeness, truthfulness, timeliness and validity of information disclosure
股東及投資者	<ul style="list-style-type: none">企業報告及公告股東大會網站	<ul style="list-style-type: none">定期每年／不定期不定期	<ul style="list-style-type: none">確保持續保護股東及投資者的投資確保資訊披露的完整性、真實性、及時性及有效性
Government and Regulatory Authorities	<ul style="list-style-type: none">Corporate reports and other announcements	<ul style="list-style-type: none">Non-recurring	<ul style="list-style-type: none">Ensure the completeness, truthfulness, timeliness and validity of information disclosureSupport economic development
政府及管理機構	<ul style="list-style-type: none">企業報告及公告	<ul style="list-style-type: none">非經常性	<ul style="list-style-type: none">確保資訊披露的完整性、真實性、及時性及有效性支持經濟發展
Employees	<ul style="list-style-type: none">Employee performance appraisalMeetings and trainingsEmail and notice boardTeam building activitiesFestive activities	<ul style="list-style-type: none">AnnuallyRegularlyDepending on employees' needsAnnuallyOn festive days	<ul style="list-style-type: none">Employee benefitProspective developmentHealth and safe working environment
員工	<ul style="list-style-type: none">員工表現評估會議及培訓電郵及通告欄團隊建立活動節日活動	<ul style="list-style-type: none">每年定期根據員工需要每年節日期間	<ul style="list-style-type: none">員工福利未來發展健康和安全的工作環境

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholder Group 權益人類別	Communication Channels 溝通渠道	Frequency 頻率	Concerns 關注
Customers 客戶	<ul style="list-style-type: none"> Customer satisfaction survey Interview, site visit and email 客戶滿意度調查 面談、現場考察及電郵 	<ul style="list-style-type: none"> Depending on customers' needs Depending on customers' needs 根據客戶需要 根據客戶需要 	<ul style="list-style-type: none"> Product and service quality Protection of the rights of customers and consumers 產品和服務質量 保護客戶及消費者的權利
Suppliers 供應商	<ul style="list-style-type: none"> Public tender Interview and site visit 公開招標 面談及現場考察 	<ul style="list-style-type: none"> Depending on needs Depending on procurement needs 根據需要 根據採購需要 	<ul style="list-style-type: none"> Transparent and fair tendering process 透明及公平的招標過程
Professional Group 專業團體	<ul style="list-style-type: none"> Meeting and email 面談及電郵 	<ul style="list-style-type: none"> Ad hoc 不定期 	<ul style="list-style-type: none"> Building win-win partnership 建設共贏合作關係
General Public 社會大眾	<ul style="list-style-type: none"> Charitable activities and donations 慈善活動及捐贈 	<ul style="list-style-type: none"> At least once a year 每年至少一次 	<ul style="list-style-type: none"> Level of community engagement Level of commitment on green initiatives 社區參與程度 對綠色環保的貢獻程度

Materiality Assessment

The Company has always paid attention to stakeholders' concern. In response to the ESG Reporting Guide's emphasis on the materiality reporting principle, the Company conducted its materiality assessment to review its ESG issues with the assistance of an independent consulting firm in addition to the regular communication with stakeholders. We invited the Company's management and employees to participate in the materiality assessment exercise, to understand the ESG impacts that substantively influence our stakeholders, and thus, to serve as a reference for the Company to determine the scope of disclosure in the Report and to establish its sustainability strategy in the upcoming future.

重要性評估

本公司一直非常重視權益人的關注。為回應 ESG 指引中所強調的重要性匯報原則，本公司除與權益人定期溝通之外，亦在獨立諮詢公司的協助下進行了重要性評估，以檢視本公司的 ESG 議題。我們邀請了本公司的管理層及員工參與是次重要性評估，了解 ESG 議題對權益人的實質影響，以此釐定本報告的披露範圍並作為本公司在未來制定可持續發展策略的參考。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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The materiality assessment process involves 4 basic steps and is summarised in the following graphic. 重要性評估過程涉及四個基本步驟，如下圖。

Initial step: Identifying ESG issues

第一步：識別ESG議題

A total of 17 ESG issues were screened for the Company by drawing on the ESG Reporting Guide, international reporting guidelines and from industry benchmarking.

本公司通過參考ESG指引、國際報告編寫指南及行業基準，共篩選出十七個ESG議題。



Second step: Ranking ESG issues

第二步：對ESG議題進行排序

Selected ESG issues were incorporated in online questionnaires. The Company's management and employees were invited to rank the ESG issues based on their level of importance.

本公司安排管理層及員工以網上問卷調查的形式對經篩選的ESG議題的重要性進行排序。



Third step: Results analysis

第三步：分析結果

Responses were analysed under two dimensions, the "importance to management" and the "importance to employees" to understand the shared concerns between the Company and employees. As a result, 6 ESG issues (ranked at 5 or above out of 10 at both management and employee levels) were considered as material.

本公司根據「對管理層的重要性」及「對員工的重要性」兩個維度對結果進行分析，以了解本公司和員工之間的共同關切，共得到六個重要性議題（在管理層和員工的兩個維度上都分別獲五分或以上）。



Fourth step: Validating the results

第四步：檢視結果

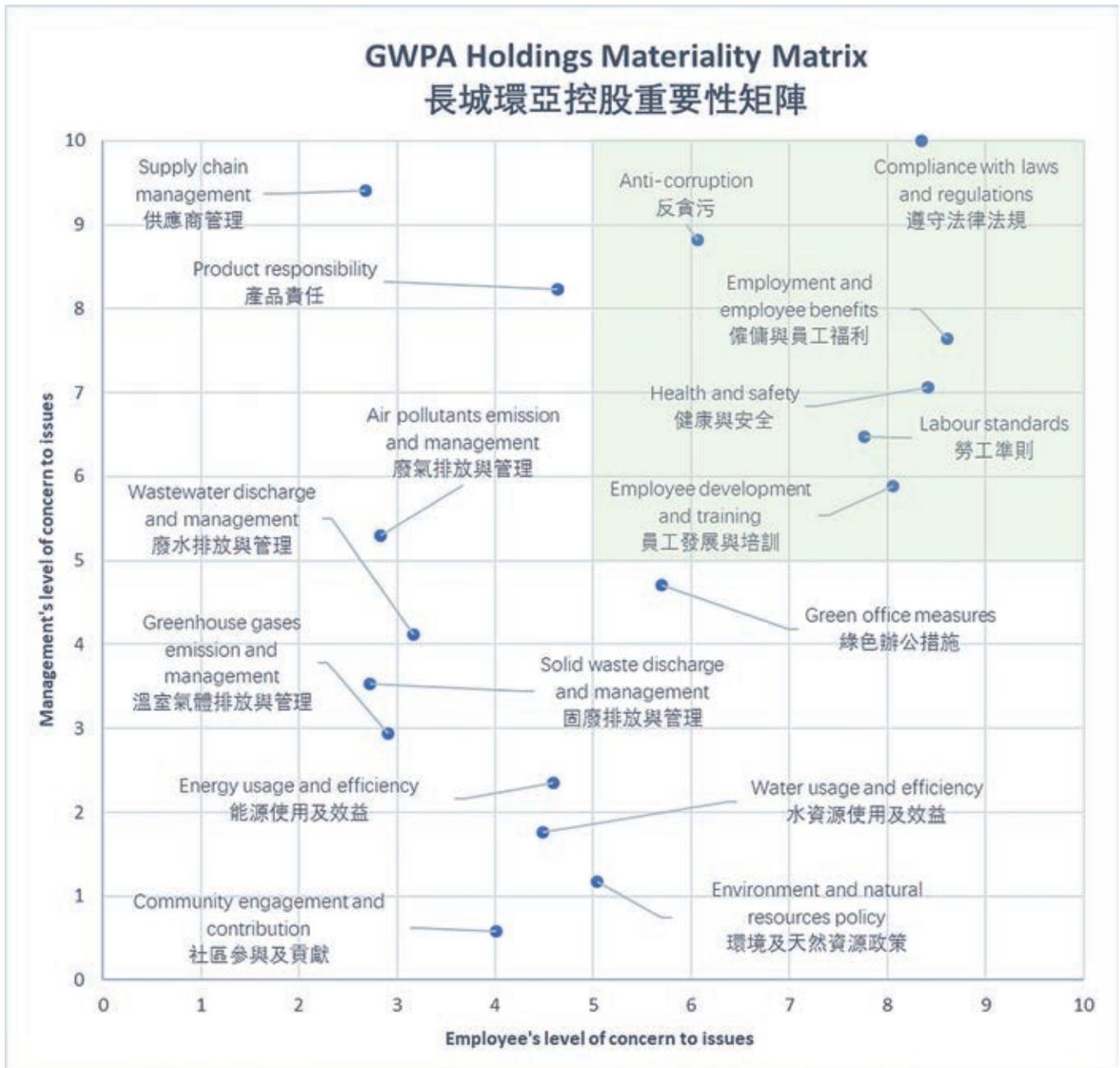
The Company's Board validated and endorsed the material issues to ensure that the issues are adequately relevant to the Company, thereby disclosing in the Report in a targeted manner.

本公司董事會檢視並認可重要性議題以確保議題對本公司具有意義，從而有針對性地在本報告中披露。

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The below materiality matrix illustrates the result of the materiality assessment. 重要性評估的結果如以下重要性矩陣圖所示。



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As a result of our materiality assessment, 8 issues that are considered relevant and material to the Company (the “**material issues**”) were identified. Meanwhile, the issues of supply chain management and product responsibility were also found to have high relevance. Since it is not feasible for us to report on every issue, the Report was prepared with particular focus on the material issues as well as other issues of high relevance. Policies and measures were developed and will be outlined in the Report. The following table lists the material issues for the Company in 2018 and the corresponding response sections in the Report:

我們從重要性評估中篩選出八個被認為與本公司相關且重要的議題（「**重要性議題**」）。同時，供應鏈管理和產品責任議題亦從圖中顯示為較高相關性的議題。由於我們不能對每一個議題作出匯報，本報告於編寫時特別側重於重要性議題和其他具較高相關性的議題。我們制定了相關政策及措施，並將在本報告中概述。下表列出了本公司二零一八年的重要性議題及於本報告內對應的回應章節：

Issues 議題	How GWPA Holdings responds 長城環亞控股的回應
Compliance with laws and regulations 遵守法律法規	Environment 環境 Employment and Labour Practice 僱傭及勞工準則 Health and Safety 健康與安全 Product Responsibility 產品責任 Anti-corruption 反貪污
Anti-corruption 反貪污	Anti-corruption 反貪污
Employment and employee benefits 僱傭與員工福利	Employment and Labour Practice 僱傭及勞工準則
Health and safety 健康與安全	Health and Safety 健康與安全
Labour standards 勞工準則	Employment and Labour Practice 僱傭及勞工準則
Employee development and training 員工發展與培訓	Development and Training 發展及培訓
Supply chain management 供應商管理	Supplier Management 供應商管理
Product responsibility 產品責任	Product Responsibility 產品責任

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Environment

The Company attaches great importance to environmental protection and is committed to minimising the environmental impact of its daily operation as far as practicable. The Company strictly complies with laws and regulations that have a significant impact on the Company's operation in Hong Kong with air and greenhouse gas ("GHG") emissions, discharges into water and land, and generation of hazardous and non-hazardous waste, including, but not limited to, the *Air Pollution Control Ordinance* (Chapter 311 of the Laws of Hong Kong), the *Water Pollution Control Ordinance* (Chapter 358 of the Laws of Hong Kong) and the *Waste Disposal Ordinance* (Chapter 354 of the Laws of Hong Kong). Since the operation of the Company focuses on property investment and financial services with major activities involving clerical work and business meetings in an office environment, the Company poses limited impact on the environment. Nevertheless, we are aware of the negative impacts that climate change can have on the Company, and hence, we proactively assess our business life cycle and come up with corresponding measures in order to reduce and manage risks. During the Reporting Period, there were no non-compliance incidents or infringements in relation to environmental protection that would have a significant impact on the Company.

The Company's *Green Office Policy* (the "Policy") has been put into effect since 2017 with the management of green office established and the green office measures standardised and implemented. We are committed to fulfilling our environmental responsibilities, and thus continuously strive to

- Minimise the consumption of natural resources and energy
- Reduce the creation of waste and recycle material whenever practical
- Ensure all waste is disposed of in a safe and responsible manner
- Monitor and evaluate progress and performance of the Policy for continuous improvements

環境

本公司非常重視環境保護，並致力於在切實可行的範圍內減少其日常營運對環境的影響。本公司嚴格遵守香港與廢氣排放、溫室氣體排放、向水及土地排放、廢棄物排放等且對本公司的業務有重大影響的法律法規，包括但不限於《空氣污染管制條例》(香港法例第311章)、《水污染管制條例》(香港法例第358章)及《廢物處置條例》(香港法例第354章)。由於本公司的經營業務以物業投資和金融服務為主，主要活動涉及在辦公室內的文職工作和商務會議，因此本公司對環境的影響有限。儘管如此，我們意識到氣候變化可能對本公司產生的負面影響，積極評估我們業務的生命週期，並制定相應的措施，以減少和管理風險。於報告期內，本公司未曾接獲與環境相關並對本公司有重大影響的違規事件或任何申訴。

本公司自二零一七年起生效的《綠色辦公室政策》(「該政策」)，建立了綠色辦公室管理體系並把綠色辦公室措施標準化及付諸實行。我們致力於履行對環境的責任，從而不懈地

- 減少對自然資源和能源的消耗
- 在切實可行的情況下避免產生廢物產生及回收可再生資源
- 確保所有廢物以安全和負責任的方式處置
- 監控並評估該政策之進度和表現，以持續改進

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Responsibilities in the areas of management, energy conservation, waste reduction, resources saving and procurement are clearly stated in the Policy, with corresponding responsible employees notified. All employees of the Company are responsible for being aware of the environmental and health impacts of their work and striving to minimise these impacts continuously.

The Policy is reviewed regularly to ensure that green office practices are effectively implemented and monitored. Various channels are set up to communicate with employees and to collect their opinions and suggestions on the Company's green office practices and performance. Relevant training is also offered to the Company's new employees by the Human Resources Department.

Alongside implementation of the Company's Policy as well as employees' earnest participation, the Company was successfully granted the title and logo of "Hong Kong Green Organisation" which is led by the Environmental Campaign Committee alongside the Environmental Protection Department and in conjunction with nine organisations. The Company also received two green certifications, including "Wastewi\$e Certificate (Basic Level)" and "Energywi\$e Certificate (Basic Level)", as a recognition of the Company's effort in reducing its environmental impacts. Besides, we also signed the Energy Saving Charter issued by the Government of the Hong Kong Special Administrative Region, clearly demonstrating our continuous efforts in supporting energy saving.

該政策明確了和管理、節約能源、減少浪費和節約資源及採購方面的責任，並已通知了相關負責員工。本公司的所有員工都有責任了解其工作對環境和健康的影響，並不斷努力地把影響降至最低。

本公司定期檢討該政策以確保綠色辦公室措施的有效執行及監控，並透過不同渠道與員工溝通，收集員工對本公司綠色辦公室措施及其表現的意見和建議。此外，人力資源部還為本公司的新入職員工提供相關培訓。

伴隨著該政策的實施及員工的認真參與，我們成功獲頒發由環境運動委員會聯同環境保護署及九個機構合辦的「香港綠色機構」名銜及標誌。我們亦獲得兩項綠色認證，包括「減廢證書（基礎級別）」以及「節能證書（基礎級別）」，肯定了本公司在減低環境影響方面的努力。同時，我們亦簽署由香港特別行政區政府推出的《節能約章》，明確我們持續支持能源節約的決心。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

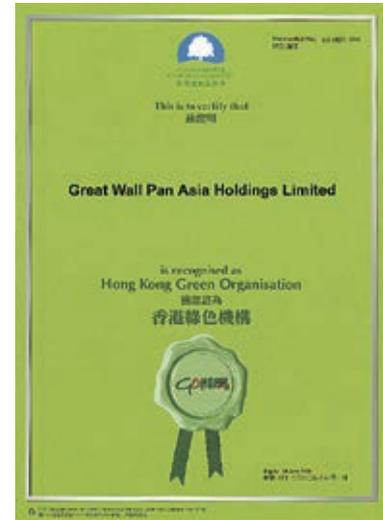
環境、社會及管治報告



WastewiSe Certificate
(Basic Level)
「減廢證書 (基礎級別)」



EnergywiSe Certificate
(Basic Level)
「節能證書 (基礎級別)」



Hong Kong Green
Organisation Certificate
「香港綠色機構」證書

Emission Reduction and Energy Conservation

The Company recognises the importance of emission control, in particular the emission of GHG. Hence, the Company proactively takes actions to reduce emission of air pollutant and GHG. In the business operation of the Company, the sources and emission of air pollutant and GHG are limited to uncontrolled sources (volatile organic compounds generated from printers for instance) and indirect emission from purchased electricity. We have no self-owned vehicles under control and no leased vehicles for our operation. Since electric power consumption is the Company's major GHG emission source, a number of energy-saving measures were implemented to reduce power usage and hence GHG emission.

節能減排

本公司意識到控制排放，尤其是溫室氣體排放的重要性。因此，本公司積極採取減少大氣污染物和溫室氣體排放的措施。在我們的業務中，大氣污染物和溫室氣體的來源和排放僅限於無組織排放（如打印機產生的揮發性有機化合物）和外購電力的間接排放。我們的經營業務中不涉及任何自擁有車輛和控制任何租賃車輛。由於電力消耗是我們經營過程中的主要溫室氣體排放來源，因此我們採取了多項節能措施，以減少用電量，從而減少溫室氣體的排放。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

According to the Policy, we are committed to the following responsibilities in energy conservation:

- Turn off lights when not in use and use natural light when possible
- Turn on the lights at specific spot in the office for employees working overtime and turn off the other lights in the office when not in use
- Turn off air conditioning at or before 7:30 p.m. every day, in order to save energy
- Provide fans and purifiers to employees in the office after 7:30 p.m.
- Arrange monthly cleaning for air conditioning system
- Turn off the power of electrical appliances that are not in use after office hours
- Arrange regular maintenance for electrical appliances
- Affix reminders to all electrical devices to remind employees of:
 - Switching off lighting, air conditioning, fans and purifiers after use
 - Switching off/switching the office equipment into standby mode in non-office hours

During the Reporting Period, all employees strictly followed the energy-saving measures as set forth in the Policy and was continually monitored by responsible personnel to ensure an effective reduction in the offices' electricity consumption, and hence, a reduction in the cost of electricity.

根據該政策，我們致力於在節約能源方面承擔以下責任：

- 當無需照明時關燈，並盡可能使用自然光
- 當有員工加班時，僅打開員工所在區域的燈光，並關閉其他無需使用的燈光
- 每日晚上七時三十分或之前關閉所有空調設備，以節省能源消耗
- 若晚上七時三十分後仍有員工辦公，為加班員工提供風扇和空氣淨化器
- 每月安排空調系統的清潔
- 在非辦公時間，關閉所有無需使用的電器電源
- 定期安排電器的維護及保養
- 在所有電子設備處張貼溫馨提示，以提醒員工：
 - 在使用後，關閉照明設備、空調、風扇及空氣淨化器
 - 在非辦公時間，將辦公設備關閉或調至待機狀態

於報告期內，員工都嚴格遵守該政策內規定的節能措施，並由負責員工持續監控，以確保辦公室的用電量能夠有效減少，從而降低電力成本。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Waste Reduction and Resources Saving

The waste generated by the Company mainly comes from daily office operations, in particular, paper waste. Hence, the Company makes an effort to reduce paper consumption by encouraging employees to communicate by electronic means and by applying double-sided printing whenever possible. Apart from paper waste, the Company also generates a limited amount of plastic bottles, aluminum cans and glass bottles. We constantly nurture our working environment with an environmentally friendly ambience by educating our employees the importance of waste reduction and recycling. The Company's Policy clearly sets out measures to reduce waste generation and resources consumption.

According to the Policy, we are committed to the following responsibilities in waste reduction and resources saving:

- Use electronic means for communication whenever possible
- Apply double-sided printing whenever possible
- Collect and reuse single-sided printed paper and old envelopes for printing
- Collect and reuse old box files and apply electronic means for filing whenever possible
- Replace rubbish bag not more than twice a week whenever possible
- Collect and repair computer accessories, electrical appliances and repairable items for reuse
- Reuse rechargeable batteries whenever possible
- Reuse decorating materials

廢物減量與資源節約

本公司產生的廢棄物主要來自日常辦公室營運，其中以辦公室用紙為主。因此，本公司鼓勵員工採用電子通訊並盡量使用雙面打印以減少紙張的消耗。除廢紙外，本公司同時產生數量有限的塑膠瓶、鋁罐和玻璃瓶。我們透過教育員工廢物減量和回收的重要性，持續營造環保的辦公環境。該政策明確列明減少廢物產生及資源消耗的措施。

根據該政策，我們致力於在減少浪費和節約資源方面承擔以下責任：

- 盡可能使用電子通訊
- 盡可能進行雙面打印
- 收集單面打印的紙張及舊信封進行二次打印
- 收集和重複使用舊活頁夾，並盡可能用電子方式進行文件存檔
- 在適當情況下，每周更換垃圾袋不超過兩次
- 收集並維修電腦配件、電器和其他可修復的產品以作再次使用
- 盡可能使用可充電電池
- 重複使用裝飾物料

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

- Collect recyclable materials for recycling, including:
 - Waste paper
 - Metal
 - Plastic
 - Used toner and ink cartridges
 - Glass bottles
 - Rechargeable batteries
 - Encourage employees to use municipal water suppliers, rather than bottled water
 - Affix reminders near all printers and photocopiers to remind employees of saving paper
 - Affix reminders at collect points and notice boards in the office to encourage waste recycling
 - Affix reminders on taps in the office to remind employees of turning tap off after use
- 收集可回收物料，包括：
 - 廢紙
 - 金屬
 - 塑料
 - 使用過的墨粉盒及墨盒
 - 玻璃瓶
 - 充電電池
 - 鼓勵員工選擇市政供水，而不是瓶裝水
 - 在所有打印機和複印機處張貼溫馨提示，提醒員工節約用紙
 - 在辦公室的回收點和佈告欄張貼溫馨提示，鼓勵廢物回收
 - 在辦公室的水龍頭處張貼溫馨提示，提醒員工使用完畢後將其關閉

Under the Policy, the Company systematically enforced waste classification and material recycling in the offices. Recyclable materials such as plastic bottles, paper waste, aluminium cans and glass bottles were collected by types and were retrieved by qualified organisations to facilitate and maintain quality of recycling practices. In 2018, 20 kg of paper was recycled and handled by qualified recycling companies. The GHG emission generated from paper waste in landfill is reduced accordingly. In addition, the Company's main hazardous waste generated is toner cartridges. We encourage the use of recyclable toner cartridges and return used toner cartridges to suppliers for recycling purposes. In 2018, the Company used a total of 21 toner cartridges, all of which were collected and disposed of by third parties. We also promoted the importance of water saving in the offices. The Company's water is sourced from municipal supply and controlled by the property management operators. Despite not having any issue in water sourcing, the Company still proactively raised the awareness among employees by attaching reminders next to water taps in order to prevent water waste.

根據該政策，我們已有系統地在辦公室內實施垃圾分類和物資回收。為了促進和保持有效的回收工作，可回收物料如塑膠瓶、廢紙、鋁罐及玻璃瓶均由合資格的組織按類型收集並回收。二零一八年，本公司將20公斤紙張交由合資格的回收公司進行處理，相應地減少了廢紙在堆填區所產生的溫室氣體排放。另外，本公司產生的主要有害廢物為碳粉盒。我們鼓勵員工使用可回收再用的碳粉盒，並將用完的碳粉盒退回供應商作回收之用。二零一八年，本公司共累計使用碳粉盒21個，均交由第三方收集及處理。本公司還於辦公室內宣傳節約用水的重要性。本公司之水源來自市政供應並且由物業管理方控制。儘管本公司沒有在求取水源方面遇到困難，我們仍然積極地通過在水龍頭旁邊張貼提示，提高員工的意識並避免水資源浪費。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Company always encourages employees to avoid the use of disposable materials. Hence, the collected amounts of plastic bottles, paper waste, aluminium cans and glass bottles are modest in the offices during the Reporting Period. The implementation of the Policy has shown a positive impact on the environmental performance of the Company.

本公司一直鼓勵員工避免使用用後即棄的物料。因此，於報告期內，辦公室收集的塑膠瓶、廢紙、鋁罐和玻璃瓶數量理想。該政策的實施對本公司在環境保護方面的表現產生了正面影響。

Environmental Performance in 2018

二零一八年環境績效

Emission Source 排放來源	Quantity 數值	Unit 單位	Intensity 密度	Unit 單位
GHG emission 溫室氣體排放				
Scope 2 : Indirect emission ¹ 範圍二：間接排放 ²				
Electric power consumption ³ 電力消耗 ⁴	24.03	tonnes CO _{2e} 公噸二氧化碳當量	0.0022	tonnes CO _{2e} per sq. ft 公噸二氧化碳當量／ 每平方呎
Use of resources 資源使用				
Electric power consumption 電力消耗	30416.82	kWh 千瓦時	2.81	kWh per sq. ft 千瓦時／每平方呎
Purchased water 外購用水量	4.64	m ³ 立方米	0.22	m ³ per employee 立方米／每名員工
Wastes 廢棄物				
Domestic waste ⁵ 生活垃圾 ⁶	3.22	tonnes 公噸	0.1534	tonnes per employee 公噸／每名員工
Toner cartridge 碳粉盒	21	pieces 件	1	piece per employee 件／每名員工

1 According to A Corporate Accounting and Reporting Standard, Scope 2 is defined as the GHG emissions from the generation of purchased electricity, steam, heating and cooling consumed by the Company.

2 根據《企業核算與報告標準》，範圍二定義為因公司採購並消耗的電力、蒸汽、熱力和冷氣而產生的溫室氣體排放量。

3 The definition, calculation method and relevant emission factors of GHG emissions are referenced to A Corporate Accounting and Reporting Standard and the Sustainability Report 2017 issued by the Greenhouse Gas Protocol and the HK Electric Investments respectively

4 此溫室氣體排放的定義、計算方法及相關排放系數計算乃參考溫室氣體核算體系以及港燈電力投資分別發佈的《企業核算與報告標準》和《2017年可持續發展報告》。

5 The calculation method of domestic waste is referenced to the Monitoring of Solid Waste in Hong Kong – Waste Statistics for 2017 issued by the Environmental Protection Department.

6 生活垃圾的計算方法參考環境保護署發佈的《香港固體廢物監察報告-- 二零一七年的統計數字》

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Employment

The Company believes that it is incumbent upon our business to not only drive financial return but also to make lasting contributions and bring improvement to the society we thrive in, harnessing the Company's competencies and our employees' unique capabilities to generate long-term social benefits.

Employment and Labour Practice

The Company firmly believes that employees are one of our most important assets. Hence, the Company attaches great importance to the rights and interests of its employees, and strictly complies with laws and regulations that have a significant impact on the Company's operation in Hong Kong in respect of compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, including, but not limited to, the *Employment Ordinance* (Chapter 57 of the Laws of Hong Kong), the *Employee Compensation Ordinance* (Chapter 282 of the Laws of Hong Kong), the *Minimum Wage Ordinance* (Chapter 608 of the Laws of Hong Kong) and the *Sex Discrimination Ordinance* (Chapter 480 of the Laws of Hong Kong). During the Reporting Period, the Company did not receive any irregularity nor complaint relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare that have a significant impact on the Company.

The Company has a sound human resources management system, and the Company strives to protect the legitimate rights of our employees and to foster an inclusive and people-oriented company culture. Under our established management system, we constantly review our existing measures to ensure that corresponding changes are made according to updates of the existing laws and regulations, to make sure that the Company complies with relevant requirements at all times.

僱傭

本公司深信我們的業務不僅有責任驅動經濟回報，更要為我們所在的社會作出持久的貢獻並帶來改善，同時憑藉本公司的堅穩根基以及員工的獨特質素，為社會帶來長期效益。

僱傭及勞工準則

本公司堅信員工是我們最重要的資產之一。因此，我們高度重視員工的權益，並嚴格遵守香港與薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視、其他待遇及福利方面且對本公司的業務有重大影響的法律法規，包括但不限於《僱傭條例》(香港法例第57章)、《員工補償條例》(香港法例第282章)、《最低工資條例》(香港法例第608章)及《性別歧視條例》(香港法例第480章)。於報告期內，本公司未曾接獲任何有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視、其他待遇及福利方面對本公司有重大影響的違規事件或任何投訴。

本公司擁有完善的人力資源管理體系，致力於保障員工的合法權益，建設多元共融及以人為本的企業文化。在既定的管理體系下，我們不斷檢討現行措施以確保措施已按照現行法律法規的更新作出相應的修改，保證本公司時刻符合相關要求。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

During the recruitment and promotion process, the Company strictly implements the *Management Methods for Recruitment*, standardising the procedures of employee recruitment. The Company is committed to adhere to its fundamental hiring principles of justice, equality and diversification, always working towards a diversified composition of employees with various races, education, work experience, nationalities, knowledge and skills. With the comprehensive recruitment and promotion mechanism established, we assure that all candidates are treated fairly. The decision on employment and promotion is solely focused on the assessment of candidate's work experience, technical skills and work performance and does not take into account individuals' age, gender, race, marital status, sexual orientation or physical disability. Besides, the Company proactively checks the identity certificates of candidates during recruitment and employment to prevent hiring child labour, and absolutely prohibits the occurrence of any forms of forced labour. During the Reporting Period, the Company did not receive any complaints about illegal child and forced labour that would have a significant impact on the Company. The Company also enters into Employment Contracts with employees and sets out the terms of dismissal of employees, prohibiting any forms of unfair or unreasonable dismissal. The termination of any Employment Contract and dismissal of employees are carried out in strict compliance with the relevant laws and regulations to fully protect the rights and obligations of the Company and its employees.

在招聘及晉升的過程中，本公司嚴格執行《招聘管理辦法》，規範員工招聘的程序。本公司承諾採取公正、公平及多元化的招聘原則，致力於組成包含不同種族、教育、工作經驗、國籍、知識和技能的，多元化的員工結構。隨著全面的招聘和晉升機制的建立，我們確保所有候選人都能得到公平待遇。本公司的招聘及晉升只評核候選人的工作經驗、技術技能和 work 表現，不會將候選人的年齡、性別、種族、婚姻狀況、性取向或身體殘疾等納入考慮範圍之內。同時，本公司在招聘和聘用期間主動檢查候選人的身份證明文件以防止僱用童工，並絕對禁止任何形式的強制勞動。於報告期內，本公司未曾接獲任何與非法僱用童工及強制勞工相關並對本公司有重大影響的違規事件或任何投訴。此外，本公司與員工簽訂《僱傭合約》，明確列明解僱員工的條款，禁止任何不公平或不合理的解僱。任何《僱傭合約》的解除及員工解僱均嚴格按照相關法律法規進行，以充份保障本公司及其員工的權利和義務。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Company clearly sets out the compensation system and the types of employee benefits in the *Management Methods for Compensation and Welfare* established in accordance with Hong Kong's labour legislation, providing comprehensive employee compensation and benefits package to attract and retain our employees. The Company determines the employee compensation package based on the employee's work performance and standard market salaries, reasonable adjustments are then made in due course as a recognition to employee's work effort. In addition to a competitive salary, the Company also provides employees with well-covered medical insurance and labour insurance, rental reimbursement allowance, overtime allowance, holiday allowance, monthly transport and entertainment allowance as part of employees' total compensation package. The Company also provides study subsidy to employees to encourage employees to continuously enhance their knowledge and skills. Moreover, the Company sets out in employees' work and rest periods in the Employment Contracts, which are in accordance with Hong Kong's labour legislation. The Company also ensures that employees enjoy statutory holidays, paid annual leave, sick leave, casual leave, marital leave and maternity leave.

Development and Training

The Company attaches immense importance to the training of talents and the establishment of a competent team, committed to connect employees' personal development with the Company's business development, to provide employees with a wide range of training opportunities to acquire adequate knowledge and skills for work, and to cultivate a workplace culture of continuous learning.

本公司按照香港勞工法例制定《薪酬福利管理辦法》，明確列明薪酬體系及員工待遇的種類，為員工提供全面的薪酬和福利計劃，以吸引及留住我們的員工。本公司根據員工的工作表現及市場的薪酬標準而釐定員工的薪酬計劃，並在適當的時候進行合理調整，作為對員工辛勤工作的認可。除具競爭力的薪酬外，本公司還為員工提供完善的醫療及勞工保險、房屋租賃津貼、加班津貼、假日津貼、每月交通和娛樂津貼，並將其作為員工完整的薪酬計劃的一部份。本公司亦為員工提供進修資助，鼓勵員工不斷提升他們的知識和技能。此外，我們在《僱傭合約》中列明符合香港勞工法例的員工工作及休息時間，確保員工依法享有法定假日、帶薪年假、病假、事假、婚假及產假。

發展及培訓

本公司高度重視人才培訓和能力超卓團隊的建設，致力把員工的個人發展與本公司的業務發展相連接，為員工提供形式廣泛的培訓機會，讓員工獲得能讓他們勝任其崗位工作的知識和技能，同時培養辦公室內持續學習的文化。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

In order to be in line with the Company's business development strategies, the Human Resources Department newly developed the *Training Program 2018*. As part of the program, various professional trainings were arranged on a regular basis, with no less than 12 sessions of trainings organised annually. Both internal and external subject experts were invited to deliver trainings that ranged over a broad array of topics, covering topics of securities, investment, compliance, code of ethics and conduct, asset management and capital funding, allowing financial practitioners to meet the annual requirements of the Securities and Future Commission ("SFC") by maintaining a fit and proper professional competence with knowledge and skills updated continuously, and meanwhile to learn from team members and to stimulate an active learning environment.

In addition, the Company also provides induction training for new employees to enable them to better integrate into the Company. Training evaluation forms are collected after each session of training delivered in order to assess the effectiveness of training, and to make improvements thereafter.

為配合本公司的業務發展戰略，人力資源部新制定了《二零一八年培訓計劃》。並按此計劃定期安排各種專業培訓，確保每年組織不少於十二次培訓活動。本公司邀請內部及外部的專家為員工提供不同專題的培訓，涵蓋證券、投資、合規、道德及操守準則、資產管理及融資等主題，讓持有金融牌照的員工能夠滿足證券及期貨事務監察委員會（「證監會」）的年度要求，保持作為適當人選的資格並不斷更新知識和技能。此外，培訓活動還為員工提供了向團隊其他成員學習的機會，創造了良好的學習氛圍。

同時，本公司還為新員工提供入職培訓，務求讓員工能夠更好地融入本公司。我們在每次培訓結束後都會收集該項培訓的評價調查問卷，以評估培訓的有效性，並隨後作出改進。



The Company's employees attended professional training on Non-Performing Assets
本公司員工參與有關不良資產的培訓

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Health and Safety

The Company emphasises the importance of occupational health and safety and is committed to creating a comfortable, healthy and safe work space for our employees. Since the Company mainly operates in an office environment, the Company has limited health and safety hazards as compared to other industries. The Company complies with laws and regulations that have a significant impact on the Company's operation in Hong Kong relating to providing a safe working environment and protecting employees from occupational hazards, including, but not limited to, the *Occupational Safety and Health Ordinance* (Chapter 509 of the Laws of Hong Kong). During the Reporting Period, the Company did not receive any prosecutions in relation to occupational health and safety that have a significant impact on the Company.

Various occupational health and safety measures are in place to prevent and eliminate any occupational hazards, to minimise any risks in the working environment and to build a healthy, safe and positive working environment. The Company offers a versatile medical insurance plan for employees and arranges a regular body examination for employees and their eligible family members. We provide flexibility in the body examination and insurance package to assure our employees can be protected. The Company invited the insurance provider to hold a briefing session and provide detailed information of the medical plan during the Reporting Period. The Company also arranges employees to participate in fire drills regularly to enhance their resilience to emergencies. Meanwhile, the Company regularly carries out air-conditioning system cleaning and establishes safety and health notice and warning.

The Company actively promotes work-life balance and conducts various sport and leisure activities regularly for employees, hiking activities were organised for instance, to help employees to develop good exercise habits and to prevent them from exposing to any occupational diseases. Meanwhile, to promote friendship among employees, and to enhance employees' sense of belonging to the Company.

健康與安全

本公司強調職業健康與安全的重要性，並致力為員工構建一個舒適、健康和安全的工作環境。由於本公司主要在辦公室內運營，與其他行業相比，本公司對健康與安全的危害有限。本公司嚴格遵守香港與提供安全工作環境及保障僱員避免職業性危害方面且對本公司的業務有重大影響的法律法規，包括但不限於《職業安全及健康條例》(香港法例第509章)。於報告期內，本公司未曾接獲任何與職業健康與安全相關並對本公司有重大影響的違規事件或任何投訴。

本公司已執行各種職業健康與安全的措施，以預防及消除職業危害，盡量減少工作環境中的風險，並且建立健康、安全及積極的工作環境。本公司為員工提供全面的醫療保險計劃，並為員工及其家屬安排定期身體檢查。我們的體檢和保險組合富靈活性，以確保我們的員工能夠得到保障。於報告期內，本公司邀請了保險公司舉行簡報會以詳細闡述醫療計劃的細節內容。本公司亦安排員工定期參加消防演練活動，以提高他們應對緊急情況的能力。同時，本公司定期進行空調系統清洗，並設立安全健康提示和警示。

本公司積極倡導工作與生活之間的平衡，定期為員工舉辦各種體育和休閒活動，如行山活動，培養員工良好的運動習慣並預防職業病。同時，活動能夠促進員工之間的友誼，並增強員工對本公司的歸屬感。

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Operating Practices

Supplier Management

The Company maintains good relationship with our suppliers as we believe that suppliers are invaluable tools in the quest for our business success. Hence, the Company newly established the Guidelines on Procurement (“**Guideline**”), a comprehensive supply chain management to manage our suppliers, that mainly include property management services companies, advertising agencies and office and stationary suppliers. The Guideline prescribes the transparent procurement mechanism and clearly sets out the tendering process, responsible personnel and its responsibilities, ensuring that suitable suppliers are selected in an open, fair, just and honest manner with their qualification verified and in a centralised procurement approach. The Company strictly selects our product and service providers by assessing their business reputation, quality, service, price and terms of sale, aiming to reduce procurement risks as well as to improve procurement efficiency. In addition, the Company also pays attention to the social and environmental performance of suppliers aiming to cooperate with like-minded suppliers that share similar sustainability philosophy of the Company.

For instance, since property investment is one of the principal activities of the Company, we pay high attention to the environmental and the occupational health and safety performances of our property management service provider. The Company’s major property management service providers hold corresponding certifications such as the *ISO 9001:2015 Quality Management*, *ISO 14001:2015 Environmental Management Systems – Requirements with guidance for use* and *OHSAS 18001:2007 Occupational Health and Safety*.

The Company monitors the performances of our suppliers regularly, to ensure that relevant requirements are met. Meanwhile, we regularly review and amend our procurement requirements such that we could achieve greater sustainability in near future.

營運慣例

供應商管理

本公司一直與供應商保持良好的關係並相信供應商是我們追求業務成功過程中不可或缺的一部份。因此，本公司新制定了《採購工作指引》（「指引」），透過全面的供應鏈管理體系管理我們的供應商，其中主要包括物業管理服務公司、廣告公司、辦公室及文具供應商。指引規範了透明採購機制，並明確列出招標常規，負責員工及其職責，以確保供應商的採購能採取公開、公平、公正和誠實的方式，並在資質確認及集中採購的原則下進行。本公司通過評核供應商的商業信譽、品質、服務、價格和銷售條款，嚴格挑選我們的產品和服務供應商，務求降低採購風險並且提高採購效益。同時，本公司亦注重供應商在社會和環境方面的表現，旨在與志同道合併有著與本公司相似的可持續發展理念的供應商合作。

由於物業投資是本公司的主要業務之一，我們高度重視物業管理服務公司在環境和職業健康與安全方面的表現。本公司主要的物業管理服務公司持有相關認證如《ISO 9001：2015質量管理體系》、《ISO 14001：2015環境管理體系要求及使用指南》及《OHSAS 18001職業健康和安全管理體系》。

本公司定期監控供應商的表現以確保供應商符合本公司的相關要求。與此同時，我們定期檢視和修訂我們的採購要求，為在不久的將來在實現更好的可持續發展。

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Product Responsibility

The Company strives to provide our customers and consumers with quality products and excellent services, strictly complies with laws and regulations that have a significant impact on the Company's operation in Hong Kong in respect of health and safety, advertising, labelling and privacy matters relating to the products and services we provide, including, but not limited to, the *Landlord and Tenant (Consolidation) Ordinance* (Chapter 7 of the Laws of Hong Kong), the *Securities and Future Ordinance* (Chapter 571 of the Laws of Hong Kong), the *Personal Data (Privacy) Ordinance* (Chapter 486 of the Laws of Hong Kong) and the *Main Board Listing Rules*. During the Reporting Period, the Company was not aware of any incidents of non-compliance with laws and regulations concerning the provision and use of the Company's products and services, including but not limited to, product and service information and labelling, marketing communications including advertising and promotion, and property rights including intellectual property rights that have a significant impact on the Company.

The Company's *Compliance Manual* states that the Company should conduct a systematic due diligence process with our customers to understand their financial situation, investment experience and investment objectives in order to ensure that any recommendation or inducement made is appropriate in all circumstances. If the Company is exposed to high-risk customer or business nature, more stringent measures such as the *Enhance Due Diligence* measure should be taken to manage in mitigating such risks.

產品責任

本公司堅持為客戶和消費者提供優質的產品和卓越的服務，嚴格遵守香港與產品及服務的健康與安全、廣告、私隱事宜及補救方法相關且對本公司的業務有重大影響的法律法規，包括但不限於《業主與租客（綜合）條例》（香港法例第7章）、《證券及期貨條例》（香港法例第571章）、《個人資料（私隱）條例》（香港法例第486章）及《主板上市規則》。於報告期內，本公司未曾接獲任何違反有關提供及使用本公司產品和服務方面的法律及法規（包括但不限於產品和服務訊息及標籤、市場推廣通訊（包括廣告及推銷）及產權（包括知識產權））並對本公司有重大影響的事件。

本公司的《合規手冊》規定本公司應與客戶有系統地進行客戶盡職調查，以了解客戶的財務狀況、投資經驗和投資目標，從而確保本公司在任何情況下提出的建議或引導都是恰當的。當本公司的客戶或業務性質處於高風險時，我們將採取更嚴謹的措施如執行《進階盡職調查》，以管理及降低此類風險。

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As a property investment company, we always choose experienced service providers to manage our properties and outdoor billboards. Cushman & Wakefield Property Management Limited, Gaw Capital Asset Management (HK) Limited and Asiaray Media Group Limited are selected by the Company to manage our properties and outdoor billboards. As of 31 December 2018, GWPA Holdings had the following properties under our management in Hong Kong:

作為一間物業投資公司，我們一直選擇有經驗的服務供應商來管理我們的物業和戶外廣告牌，目前我們聘請戴德梁行物業管理有限公司、Gaw Capital Asset Management (HK) Limited及雅仕維傳媒集團有限公司管理我們的物業及戶外廣告牌。截至二零一八年十二月三十一日，長城環亞控股於香港擁有並管理以下物業：

No. 編號	Type 類型	Address 物業地址
1	Offices and car parking spaces 辦公室及泊車位	20th and 21st Floors and Car Parking Spaces Nos. 21, 22 and 23 on 4th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong 香港中環夏慤道12號美國銀行中心20及21樓及4樓之21、22及23號泊車位
2	Industrial building 工廈	Ground and 1st Floors, Block B, Ko Fai Industrial Building, 7 Ko Fai Road, Yau Tong, Kowloon, Hong Kong 香港九龍油塘高輝道7號高輝工業大廈B座地下及1樓
3	Office and retail shop 辦公室及零售店	The lobby on G/F and the front (or southern) portions of the 1st, 2nd and 3rd Floors including the staircase therein leading up to the 3rd Floor and the lift therein serving the 1st and 2nd Floors only and portion of the canopy on the 1st Floor level, Yue King Building, 26, 26A, 27, 28, 29 & 30 Canal Road West, 1-7 Leighton Road and 41-47 Morrison Hill Road, Wanchai, Hong Kong 香港灣仔堅拿道西26、26A、27、28、29及30號、禮頓道1至7號及摩理臣山道41至47號愉景樓地下大堂及1、2及3樓之前部(或南部)(包括通向3樓的樓梯及服務1及2樓之升降機)，以及1樓部份上蓋
4	Industrial building 工廈	8th Floor of Block C, Sea View Estate, 8 Watson Road, North Point, Hong Kong 香港北角屈臣道8號海景大廈C座8樓
5	Commercial area and car parking spaces 商業區域及泊車位	Kwai Fong Plaza, 177 Hing Fong Road, Kwai Chung, New Territories, Hong Kong 香港葵涌興芳路177號葵芳廣場

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We assure that all the tenants' needs are recognised by requesting service providers to collect the views and recommendations of the tenants on a regular basis and provide timely feedback to us. Meanwhile, the Company's *Compliance Manual* also standardises customer complaint handling process, requiring that all customer complaints to be handled in a prompt and reasonable manner. When a customer complaint is received, relevant head of department will first respond to the customer's complaint and the case will then be passed to responsible personnel for further handling. A register of complaints is maintained to record all customer complaints and the results of their processing in order to avoid the recurrence of similar events.

The Company also attaches importance to the protection of customer privacy. The Company's *Compliance Manual* and the *Data Security Policy* reinforces the importance of confidentiality and stated that any customer's confidential information should be properly and adequately protected from leakage. The Company neither experienced any customer data leakage, nor received any complaints about inappropriate use of customer information during the Reporting Period that would have a significant impact on the Company.

The Company prohibits any forms of false or misleading statement in the course of publicity, ensuring that all advertisements and marketing materials truthfully describe the matter and are approved in accordance with the provisions of the SFC before they are issued.

我們透過要求服務商定期收集租戶的意見和建議並及時予以反饋，以確保所有租戶的需求得到回應。同時，本公司的《合規手冊》亦規範了客戶的投訴處理流程，要求員工以迅速及合理的方式處理所有客戶投訴。當收到客戶投訴時，有關部門主管將首先對客戶投訴作出回應，之後將案件移交至相關負責人員作進一步處理。本公司已設立投訴登記冊，記錄所有客戶投訴內容及其處理結果，以避免類似事件再次發生。

本公司重視客戶隱私的保護。本公司的《合規手冊》及《資料保密政策》強調了資料保密的重要性，明確說明任何客戶的機密資料都應得到恰當且充份的保護，以防止信息外洩。於報告期內，本公司未發生過任何客戶信息外洩事件，也未曾接獲任何有關客戶信息不當使用並對本公司有重大影響的投訴。

本公司禁止在宣傳過程中作出任何形式的虛假或誤導說明，確保所有廣告和營銷材料都如實描述該事宜，並在發佈前按照證監會的規定獲得內部批准。

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Anti-corruption

The Company attaches immense importance to employees' honesty and trustworthiness and have zero tolerance for any forms of bribery or corruption, all employees are required to uphold the Company's anti-bribery and anti-corruption policies. As contained in the *Compliance Manual*, a series of measures were established to manage compliance in a comprehensive, proactive, independent and adaptive manner to protect the Company's core values of honesty, integrity and fairness as well as its reputation. The Company strictly complies with laws and regulations that have a significant impact on the Company's operation in Hong Kong in respect of bribery, extortion, fraud and money laundering, including, but not limited to, the *Prevention of Bribery Ordinance* (Chapter 201 of the Laws of Hong Kong) and the *Anti-Money Laundering and Counter-Terrorist Financing Ordinance* (Chapter 615 of the Laws of Hong Kong). During the Reporting Period, the Company did not receive any allegation against the Company or its employees of bribery, extortion, fraud and money laundering that would have a significant impact on the Company. No whistleblowing disclosures related to anti-bribery and anti-corruption were received.

Understanding that anti-corruption is one of the key concerns of our stakeholders, the Company has been working painstakingly to combat all forms of corruption by developing and implementing a comprehensive set of anti-bribery and anti-corruption policies. The Company has been strictly following the Company's internal policy such as *Guidance on Customer Due Diligence and Prevention of Money Laundering*, *the Provisions for the Prevention of Money-Laundering Activities*, and the *Whistleblowing Policy*, and in 2018, we newly formulated the *Compliance Manual* and the *Anti-bribery and Corruption Policies and Procedures*, clearly setting out the internal monitoring systems and procedures, the Code of Ethics for employees, the declaration and approval procedures of the acceptance of gift or entertainment, etc., to protect the Company's integrity and reputation.

反貪污

本公司非常重視員工的誠信並對任何形式的賄賂或貪污持零容忍態度，所有員工都必須秉承本公司的反賄賂和反貪污政策。如《合規手冊》所載，本公司制定了一系列的措施，務求以全面、積極、獨立和及時的方式管理本公司的合規性，以保護本公司誠實、正直和公平的核心價值及聲譽。本公司嚴格遵守香港與賄賂、勒索、欺詐及洗黑錢方面有關且對本公司業務有重大影響的法律法規，包括但不限於《防止賄賂條例》(香港法例第201章)及《打擊洗錢及恐怖份子資金籌集條例》(香港法例第615章)。於報告期內，本公司未曾接獲對本公司及其員工提出的賄賂、勒索、欺詐及洗黑錢等對本公司產生重大影響的指控，亦沒有接獲有關賄賂和貪污的舉報信息。

本公司深刻明白反貪污是我們的權益人重點關注的議題之一，一直不懈地打擊任何形式的腐敗並制定及實施全面的反賄賂和反貪污政策。本公司一直嚴格執行《認識客戶及防治洗黑錢審查》、《防治洗錢活動工作規定》及《舉報政策》等公司內部政策，並在二零一八年新制定了《合規手冊》及《反賄賂及貪污政策及程序》，明確規定了內部監控制度和流程、員工道德守則、接受禮品或娛樂的申報和審批流程等程序，以保障本公司的誠信和聲譽。

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As for maintaining long-term relations with partners, internal audit is performed by an independent professional advisory firm on an annual basis to balance and protect the interests of the Company and its related parties. Moreover, the Company hires independent auditor to conduct external audits on the Company. Malpractice and unethical behaviours are accordingly prevented and controlled through internal audits and external audits.

The Company's *Whistleblowing Policy* provides guidance for employees to raise complaints in relation to fraudulent acts, unethical acts or non-compliance with laws and regulations that may lead to adverse risk on the Company's reputation. The Company endeavours to handle all complaints in a highly confidential manner and is committed to protecting and keeping the whistle-blower's identity confidential.

In addition, the Company established an Anti-money Laundering Working Group (the "**Working Group**"), responsible for anti-money laundering affairs, and specialising in customer due diligence and other compliance matters. In order to enable the core values of the aforementioned policies to blend into the Company's daily operation, the Working Group regularly shares with employees updates of the SFC's anti-money laundering guideline by email and through training programs, to raise employees' awareness on anti-money laundering.

Society

Community Investment

The Company places appreciable emphasis on contributing to the community. We take society-dedication as one of our core values, engaging with communities to understand their interests and to give back to the communities. We have established a long-term relationship with U-Hearts, which is an influential local charitable organisation. A GWPA Holdings' volunteer team is formed under the guidance of U-Hearts, and the team aims to take part in various volunteering and charitable activities. We proactively participate in U-Hearts' charitable activities by means of donations, material support and volunteering.

為維繫與合作夥伴的長期合作關係，本公司每年由獨立專業諮詢公司進行內部審計，以平衡和保護本公司與相關權益人的利益。此外，本公司亦聘請獨立審計師對本公司進行外部審計，通過內部審計和外部審計加以防範和控制舞弊或不道德行為。

本公司的《舉報政策》協助員工對可能影響本公司聲譽的欺詐行為、不道德行為或違法違規行為提出投訴。本公司致力以高度保密的方式處理所有投訴，並承諾保護及保持告密者身份的機密性。

此外，本公司還成立了反洗錢工作領導小組（「**領導小組**」），負責處理反洗錢事宜並專門負責客戶緊急調查和其他合規事務。為使上述反貪污政策提及到的核心價值融入本公司的日常運作中，領導小組定期通過電郵和培訓活動與員工分享證監會反洗錢準則的最新情況，以提高員工對反洗錢的認識。

社會

社區投資

本公司非常重視對社區的貢獻，秉承社會奉獻的核心價值，與社區互動並了解他們的需求，繼而有針對性地回饋社區。我們與本地具有影響力的慈善組織「兩地一心」建立了長期的合作關係。在「兩地一心」的指導下，我們成立了長城環亞控股的義工團隊，並通過捐贈、物資支持和義工服務等方式積極參與各種義工服務和慈善活動。

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We are proud to announce that we have been granted the logo of the 2017/18 Caring Company issued by the Hong Kong Council of Social Service. This logo recognises our lasting commitment in fulfilling our social responsibility.

We consider building up linkages with more charitable organisations in the future to serve the community and develop more channels for employees to participate in charitable activities. The Company strongly supports its employees to contribute to charitable and volunteering activities.

我們很自豪地宣布我們獲得了由香港社會服務聯會頒發的2017/18年度「商界展關懷」標誌。此標誌顯示了我們積極履行社會責任的承諾。

我們考慮將來與更多慈善機構建立聯繫，以服務社會，並為員工提供更多參與慈善活動的渠道。本公司大力支持員工在慈善以及志願者活動方面作出貢獻。



Caring Company Certificate
「商界展關懷」證書

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Activity

活動

Inner Music Charity Concert 2018
「聽你.聽我」慈善音樂會2018



UNICEF Charity Run 2018 – Run for Every Child
聯合國兒童基金會慈善跑2018



Means of participation

參與模式

The Company once again funded the Inner Music Charity Concert organised by the SAR Philharmonic Orchestra, benefiting U-Hearts in providing life education and creating valuable room for youths to grow through playing music with peers. Our employees volunteered in the concert through the charity sales of concert souvenir, fundraising for U-Hearts to support youth development.

本公司再次資助由香港愛樂團舉辦的「聽你.聽我」慈善音樂會，支持「兩地一心」透過讓青少年與同伴一起演奏音樂，為青少年提供生命教育並且創造寶貴的成長空間。我們的員工在音樂會中進行義工服務，透過進行音樂會紀念品義賣，為「兩地一心」籌款，支持青少年發展。

The Company participated in the UNICEF Charity Run for a second consecutive year, mobilising employees to register for the event as well as donating to support UNICEF's global campaign against AIDS, protecting babies from infected with HIV at birth by providing suitable treatments. Employees enjoyed their time spent with colleagues and their families in this meaningful event.

本公司第二年參加聯合國兒童基金會慈善跑活動，並動員報名參加，或透過捐款形式支持聯合國兒童基金會的全球防治愛滋病運動，即提供適當的治療保護嬰兒在出生時免受愛滋病毒感染。員工們很享受在這個有意義的活動中與同事和家人度過的時光。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

TO THE SHAREHOLDERS OF GREAT WALL PAN ASIA HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

Opinion

What we have audited

The consolidated financial statements of Great Wall Pan Asia Holdings Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 115 to 195, which comprise:

- the consolidated balance sheet as at 31 December 2018;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致長城環亞控股有限公司股東

(於百慕達註冊成立的有限公司)

意見

我們已審計的內容

長城環亞控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第115至195頁的綜合財務報表，包括：

- 於二零一八年十二月三十一日的綜合資產負債表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

我們的意見

我們認為，該等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」)真實而中肯地反映了貴集團在二零一八年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為擬備。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Key Audit Matters

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

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部份中作進一步闡述。

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。

獨立性

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

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。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matters identified in our audit are summarised as follows: 我們在審計中識別的關鍵審計事項概述如下：

- Valuation of investment properties
- Classification of investment in an associate
- 投資物業估值
- 於聯營公司之分類投資

Key Audit Matters

關鍵審計事項

Valuation of investment properties

投資物業估值

Refer to notes 2(i), 3(a) and 6 to the consolidated financial statements

請參閱綜合財務報表附註2(i)、3(a)及6。

The investment properties are a key component of the Group's net assets value as at year end and financial performance for the year. The Group recognized the fair values of the investment properties of HK\$3,791.8 million in the consolidated balance sheet as at 31 December 2018 and the investment properties revaluation gains of HK\$400.6 million in the consolidated statement of comprehensive income for the year ended 31 December 2018.

該等投資物業為 貴集團截至年末的資產淨值及年內財務表現的重要組成部分。於二零一八年十二月三十一日，貴集團於綜合資產負債表中確認投資物業公平值3,791.8百萬港元，及 貴集團於截至二零一八年十二月三十一日止年度於綜合全面收益表中確認投資物業重估收益400.6百萬港元。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

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

就管理層對投資物業的估值，我們所執行的程序包括：

- Assessed the Valuers' competence, capabilities and objectivity;
- 評估估值師的資格、能力及客觀性；
- Obtained and read the valuation reports issued by the Valuers which covered the property valuation of all investment properties in the Group;
- 獲得及閱讀估值師出具的估值報告，其涵蓋 貴集團全部投資物業的物業估值；
- Agreed the management data used by the Valuers, including tenancy schedules and relevant details, to the tenancy agreements of the Group;
- 核實估值師使用的管理數據，包括租賃時間表、相關詳情及 貴集團的租賃協議；
- Assessed the valuation methodologies and the key assumptions used by the Valuers, including involvement of our internal valuation specialists; and
- 評估估值師使用的估值方法及關鍵假設，包括我們的內部估值專家的參與；及
- Involved our internal valuation specialists to compare the rental yields of similar properties and capitalisation rates used in the valuation process to our independently formed market expectation.
- 讓我們的內部估值專家就類似物業的租金收益率及估值過程中使用的資本化比率與我們獨立形成的市場預期進行比較。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matters

關鍵審計事項

The investment properties of the Group comprise retail shops, fresh market, office buildings, industrial buildings and car parking spaces. Management determined the fair values of these properties, with reference to the valuation performed by external valuers engaged by the Group (the "Valuers"), both using the income capitalisation approach. The income capitalisation approach involved significant estimates, the key assumptions used such as rental yields and capitalisation rates taking into consideration of the locations, sizes, and qualities of the properties to derive the fair values of each of the properties.

貴集團的投資物業組合包括零售店、鮮活街市、辦公大樓、工廈及泊車位。管理層確定投資物業公平值是參考貴集團委聘的外聘估值師（「估值師」）進行的估值，估值師均使用收益資本化法釐定該等物業的公平值。收益資本化法涉及重大估計，例如租金收益率及資本化比率所用的關鍵假設，並考慮到物業的地點、大小及質量，以得出每項物業的公平值。

The valuation was inherently subjective due to the significant estimates involved. Changes in these estimates could result in material changes to the valuation of the properties and hence the results of the Group.

由於涉及重大估計，估值本質上是主觀的。該等估計的變動可能導致物業估值出現重大變化，從而導致貴集團的業績出現重大變化。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

We found the key assumptions used in the valuations were supported by the available evidence obtained.

我們認為估值所用假設可由現有所獲得證據支持。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matters

關鍵審計事項

Classification of investment in an associate

於聯營公司之分類投資

Refer to notes 3(c), 8 and 32 to the consolidated financial statements.

請參閱綜合財務報表附註3(c), 8及32。

On 22 February 2018 (the "Acquisition Date"), the Group acquired equity shareholding of 29.90% with effective economic interest of 29.90% in Everwell City Limited ("Everwell City") with consideration of HK\$3,123.4 million. On 12 April 2018 ("Subsequent Change Date"), due to the change of its shareholding structure of Everwell City as well as the shareholding structure of its underlying subsidiaries, the Group's equity shareholding in Everwell City had increased to 35.78% but the Group's effective economic interest in Everwell City of 29.90% remained unchanged.

於二零一八年二月二十二日（「收購日期」），貴集團收購 Everwell City Limited（「Everwell City」）29.90% 權益持股量及29.90%有效經濟權益，代價為3,123.4百萬港元。於二零一八年四月十二日（「後續更改日期」），由於Everwell City的股權架構及其有關附屬公司的股權架構發生變動，貴集團於Everwell City的股權比例已增加至35.78%，但貴集團於Everwell City的有效經濟權益維持在29.90%不變。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

Our procedures in relation to classification of investment in associate included:

我們於聯營公司之分類投資方面的程序包括：

- Discussed with management of the Group and obtained their assessment to understand the critical judgements applied on the classification of Everwell City they applied as at the Acquisition Date and Subsequent Change Date; 與本集團管理層討論並獲得彼等的評估，以了解彼等於收購日期及後續更改日期對Everwell City分類的重大判斷；
- Obtained and read the terms and conditions of Shareholders Agreement for the acquisition of Everwell City and the Subscription and Shareholders Agreement in connection with the change of the shareholding structure of Everwell City to evaluate the voting rights of the equity shares of Everwell City owned by the Group and the proportion of representatives of the Group in the board of directors of Everwell City as at the respective Acquisition Date and Subsequent Change Date; 獲取並閱讀股東協議有關收購Everwell City的條款及條件及有關更改Everwell City股權架構的認購及股東協議，以評估本集團所擁有Everwell City股權的投票權及於相應收購日期及後續更改日期本集團代表在Everwell City董事會中的比例；
- Checked the calculation of the effective economic interest percentage of the Group in Everwell City as at the Acquisition Date, Subsequent Change Date and the year end date performed by the management; and 經核實管理層於收購日期、後續更改日期及年終日期計算本集團於Everwell City的有效經濟利益百分比；及
- Obtained the external confirmation to confirm the equity shareholdings in Everwell City owned by the Group as at 31 December 2018. 於二零一八年十二月三十一日取得本集團擁有的Everwell City的股權的外部確認。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matters

關鍵審計事項

The investment in Everwell City was classified as an investment in associate and accounting for it using equity method based on the effective economic interest of the Group in Everwell City. The carrying amount of the investment in Everwell City of approximately HK\$3,403.6 million was recognised in the consolidated balance sheet as at 31 December 2018 and the share of profit of Everwell City of approximately HK\$280.2 million was recognised in the consolidated statement of comprehensive income for the year ended 31 December 2018.

Everwell City之投資被分類為於聯營公司之投資並根據貴集團於Everwell City之有效經濟權益，使用權益法將其入賬。Everwell City之投資賬面值約3,403.6百萬港元已於二零一八年十二月三十一日於綜合資產負債表內確認。Everwell City之分佔溢利約280.2百萬港元已於截至二零一八年十二月三十一日止年度於綜合全面收益表內確認。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

We found the management's assessment of the classification and recognition of investment in Everwell City as an associate was supported by available evidence obtained.

我們認為管理層對Everwell City作為聯營公司的投資分類及認可的評估可由現有所獲得證據支持。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matters

關鍵審計事項

We focus on this investment due to the magnitude of the investment and critical judgements made by management in determining the classification of this investment as an associate as at the Acquisition Date and Subsequent Change Date. Management applied critical judgements on the classification of Everwell City as at the Acquisition Date and Subsequent Change Date by assessing the financial and operating decisions of the Group on the Everwell City. Based on the Shareholders Agreement for the acquisition of Everwell City and Subscription and Shareholders Agreement in connection with the change of shareholding structure, management assessed its power to make significant influence of Everwell City's financial and operating decision with reference to the voting rights of the equity shares of Everwell City held by the Group and the proportion of representatives of the Group in the board of directors of Everwell City. As such, management determined that the Group has significant influence over Everwell City. Accordingly, the Group classified the investment in Everwell City as an investment in associate at the Acquisition Date and accounted for it using the equity method based on the effective economic interest of the Group in Everwell City.

我們專注於該投資，此乃由於管理層於收購日期及後續變更日期確定該投資作為聯營公司的分類時所作出的投資及主要判斷。管理層於收購日期及後續更改日期對Everwell City的分類作出重大判斷，評估 貴集團於Everwell City的財務及經營決策。根據收購Everwell City的股東協議、認購事項及與股權變動有關的股東協議，管理層參考 貴集團持有的Everwell City股權及 貴集團代表在Everwell City董事會中的比例，評估其對Everwell City財務及經營決策產生重大影響的權力。因此，管理層確定 貴集團對Everwell City具有重大影響力。因此， 貴集團於收購日期將Everwell City的投資分類為於聯營公司之投資，並根據 貴集團於Everwell City的實際經濟權益將其按權益法入賬。

Management assessed and determined that the equity shareholding of Everwell City increased from 29.90% to 35.78% and the effective economic interest in Everwell City of 29.90% remained on the Subsequent Change Date, has no impact on the classification and accounting for Everwell City as an associate.

管理層評估並確定Everwell City的持股量比例由29.90%增加至35.78%，於後續更改日期，Everwell City的有效經濟權益維持在29.90%，對Everwell City作為聯營公司的分類及會計處理並無影響。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Other Information

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than 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.

Responsibilities of Directors and the Audit Committee for the Consolidated Financial Statements

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

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

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

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有資料，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信息，我們亦不對該等其他資料發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他資料，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，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及審核委員會就綜合財務報表須承擔的責任

貴公司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擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部監控負責。

在擬備綜合財務報表時，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。

審核委員會須負責監督貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

核數師就審計綜合財務報表承擔的責任

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，並出具包括我們意見的核數師報告。我們僅按照百慕達一九八一年《公司法》第90條向閣下（作為整體）報告我們的意見，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，如果合理預期它們單獨或滙總起來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。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。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，或凌駕於內部監控之上，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監控，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。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- 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.
- 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。如果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中肯反映相關交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、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。

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.

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部監控的任何重大缺陷。

我們還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專業道德要求，並與他們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。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

The engagement partner on the audit resulting in this independent auditor's report is Li Lien.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 15 March 2019

從與審核委員會溝通的事項中，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，如果合理預期在我們報告中溝通某事項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溝通該事項。

出具本獨立核數師報告的審計項目合夥人是李琳。

羅兵咸永道會計師事務所
執業會計師

香港，二零一九年三月十五日

CONSOLIDATED BALANCE SHEET

綜合資產負債表

		Notes	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
		附註		
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	5	4,073	5,309
Investment properties	投資物業	6	3,791,800	1,781,500
Investment in associates	於聯營公司之投資	8	3,405,706	2,607
Financial asset at fair value through profit or loss	按公平值計入損益之 金融資產	9	1,141	–
Available-for-sale financial asset	可供出售之金融資產		–	1,196
Restricted cash	受限制現金		9,199	–
Loan receivable	應收貸款	10	115,903	–
			7,327,822	1,790,612
Current assets	流動資產			
Accounts receivable	應收款項	11	3,064	8,986
Prepayments, deposits and other receivables	預付費用、按金及 其他應收款項	12	12,765	1,445,002
Cash and bank balances	現金及銀行結餘	26	169,593	118,561
			185,422	1,572,549
Total assets	總資產		7,513,244	3,363,161
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Deferred income tax liabilities	遞延所得稅負債	13	1,913	1,814
Other payables and accrual liabilities	其他應付款項及應計負債	16	125,262	3,845
Loans from an intermediate holding company	來自中間控股公司之貸款	14	3,915,009	1,435,668
Bank borrowings	銀行借貸	15	893,529	–
			4,935,713	1,441,327
Current liabilities	流動負債			
Amount due to an intermediate holding company	應付中間控股公司款項		91	–
Amounts due to associates	應付聯營公司款項	8	958	1,054
Other payables and accrued liabilities	其他應付款項及應計負債	16	52,664	24,149
Current income tax liabilities	即期所得稅負債		1,432	6,527
Bank borrowings	銀行借貸	15	49,792	–
			104,937	31,730
Total liabilities	總負債		5,040,650	1,473,057

CONSOLIDATED BALANCE SHEET (Continued)

綜合資產負債表 (續)

			31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
EQUITY	權益			
Capital and reserves	資本及儲備			
Share capital	股本	17	156,775	156,775
Reserves	儲備	18	2,315,819	1,733,329
Total equity	總權益		2,472,594	1,890,104
Total equity and liabilities	總權益及負債		7,513,244	3,363,161

The notes on pages 121 to 195 are an integral part of these consolidated financial statements.

第121頁至第195頁之附註為此等綜合財務報表之一部份。

Mr. Chen Zenan

陳澤南先生

Chairman

主席

Mr. Meng Xuefeng

孟雪峰先生

Director

董事

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

		Year ended 31 December 截至十二月三十一日止年度		
			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
Revenue	收益	4	144,874	122,953
Other income	其他收入		2,375	322
Cost of production	生產成本		(5,232)	(5,184)
Rental and utilities	租金及設施		(17,461)	(12,212)
Depreciation	折舊	5	(2,004)	(1,656)
Other operating expenses	其他經營開支	20	(69,585)	(59,531)
Fair value gain on investment properties	投資物業公平值收益	6	400,561	221,000
Operating profit	經營盈利		453,528	265,692
Net finance cost	財務成本淨額	21	(143,674)	(3,805)
Share of profits/(losses) of associates	應佔聯營公司盈利/(虧損)		279,717	(404)
Profit before income tax	除所得稅前盈利		589,571	261,483
Income tax expense	所得稅開支	22	(6,116)	(12,325)
Profit for the year	全年盈利		583,455	249,158

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Continued)

綜合全面收益表（續）

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	Notes 附註		
Other comprehensive (loss)/income	其他全面（虧損）／收入		
Item that may be/has been reclassified subsequently to profit or loss:	其後可／已重新分類至損益之項目：		
Currency translation difference on consolidation	綜合賬目時產生之匯兌差額	(965)	1,563
		(965)	1,563
Other comprehensive (loss)/income for the year, net of tax	全年其他全面（虧損）／收入（除稅後）	(965)	1,563
Total comprehensive income for the year	全年全面收入總額	582,490	250,721
Profit attributable to:	應佔盈利：		
Shareholders of the Company	本公司股東	583,455	249,158
Total comprehensive income attributable to:	應佔全面收入總額：		
Shareholders of the Company	本公司股東	582,490	250,721
Earnings per share	每股盈利		
Basic	基本	HK37.22 cents 港仙	HK15.89 cents 港仙
Diluted	攤薄	HK37.22 cents 港仙	HK15.89 cents 港仙

The notes on pages 121 to 195 are an integral part of these consolidated financial statements.

第121頁至第195頁之附註為此等綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔						
		Reserves 儲備						
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Merger reserve 合併儲備 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Retained profits 保留盈利 HK\$'000 千港元	Total 總權益 HK\$'000 千港元
Balance at 1 January 2018	於二零一八年一月一日結餘	156,775	50,382	310,841	(9,011)	334,939	1,046,178	1,890,104
Comprehensive income	全面收入							
Profit for the year	本年度盈利	-	-	-	-	-	583,455	583,455
Other comprehensive loss	其他全面虧損	-	-	-	-	(965)	-	(965)
Total comprehensive income	全面收入總額	-	-	-	-	(965)	583,455	582,490
Balance at 31 December 2018	於二零一八年十二月三十一日結餘	156,775	50,382	310,841	(9,011)	333,974	1,629,633	2,472,594
Balance at 1 January 2017, as previously reported	於二零一七年一月一日結餘 (如前呈報)	156,775	50,382	310,841	-	334,454	786,908	1,639,360
The Acquisitions (Note 2(c))	收購事項 (附註2(c))	-	-	-	30,560	(1,078)	10,112	39,594
Balance at 1 January 2017, as restated	於二零一七年一月一日結餘 (經重列)	156,775	50,382	310,841	30,560	333,376	797,020	1,678,954
Comprehensive income	全面收入							
Profit for the year	本年度盈利	-	-	-	-	-	249,158	249,158
Other comprehensive income	其他全面收入	-	-	-	-	1,563	-	1,563
Total comprehensive income	全面收入總額	-	-	-	-	1,563	249,158	250,721
Transaction with shareholders	與股東之交易							
Acquisition of the subsidiaries	收購附屬公司	-	-	-	(39,571)	-	-	(39,571)
Total transaction with shareholders	與股東之交易總額	-	-	-	(39,571)	-	-	(39,571)
Balance at 31 December 2017	於二零一七年十二月三十一日結餘	156,775	50,382	310,841	(9,011)	334,939	1,046,178	1,890,104

The notes on pages 121 to 195 are an integral part of these consolidated financial statements.

第121頁至第195頁之附註為此等綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	Notes 附註		
Cash flows from operating activities	經營活動之現金流量		
Cash generated from operations	經營產生之現金 26(a)	1,518,527	44,836
Hong Kong profits tax paid	已付香港利得稅	(11,112)	(8,308)
People's Republic of China ("PRC") income tax paid	已付中華人民共和國(「中國」)所得稅	–	(2,755)
Net cash generated from operating activities	經營活動產生之淨現金	1,507,415	33,773
Cash flows from investing activities	投資活動之現金流量		
Purchase of property, plant and equipment	購入物業、機器及設備 5	(935)	(4,505)
Addition of investment properties	添置投資物業 6	(818)	–
Interest received	已收利息	152	40
Loan to a third party	向第三方作出貸款	(116,700)	–
Investment in an associate	於聯營公司之投資 8	(3,123,382)	–
Payment of deposit for investment in a proposed joint venture	支付投資建議合營公司之按金	–	(1,435,668)
Purchase of available-for-sale financial asset	購入可供出售之金融資產	–	(1,174)
Acquisition of business and subsidiaries	收購業務及附屬公司 25	(714,319)	(39,571)
Restricted cash	受限制現金	(9,199)	–
Net cash used in from investing activities	投資活動所用之淨現金	(3,965,201)	(1,480,878)
Cash flows from financing activities	融資活動之現金流量		
Proceeds from loans from an intermediate holding company	來自中間控股公司之貸款所得款項 26(c)	2,479,342	1,435,668
Proceeds from bank borrowings	來自銀行借款之所得款項 15	52,013	–
Interest paid	已付利息	(22,410)	–
Net cash generated from financing activities	融資活動產生之淨現金	2,508,945	1,435,668
Net increase/(decrease) in cash and cash equivalents	現金及現金等值之淨增加/(減少)	51,159	(11,437)
Effect of changes in foreign exchange rate	匯率變動之影響	(127)	543
Cash and cash equivalents at 1 January	於一月一日之現金及現金等值	118,561	129,455
Cash and cash equivalents at 31 December	於十二月三十一日之現金及現金等值 26(b)	169,593	118,561

The notes on pages 121 to 195 are an integral part of these consolidated financial statements.

第121頁至第195頁之附註為此等綜合財務報表之一部份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1. Corporate information

The Company is incorporated in Bermuda as an exempted company with limited liability. Its principal place of business in Hong Kong is Units 6507-6510, 65/F., The Center, 99 Queen's Road Central, Hong Kong.

During the year, the principal activities of the Company and its subsidiaries (collectively referred to as the "Group") are (a) property investment and (b) financial services.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"). They have been prepared under the historical cost convention, as modified by the revaluation of investment properties and financial asset at fair value through profit or loss, as further explained below.

1. 公司資料

本公司為一家於百慕達註冊成立之獲豁免有限責任公司。本公司於香港之主要營業地點為香港皇后大道中99號中環中心65樓6507-6510室。

於本年度，本公司及其附屬公司（統稱「本集團」）之主要業務包括(a)物業投資及(b)金融服務。

2. 重要會計政策摘要

編製此等財務報表所應用之主要會計政策列載如下。除另有列明外，此等會計政策已貫徹應用於所有呈報年度。

(a) 編製基準

本財務報表乃根據香港財務報告準則（「香港財務報告準則」）編製。本財務報表乃根據歷史成本常規法編製，並經重估投資物業及按公平值計入損益之金融資產修訂，詳情載於下文。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(b) Changes in accounting policy and disclosures

(i) New and amended standards adopted by the Group

The following amendments to existing standards that is relevant to the Group are mandatory for the first time for the financial year beginning 1 January 2018.

The Group has adopted the requirements of HKFRS 15 “Revenue from Contracts with Customers” and a number of interpretations and amendments to standards which have had an insignificant effect on the consolidated financial statements of the Group.

Adoption of HKFRS 9 by the Group

HKFRS 9 addresses the classification, measurement and derecognition of financial assets and liabilities; introduces new rules for hedge accounting and a new impairment model for financial assets. Set below are the disclosures relating to the impact of the adoption of HKFRS 9 by the Group.

Reclassification from available-for-sale financial assets to fair value through profit or loss (“FVTPL”)

2. 重要會計政策摘要（續）

(b) 會計政策之變動及披露

(i) 本集團採納之新訂及經修訂準則

以下與本集團有關之現有準則之修訂於二零一八年一月一日開始之財政年度首次強制性採納。

本集團已採納香港財務報告準則第15號－「客戶合約收入」的規定及多項準則之詮釋及修訂，且對本集團的綜合財務報表並無構成重大影響。

本集團採納香港財務報告準則第9號

香港財務報告準則第9號闡述金融資產及金融負債之分類、計量及終止確認並引入對沖會計法之新規則以及金融資產新減值模式。下文披露本集團採納香港財務報告準則第9號之影響。

由可供出售金融資產重新分類至按公平值計入損益（「按公平值計入損益」）

	Original measurement under HKAS 39	New measurement category under HKFRS 9	Original carrying amount under HKAS 39 as at 31 December 2017	New carrying amount under HKFRS 9 as at 1 January 2018	Effect on the consolidated statement of profit or loss	Effect on the consolidated statement of comprehensive income
			於二零一七年十二月三十一日 香港會計準則第39號項下之原有賬面值 HK\$'000 千港元	於二零一八年一月一日 根據香港財務報告準則第9號釐定的新賬面值 HK\$'000 千港元		
Financial assets 金融資產	香港會計準則第39號之原有計量方式	香港財務報告準則第9號之新計量分類				
Financial assets at fair value through profit or loss 按公平值計入損益的金融資產	Available-for-sale financial assets 可供出售金融資產	Financial assets at fair value through profit or loss 按公平值計入損益的金融資產	1,196	1,196	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(b) Changes in accounting policy and disclosures (Continued)

(i) *New and amended standards adopted by the Group (Continued)*

Adoption of HKFRS 9 by the Group (Continued)

As at 31 December 2017, the Group's available-for-sale investment in an investment fund does not meet the criteria to be classified either as at fair value through other comprehensive income ("FVOCI") or at amortised cost and the investment with fair value of HK\$1,196,000 was reclassified to financial assets at fair value through profit or loss ("FVPL") at 1 January 2018. The investment was measured at its recent transaction cost as at 31 December 2017, as such, there is no fair value gain/loss to be transferred from the available-for-sale financial assets reserve to retained profits on 1 January 2018 of such reclassification.

Summary of significant accounting policies

The new or substantially revised accounting policies implementing HKFRS 9 which replace the existing HKAS 39 policies has disclosed in Note 2(l). The accounting policies on hedge accounting are substantially unchanged and are not repeated.

2. 重要會計政策摘要（續）

(b) 會計政策之變動及披露（續）

(i) 本集團採納之新訂及經修訂準則（續）

本集團採納香港財務報告準則第9號（續）

於二零一七年十二月三十一日，本集團於基金投資之可供出售投資不符合分類為按公平值計入其他全面收入（「按公平值計入其他全面收入」）或按攤銷成本分類的條件，於二零一八年一月一日，公平值為1,196,000港元的投資被重新分類至按公平值計入損益（「按公平值計入損益」）的金融資產。該投資按其於二零一七年十二月三十一日的近期交易成本計量，因此，於二零一八年一月一日，上述重新分類概無任何公平值收益／虧損將自可供出售之金融資產儲備轉撥至保留盈利。

主要會計政策概要

落實香港財務報告準則第9號以取代現有香港會計準則第39號而新訂或經重大修訂的會計政策披露於附註2(l)。對沖會計的會計政策基本不變，故不再贅述。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(b) Changes in accounting policy and disclosures (Continued)

(ii) New standards and interpretations not yet adopted

New standards, amendments and interpretations, that are relevant to the Group, have been issued but are not effective for the financial year beginning 1 January 2018 and have not been early adopted.

Applicable for accounting periods beginning on/after 1 January 2019

HKFRS 16, "Leases"

HKFRS 16 will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of HK\$36,424,000 (see Note 28). However, the Group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

Some of the commitments may be covered by the exception for short-term and low value leases and some commitments may relate to arrangements that will not qualify as leases under HKFRS 16.

The standard is mandatory for first interim periods within annual reporting periods beginning on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date. The Group's activities as a lessor are not material and hence the management does not expect to have significant impact on the financial statements.

2. 重要會計政策摘要（續）

(b) 會計政策之變動及披露（續）

(ii) 尚未採納之新訂準則及詮釋

與本集團有關之新訂準則、修訂及詮釋已頒佈，惟於二零一八年一月一日開始之財政年度尚未生效，且未提早採納。

適用於二零一九年一月一日或以後開始之會計期間

香港財務報告準則第16號「租賃」

在經營及融資租賃之間的差異遭取消的情況下，香港財務報告準則第16號將導致近乎所有租約均須於資產負債表中確認。根據新訂準則，以資產（租賃項目的使用權）及金融負債繳納租金均獲確認，惟短期及低值租賃不在此列。

出租人之會計處理將不會有重大變動。

該準則將主要影響本集團經營租賃的會計處理。於報告日期，本集團的不可撤銷經營租賃承擔為36,424,000港元（見附註28）。然而，本集團尚未確定因此等承擔而須就未來付款確認某項資產及負債的程度，及此將如何影響本集團的盈利及現金流量的分類。

部份承擔可能因期限較短及價值較低而得到豁免，而部份承擔可能涉及不符合香港財務報告準則第16號項下租賃的安排。

該準則於二零一九年一月一日或之後開始的年度報告期間內的首個中期期間強制採納。於本階段，本集團不擬於其生效日期前採納該項準則。本集團作為出租人的業務並不重大，因此，管理層預期不會對財務報表產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(c) Application of business combination under common control

Acquisition of subsidiaries

On 6 October 2017, the Company (the “Purchaser”), through its wholly-owned subsidiaries, completed the acquisition of the entire issued share capital of each of Great Wall Pan Asia Asset Management Limited (長城環亞資產管理有限公司) (the “First Acquired Company”) (together with its respective subsidiaries, the “First Acquired Group”) and Great Wall Pan Asia Corporate Finance Limited (長城環亞融資有限公司) (the “Second Acquired Company”), (together with the First Acquired Group, the “Acquired Group”) (the “Acquisitions”) from China Great Wall AMC (International) Holdings Company Limited (中國長城資產(國際)控股有限公司) (the “Vendor”), an intermediate holding company of the Company. The considerations of the Acquisitions for the First Acquired Group and the Second Acquired Company are HK\$38,701,969 and HK\$868,834 respectively. The considerations were settled in cash on 6 October 2017.

The considerations of the Acquisitions recorded in the consolidated financial statements represents the fair values at the date of completion of the Acquisitions.

2. 重要會計政策摘要（續）

(c) 應用共同控制下之業務合併

收購附屬公司

於二零一七年十月六日，本公司（「買方」）透過其全資附屬公司完成向中國長城資產（國際）控股有限公司（「賣方」）（本公司之中間控股公司）收購長城環亞資產管理有限公司（「第一收購公司」）（連同其各附屬公司，統稱「第一收購集團」）及長城環亞融資有限公司（「第二收購公司」）（連同第一收購集團，統稱「已收購集團」）（「收購事項」）各自之全部已發行股本。第一收購集團及第二收購公司之收購事項代價分別為38,701,969港元及868,834港元。該等代價已於二零一七年十月六日以現金結付。

於綜合財務報表錄得之收購事項代價為收購事項於完成日期之公平值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(c) Application of business combination under common control (Continued)

Acquisition of subsidiaries (Continued)

Upon completion of the Acquisitions, the Acquired Group became the wholly-owned subsidiaries of the Company. As the Company is an indirect subsidiary of the Vendor, the Acquisitions were accounted for as a business combination under common control. Accordingly, the consolidated financial statements of the Group for the year ended 31 December 2017 were prepared using the principles of merger accounting as prescribed in Hong Kong Accounting Guideline 5 “Merger Accounting for Common Control Combinations” issued by the Hong Kong Institute of Certified Public Accountants, as if the Acquired Group had been combined with the Group from the earliest date when the Acquired Group first came under the control of the Vendor.

2. 重要會計政策摘要（續）

(c) 應用共同控制下之業務合併（續）

收購附屬公司（續）

於收購事項完成後，已收購集團已成為本公司的全資附屬公司。由於本公司為賣方的間接附屬公司，收購事項以共同控制下之業務合併入賬。因此，本集團截至二零一七年十二月三十一日止年度之綜合財務報表乃根據香港會計師公會頒佈的香港會計指引第5號「共同控制合併的合併會計法」中所訂明的合併會計原則而編製，猶如已收購集團自其首次由賣方控制的最早日期起已與本集團合併。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(c) Application of business combination under common control (Continued)

Acquisition of subsidiaries (Continued)

Consolidated statement of comprehensive income

For the year ended 31 December 2017

2. 重要會計政策摘要（續）

(c) 應用共同控制下之業務合併（續）

收購附屬公司（續）

綜合全面收益表

截至二零一七年十二月三十一日止年度

		The Group (before business combination under common control)	Effect of business combination under common control of the Acquired Group	Consolidated
		本集團 (共同控制下 之業務合併前)	已收購集團 共同控制下之 業務合併的影響	合併
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
Revenue	收益	61,325	61,628	122,953
Direct operating costs	直接經營成本	(39,433)	(38,828)	(78,261)
Profit before tax	稅前盈利	238,653	22,830	261,483
Income tax expenses	所得稅開支	(7,973)	(4,352)	(12,325)
Profit for the year	全年盈利	230,680	18,478	249,158
Attributable to:	以下各項應佔：			
Owners of the Company	本公司擁有人	230,680	18,478	249,158

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(c) Application of business combination under common control (Continued)

Acquisition of subsidiaries (Continued)

Consolidated statement of financial position

At 31 December 2017

2. 重要會計政策摘要（續）

(c) 應用共同控制下之業務合併（續）

收購附屬公司（續）

綜合財務狀況表

於二零一七年十二月三十一日

		The Group (before business combination under common control) 本集團 (共同控制下 之業務合併前)	Effect of business combination under common control of the Acquired Group 已收購集團 共同控制下之 業務合併的影響	Adjustments	Consolidated
		HK\$'000 港幣千元	HK\$'000 港幣千元	調整 HK\$'000 港幣千元 (Note) (附註)	合併 HK\$'000 港幣千元
Investments in the Acquired Group	投資已收購集團	39,571	-	(39,571)	-
Investment properties	投資物業	1,781,500	-	-	1,781,500
Accounts receivable	應收款項	6,433	2,553	-	8,986
Prepayment, deposit and other receivables	預付款項、按金及其他應收款項	1,444,723	279	-	1,445,002
Cash and bank balances	現金及銀行結餘	59,697	58,864	-	118,561
Loan from an intermediate holding company	來自中間控股公司之貸款	(1,439,513)	-	-	(1,439,513)
Other liabilities less assets	其他負債減資產	(22,371)	(2,061)	-	(24,432)
Total assets less liabilities	總資產減負債	1,870,040	59,635	(39,571)	1,890,104
Share capital	股本	156,775	30,560	(30,560)	156,775
Merger reserve	合併儲備	-	-	(9,011)	(9,011)
Other reserves	其他儲備	695,677	485	-	696,162
Retained profits	保留盈利	1,017,588	28,590	-	1,046,178
Equity attributable to owners of the Company	本公司擁有人應佔權益	1,870,040	59,635	(39,571)	1,890,104
Total equity	總權益	1,870,040	59,635	(39,571)	1,890,104

Note: The adjustments represent adjustments for elimination of investment cost. The difference has been accounted for in the merger reserve in the consolidated statement of changes in equity.

No other significant adjustments were made by the Group during the year to the net assets and net profit or loss of any entities as a result of the business combination under common control to achieve consistency of accounting policies.

During the year ended 31 December 2018, the Company had completed the acquisition of Patrol Hall 12 Limited, and its wholly-owned subsidiary, Ray Glory Limited. The two companies have become wholly-owned subsidiaries of the Group. For details, please refer to Note 25.

附註：該等調整為抵銷投資成本的調整。有關差額已於綜合權益變動表中的合併儲備入賬。

本集團於年內並無因共同控制下之業務合併對任何實體的淨資產及盈利或虧損淨額作出任何其他重大調整以達致會計政策的一致性。

截至二零一八年十二月三十一日止年度，本公司已完成收購Patrol Hall 12 Limited及其全資附屬公司頂煌有限公司。該兩間公司已成為本集團的全資附屬公司。有關詳情，請參閱附註25。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(d) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December 2018.

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Except for acquisitions under common control as described in Note 2(c), the Group uses the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

Acquisition-related costs are expensed as incurred.

2. 重要會計政策摘要（續）

(d) 綜合基準

綜合財務報表包括本公司及其附屬公司截至二零一八年十二月三十一日止之財務報表。

(i) 附屬公司

附屬公司指本集團控制下之所有實體。當本集團因參與該實體之營運而獲得或有權享有其可變回報，並能夠運用其對實體之權力影響上述回報，本集團即對實體有控制權。附屬公司之賬目自其控制權轉移至本集團之日起列入綜合賬目，並於本集團失去其控制權時停止綜合入賬。

除附註2(c)所述之共同控制下之收購外，本集團採用收購法為業務合併列賬。就收購附屬公司所轉讓之代價為所轉讓資產、被收購方之前擁有人所產生的負債及由本集團所發行股權之公平值。所轉讓代價包括因或有代價安排產生之任何資產或負債之公平值。於業務合併時所收購之可識別資產及所承擔之負債及或有負債，初步按收購日期之公平值計量。

本集團會按每項收購個案確認於被收購方之任何非控制性權益。被收購方的非控制性權益為現時的擁有權權益，並賦予持有人一旦清盤時按比例應佔實體的資產淨值，可按公平值或按現時擁有權權益應佔被收購方可識別資產淨值的確認金額比例而計量。非控制性權益的所有其他組成部份按收購日期的公平值計量，除非香港財務報告準則規定以其他計量基準計算。

收購相關成本於產生時支銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(d) Basis of consolidation (Continued)

(i) Subsidiaries (Continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Interests in subsidiaries in the Company's balance sheet are accounted for at cost less accumulated impairment losses. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2. 重要會計政策摘要（續）

(d) 綜合基準（續）

(i) 附屬公司（續）

所轉讓代價、被收購方之任何非控制性權益金額及任何先前於被收購方之股權於收購日期之公平值超逾所收購可識別淨資產公平值之差額，乃入賬列作商譽。倘轉讓代價、已確認的非控制性權益及先前持有的已計量權益的總和低於所收購附屬公司淨資產之公平值（於議價收購之情況下），則該差額會直接於全面收益表內確認。

集團公司間之交易、結餘及因集團公司間之交易而產生之未變現收益均予以對銷。未變現的虧損亦予以對銷。附屬公司所呈報的金額已作出調整，以確保與本集團之會計政策一致（如有需要）。

本公司資產負債表內所計入之附屬公司之權益，以成本值減累積減值虧損列賬。成本包括與投資直接相關之成本。本公司按已收及應收股息基準將附屬公司之業績入賬。

倘自附屬公司收取的股息超出宣派股息期間該附屬公司的全面收入總額，或倘獨立財務報表的投資賬面值超出綜合財務報表所示被投資公司資產淨值（包括商譽）的賬面值，則於自該等投資收取股息時須對於該等附屬公司的投資進行減值測試。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(d) Basis of consolidation (Continued)

(i) Subsidiaries (Continued)

Business combinations – common control combinations

The consolidated financial statements incorporate the financial statements of the combining entities in which the common control combination occurs as if they had been combined from the date when the combining entities first came under the control of the controlling party.

The net assets of the combining entities are combined using the existing book values from the controlling parties' perspective. No amount is recognised in consideration for goodwill or excess of acquirers' interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interests.

The consolidated income statement includes the results of each of the combining entities from the earliest date presented or since the date when the combining entities first came under the common control, where there is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the consolidated financial statements are presented as if the entities had been combined at the previous year end date or when they first came under common control, whichever is shorter.

A uniform set of accounting policies is adopted by those entities. All intra-group transactions, balances and unrealised gains on transactions between combining entities are eliminated on consolidation.

Transaction costs, including professional fees, registration fees, costs of furnishing information to shareholders, costs or losses incurred in combining operations of the previously separate businesses, etc., incurred in relation to the common control combination that is to be accounted for by using merger accounting is recognised as an expense in the period in which it is incurred.

2. 重要會計政策摘要（續）

(d) 綜合基準（續）

(i) 附屬公司（續）

業務合併 – 共同控制合併

綜合財務報表包括共同控制合併之合併實體之財務報表，猶如該等合併實體自其首次由控制方控制日期起已合併。

合併實體之資產淨值乃按控制方之現有賬面值合併入賬。在控制方持續擁有權益之條件下，概不確認商譽或收購方於被收購方之可識別資產、負債及或有負債公平淨值之權益超逾共同控制合併時成本之差額。

綜合收益表包括合併實體自最早呈列日期起或自合併實體首次共同控制日期起（以較短期間為準）之業績，而不考慮共同控制合併之日期。

綜合財務報表內之比較金額呈列為猶如該實體於前年結束時或首次共同控制時（以較短期間為準）合併。

該等實體中採用統一的會計政策。合併實體的所有集團內部交易、結餘及來自交易的未實現收益於合併中對銷。

交易成本，包括專業費用、註冊費、向股東提供資訊的費用、將先前為獨立業務合併而產生的成本或虧損等與採用合併會計法計算的共同控制合併有關的成本，確認為產生期間的支出。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(d) Basis of consolidation (Continued)

(ii) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Interests in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's interests in associates include goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of the post-acquisition profits or losses and post-acquisition movements in reserves of associates is included in the Group's profit or loss and consolidated reserves respectively. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of losses/profits of associates' in the statement of comprehensive income.

(e) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group's Chief Executive Officer.

2. 重要會計政策摘要（續）

(d) 綜合基準（續）

(ii) 聯營公司

聯營公司指本集團對其有重大影響但無控制權之所有實體，一般而言，指持有一家企業20%至50%帶投票權之股份。於聯營公司之權益乃以權益法入賬，初步按成本確認。本集團於聯營公司之權益包括於收購時已識別之商譽（經扣除任何累積減值虧損）。

本集團應佔聯營公司於收購後之損益及儲備變動已分別計入本集團之損益及綜合儲備內。累積收購後變動於投資賬面值作出調整。倘本集團應佔聯營公司虧損等於或超過其於聯營公司之權益（包括任何其他無抵押應收款項），本集團不會進一步確認虧損，除非其已產生法律或推定性責任或代聯營公司作出支付。

本集團於各報告日期釐定聯營公司之投資是否有減值之任何客觀憑證。倘有該等客觀憑證，減值數額為聯營公司可收回款項與其賬面值之差額，並於全面收益表中確認為「應佔聯營公司虧損／盈利」旁的款項。

(e) 分部報告

營運分部之呈報方式與提供予主要經營決策者之內部報告一致。主要經營決策者確定為本集團行政總裁，負責各營運分部之資源分配及業績評估。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(f) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the Company's functional and the Group's presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss, except when deferred in equity as qualifying cash flow hedges.

Translation differences on investments in equity instruments classified as available for sale financial assets are included in other comprehensive income.

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security.

Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity.

2. 重要會計政策摘要（續）

(f) 外幣折算

(i) 功能及呈列貨幣

本集團各實體企業之財務報表內之有關項目，均以其經營所在地區之主要經濟環境通行之貨幣（「功能貨幣」）計算。綜合財務報表以本公司之功能貨幣及本集團之呈列貨幣港元（「港元」）呈列。

(ii) 交易及結餘

外幣交易均按交易當日之匯率折算為功能貨幣。於結算上述交易，及按年終匯率折算以外幣為結算單位之貨幣性資產與負債產生之匯兌盈虧，均在損益中確認，惟於權益中遞延作為合資格現金流量對沖者除外。

分類為可供出售之金融資產之股本工具投資之匯兌差額計入其他全面收益。

分類為可供出售以外幣計值之貨幣證券之公平值變動，按證券之攤銷成本變動與該證券賬面值之其他變動所產生之匯兌差額進行分析。

與攤銷成本變動有關之匯兌差額在損益中確認，而賬面值之其他變動則於權益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(f) Foreign currency translation (Continued)

(iii) Group companies

On consolidation, the balance sheet of subsidiaries and associates denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date whilst the statement of comprehensive income is translated at an average rate. The resulting translation differences are included in the translation reserve. When any of these subsidiaries or associates is sold, any translation differences previously recognised in respect of such subsidiary or associate are reclassified to the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

(g) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities.

Revenue is recognised when it is probable that the future economic benefits will flow to the Group and when these benefits can be measured reliably, on the following bases:

- (i) rental income, in the period in which the properties are let out and on the straight-line basis over the lease terms;
- (ii) asset management and investment advisory related services, based on the period in which such services are rendered; and
- (iii) corporate investment advisory related services, based on the period in which such services are rendered.

2. 重要會計政策摘要（續）

(f) 外幣折算（續）

(iii) 集團公司

在綜合賬目時，附屬公司及聯營公司以外幣計值之資產負債表，均以結算日之匯率折算，而全面收益表則按平均匯率折算，由此而產生之匯兌差額列入匯兌儲備內。當出售任何該等附屬公司或聯營公司時，先前就該附屬公司或聯營公司確認之任何匯兌差額，均重新分類為損益。

因收購海外企業而產生之商譽及公平值調整，均作為該海外企業之資產及負債處理，並按年終匯率折算。所產生的匯兌差額均於其他全面收益確認。

(g) 收益確認

收益包括本集團日常業務過程中就銷售貨品及服務而已收或應收代價之公平值。

收益於未來經濟利益很可能會流向本集團而有關利益能可靠地計量時確認，基準如下：

- (i) 租金收入於物業出租之期間及按租賃期以直線法計算；
- (ii) 根據提供該等服務期間提供資產管理及投資顧問相關服務；及
- (iii) 根據提供該等服務期間提供企業投資顧問相關服務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(h) Property, plant and equipment

Property, plant and equipment, other than assets in progress, are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises its purchase price and any costs directly attributable to bringing the asset to its working condition and location for its intended use. Cost may also include transfers from hedging reserve of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Assets in progress represents property, plant and equipment under construction or instalment and is not yet ready for use. They are transferred to the respective category of property, plant and equipment when they are ready for use.

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

Leasehold land classified as finance lease commences amortisation from the time when the land interest becomes available for its intended use. Amortisation on leasehold land classified as finance lease and depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

– leasehold improvements	Shorter of remaining lease term of 2 to 50 years or useful life
– computer equipment	3 to 4 years
– office equipment	3 to 10 years
– office furniture	3 to 10 years
– vehicle	3 to 10 years
– others	3 to 10 years

2. 重要會計政策摘要（續）

(h) 物業、機器及設備

物業、機器及設備（在建資產除外）均以成本值減累積折舊及累積減值虧損列賬。資產之成本包括其購入價，及任何為使該資產達到可使用狀況及運往作擬定用途之地點所直接耗用之成本。成本亦可包含轉撥自對沖儲備、因以外幣購買物業、機器及設備而產生之合資格現金流量對沖之任何盈利或虧損。在建資產指建設中或正在裝備及未能使用的物業、機器及設備。該等項目於可使用時會轉至各自之物業、機器及設備類別。

後續支出僅會在與項目有關之未來經濟利益很可能會流向本集團，而該項目的成本能可靠地計量之情況下，方會適當地計入資產之賬面值或確認為一項獨立資產。所有其他維修及保養費用均於發生之財務期間於綜合全面收益表列作開支。

分類為融資租賃之租賃土地於土地權益可作其擬定用途時開始攤銷。分類為融資租賃之租賃土地之攤銷及其他資產之折舊，乃將成本按以下其估計可使用年期以直線法分攤至其剩餘價值計算：

– 租賃物業改善工程	2至50年之剩餘租期或可使用年期（以較短者為準）
– 電腦設備	3至4年
– 辦公室設備	3至10年
– 辦公室傢俱	3至10年
– 汽車	3至10年
– 其他	3至10年

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(h) Property, plant and equipment (Continued)

No depreciation/amortisation is provided for assets in progress.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(i) Investment properties

Investment properties are properties that are held to earn rentals or for capital appreciation or both. Investment properties are measured initially at costs, including related transaction costs. After initial recognition, investment properties are carried at fair values, with changes in fair values recognised in the profit or loss. The methods used to determine the fair values of the investment properties are set out in Note 6 to the financial statements.

Subsequent expenditure on an investment property is included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the consolidated statement of comprehensive income.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes.

2. 重要會計政策摘要（續）

(h) 物業、機器及設備（續）

在建資產不計提折舊／攤銷。

本集團在每個結算日均會檢討資產之剩餘價值及可使用年期，並作出適當調整。

倘一項資產之賬面值高於其估計可收回金額，則該項資產之賬面值會即時調減至其可收回金額。

(i) 投資物業

投資物業指持作賺取租金或資本增值或二者兼具之物業。投資物業初步按成本（包括有關交易成本）計量。於初步確認後，投資物業乃按公平值列賬，而公平值之變動則於損益中確認。用以釐定投資物業公平值之方法載於本財務報表附註6。

一項投資物業之後續支出僅會在與項目有關之未來經濟利益很可能會流向本集團，而該項目的成本能可靠地計量之情況下，方會計入資產之賬面值。所有其他維修及保養費用均於綜合全面收益表中列作開支。

倘一項投資物業成為自用物業，則須重新分類為物業、機器及設備，其於重新分類當日之公平值則作為成本記賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(i) Investment properties (Continued)

If an owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this property at the date of transfer is recognised as a movement in the asset revaluation reserve. Such movement will not be subsequently recycled to profit or loss. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the profit or loss.

(j) Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Payments made under operating leases, net of any incentives received from the lessor are charged to the profit or loss on a straight-line basis over the lease periods.

When assets are leased out under an operating lease, the asset is included in the balance sheet based on the nature of the asset.

Lease income on operating leases is recognised over the term of the lease on a straight-line basis.

(k) Impairment of non-financial assets

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, the recoverable amount of the assets is estimated and where relevant, an impairment loss is recognised to reduce the carrying amount of the assets to their recoverable amount.

2. 重要會計政策摘要（續）

(i) 投資物業（續）

倘一項自用物業因改變用途而成為投資物業，該項物業之賬面值與於轉撥當日之公平值之差額確認為資產重估儲備之變動。有關變動其後不會再轉入損益。然而，倘公平值收益可抵銷過往減值虧損，則該收益乃於損益中確認。

(j) 經營租賃

如租賃中出租人保留了大體上所有與資產所有權相關之報酬及風險，該等租賃即列作經營租賃。經營租賃支付之款額，在扣除出租人提供之任何激勵措施後，於租賃期內以直線法在損益內列作支出。

當按經營租賃租出資產時，該資產按其性質列入資產負債表。

經營租賃的租賃收入在租賃期內以直線法確認。

(k) 非金融資產減值

物業、機器及設備則須於事件或情況變動顯示賬面值可能不可收回時作減值測試。此等跡象出現時，本集團將估算有關資產之可收回金額，並於適當情況下確認減值虧損，以將資產賬面值調減至其可收回金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(l) Financial assets

The Group classifies its financial assets in the following categories: financial instruments measured at amortised cost, financial assets measured at fair value through other comprehensive income and financial instruments designated at fair value. The classification depends on the purpose for which the financial assets were acquired. By the adoption of HKFRS 9, management reassessed the classification of its financial assets at 1 January 2018.

(i) Financial instruments measured at amortised cost

Financial assets that are held to collect the contractual cash flows and that contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest, such as most loans and advances to third parties and some debt securities, are measured at amortised cost. In addition, most financial liabilities are measured at amortised cost. The carrying value of these financial assets at initial recognition includes the directly attributed transactions costs. If the initial fair value is lower than the cash amount advanced, such as in the case of some leveraged finance and syndicated lending activities, the difference is deferred and recognised over the life of the loan through the recognition of interest income, unless the loan becomes impaired.

The Group may commit to underwriting loans on fixed contractual terms for specified periods of time. When the loan arising from the lending commitment is expected to be held for trading, the commitment to lend is recorded as a derivative. When the Group intends to hold the loan, the loan commitment is included in the impairment calculations set out below.

2. 重要會計政策摘要（續）

(l) 金融資產

本集團將其金融資產分類為以下類別：按攤銷成本計量之金融工具、按公平值計入其他全面收益計量之金融資產及指定以公平值列賬之金融工具。該分類方法取決於採納香港財務報告準則第9號時收購金融資產的目的，管理層於二零一八年一月一日重新評估其金融資產的分類。

(i) 按攤銷成本計量之金融工具

持作收取合約現金流並包含於指定日期產生純屬本金及利息款項之合約條款的金融資產，例如向第三方作出的大部份貸款及墊款以及部份債務證券乃按攤銷成本計量。此外，大部份金融負債乃按攤銷成本計量。此等金融資產於初次確認時包括任何直接應佔交易成本在其賬面值。倘初次公平值低於墊支現金額，例如於部份槓桿融資及銀團貸款活動之情況下，除非貸款出現減值，有關差異會被遞延並於貸款期間透過確認利息收入以確認。

本集團可能就指定期間按固定合約年期承諾包銷貸款。當有關貸款承諾產生之貸款預期將持作交易用途，該貸款承諾乃記錄作衍生工具。當本集團擬持有有關貸款，該貸款承諾則列入下文載列之減值計算中。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(l) Financial assets (Continued)

(ii) *Financial assets measured at fair value through other comprehensive income (“FVOCI”)*

Financial assets held for a business model that is achieved by both selling and collecting contractual cash flows and that contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest are measured at FVOCI. These comprise primarily debt securities. They are recognised on the trade date when the Group enters into contractual arrangements to purchase and are normally derecognised when they are either sold or redeemed. They are subsequently remeasured at fair value and changes therein (except for those relating to impairment, interest income and foreign currency exchange gains and losses) are recognised in other comprehensive income until the assets are sold. Upon disposal, the cumulative gains or losses in other comprehensive income are recognised in the income statement as “Gains less losses from financial investments”. Financial assets measured at FVOCI are included in the impairment calculations set out below and impairment is recognised in profit or loss.

(iii) *Equity securities measured at fair value with fair value movement presented in OCI*

The equity securities for which fair value movements are shown in OCI are business facilitation and other similar investments where the Group holds the investments other than to generate a capital return. Gains or losses on the derecognition of these equity securities are not transferred to profit or loss. Otherwise equity securities are measured at fair value through profit or loss (except for dividend income which is recognised in profit or loss).

2. 重要會計政策摘要（續）

(l) 金融資產（續）

(ii) 按公平值計入其他全面收益（「按公平值計入其他全面收益」）計量之金融資產

透過持有及出售以收取合約現金流並包含於指定日期產生純屬本金及利息款項之合約條款的金融資產，乃按公平值計入其他全面收益計量。此主要包括債務證券，其於本集團訂立購買合約安排之交易日期確認，並一般於出售或贖回時撤銷確認。其於初次確認後按公平值重新計量，而有關變動（除相關減值、利息收入及外匯之收益或虧損外）乃計入其他全面收益確認，直至該資產被出售為止。於出售時，計入其他全面收益確認之累積收益或虧損乃於收益表確認為「金融投資之收益減虧損」。下文列載按公平值於其他全面收益計量之金融資產之減值計算及減值於損益內確認。

(iii) 按公平值計量而公平值變動列賬計入其他全面收益之股本證券

本集團持有投資以作產生資本回報以外用途之業務促進及其他類似投資之股本證券的公平值變動皆列賬計入其他全面收益。撤銷確認此等股本證券而產生之收益或虧損不會轉撥至損益。於其他情況下，股本證券按公平值於損益表列賬計量（不包括於損益內確認的股息收入）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(l) Financial assets (Continued)

(iv) Financial instruments designated at fair value

Financial instruments, other than those held for trading, are classified in this category if they meet one or more of the criteria set out below and are so designated irrevocably at inception:

- the use of the designation removes or significantly reduces an accounting mismatch;
- when a group of financial assets and liabilities or a group of financial liabilities is managed and its performance is evaluated on the fair value basis, in accordance with a documented risk management or investment strategy; and
- where the financial liabilities contains one or more non-closely related embedded derivatives.

Designated financial assets are recognised when the Group enters into contracts with counterparties, which is generally on trade date, and are normally derecognised when the rights to the cash flows expire or are transferred. Designated financial liabilities are recognised when the Group enters into contracts with counterparties, which is generally on settlement date, and are normally derecognised when extinguished. Subsequent changes in fair value are recognised in the income statement in "Net income from financial instruments measured at fair value".

2. 重要會計政策摘要（續）

(l) 金融資產（續）

(iv) 指定以公平值列賬之金融工具

倘符合下列一項或以上之準則，金融工具（除持作交易用途外）可歸為此類別並指定於初次確認後不得撤回：

- 使用有關指定可消除或大幅減低會計錯配；
- 當一組金融資產及負債或一組金融負債按已記錄在案的風險管理或投資策略根據公平值基準進行管理及評估其表現；及
- 當金融負債包含一項或以上非密切連繫嵌入衍生工具。

指定金融資產於本集團與交易對手訂立合約時（一般於交易日）確認，並一般於現金流權利屆滿或轉移時撤銷確認。指定金融負債於本集團與交易對手訂立合約時（一般於結算日期）確認，並一般於償清時撤銷確認。其後之公平值變動於收益表確認為「以公平值計量之金融工具收益淨額」。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(l) Financial assets (Continued)

(v) Derivatives

Derivatives are financial instruments that derive their value from the price of underlying item such as equities, interest rates or other indices. Derivatives are recognised initially and are subsequently measured at fair value. Derivatives are classified as assets when their fair value is positive or as liabilities when their fair value is negative. This includes embedded derivatives in financial liabilities which are bifurcated from the host contract when they meet the definition of a derivative on a standalone basis.

(vi) Impairment of amortised cost and FVOCI financial assets

Expected credit losses (“ECL”) are recognised for loans and advances to customers and other financial assets held at amortised cost. At initial recognition, allowance is required for ECL resulting from default events that are possible within the next 12 months (or less, where the remaining life is less than 12 months) (“12-month ECL”). In the event of a significant increase in credit risk, allowance (or provision) is required for ECL resulting from all possible default events over the expected life of the financial instrument. Financial assets where 12-month ECL is recognised are considered to be “stage 1”; financial assets which are considered to have experienced a significant increase in credit risk are in “stage 2”; and financial assets for which there is objective evidence of impairment so are considered to be in default or otherwise credit-impaired are in “stage 3”.

Measurement of ECL

The assessment of credit risk, and the estimation of ECL, are unbiased and probability-weighted, and incorporate all available information which is relevant to the assessment including information about past events, current conditions and reasonable and supportable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL should take into account the time value of money.

2. 重要會計政策摘要（續）

(l) 金融資產（續）

(v) 衍生工具

衍生工具指自股票、利率或其他指數等相關項目之價格產生價值之金融工具。衍生工具於首次確認及其後按公平值計量。衍生工具於其公平值為正數時分類為資產，或於其公平值為負數時分類為負債。此包括獨立而言符合衍生工具之定義並符合從主體合約中分拆的金融負債之嵌入衍生工具。

(vi) 攤銷成本及按公平值計入其他全面收益之金融資產減值

預期信貸虧損（「預期信貸虧損」）會就客戶貸款及墊款、以攤銷成本列賬之其他金融資產確認。於首次確認時，須對可能於未來12個月內（當剩餘年限少於12個月時或就更短期內）發生的違約事件所產生的預期信貸虧損（「12個月預期信貸虧損」）作出減值準備。倘若有關金融工具之信貸風險大幅上升，須對其預期年限內所有可能發生的違約事件而產生的預期信貸虧損作出準備（或撥備）。已確認12個月預期信貸虧損的金融資產屬「第1階段」；被視為信貸風險重大增加的金融資產屬「第2階段」；而有客觀證據出現減值而被視為已違約或其他信貸減值的金融資產屬「第3階段」。

預期信貸虧損計量

信貸風險的評估及預期信貸虧損的估計乃按公正及概率加權基準而進行，並納入所有與評估有關的可得資料，包括過往事件、目前狀況及合理可靠的未來事件預測及於報告日期的經濟狀況。此外，預期信貸虧損的估計應計及貨幣時間價值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(l) Financial assets (Continued)

(vii) Until 31 December 2017, the Group classified its financial assets in the following categories: Loans and receivables and available-for-sale financial assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Group's loans and receivables comprise 'accounts and other receivables' and 'cash and cash equivalents' in the balance sheet.

Accounts and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Available-for-sale financial assets

Available-for-sale financial assets are investments in equity and debt instruments that are designated in this category. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months at the end of the reporting period. Purchases and sales of available-for-sale financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. They are initially recognised at fair value plus transaction costs and subsequently carried at fair value at each balance sheet date.

(m) Share capital

Ordinary shares are classified as equity. The par value of the shares issued and fully paid is recognised in the share capital account. Any excess of proceeds from a new issue of shares (net of any incremental costs directly attributable to the new issue) over the par value of the shares issued is recognised in the share premium account.

2. 重要會計政策摘要（續）

(l) 金融資產（續）

(vii) 直至二零一七年十二月三十一日，本集團將金融資產按照以下類別進行分類：貸款及應收款項及可供出售金融資產

貸款及應收款項

貸款及應收款項為並未於活躍市場內報價而附帶固定或可議定付款的非衍生金融資產。本集團的貸款及應收款項包括資產負債表中的「賬款及其他應收款項」以及「現金及現金等價物」。

應收賬款及其他應收款項最初乃按公平值確認，其後以實際利息法按攤銷成本扣除減值撥備計量。

可供出售金融資產

可供出售之金融資產乃指定為此類之股本及債務工具之投資。除非有關投資於報告期末起計十二個月內到期或管理層擬於該期間出售有關投資，否則該等資產計入非流動資產。可供出售之金融資產之買賣於交易日（即本集團承諾買或賣該等資產之日）確認。該等資產初步按公平值加交易成本確認，之後於各結算日按公平值列賬。

(m) 股本

普通股歸類為權益。已發行及繳足股款之股份之面值於股本賬中確認。發行新股份所得款項（扣除發行新股份直接應佔之任何額外成本後）超逾已發行股份面值之金額，於股份溢價賬中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(n) Other payables

Other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(o) Provisions and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

2. 重要會計政策摘要（續）

(n) 其他應付款項

其他應付款項是於日常業務過程中就獲得供應商提供商品或服務作出付款的責任。倘其他應付款項到期日為一年或一年以內（或若更長，則在業務的正常經營週期內），此等應付款項分類為流動負債，否則列為非流動負債。

其他應付款項初步以公平值確認，之後採用實際利息法按攤銷成本計算。

(o) 撥備及或有負債

當本集團因過往事件致使現時負有法律責任或推定性責任，並很可能須撥出資源解除該責任，且能就該數額作出可靠之估計時，須作出撥備。

或有負債乃因過往事件而產生之可能責任，其存在僅會就不能由本集團完全控制之一項或多項不能確定之未來事件發生或不發生時予以證實。或有負債亦可能是因過往事件而產生之現有責任，但因為該責任不大可能會導致經濟資源流出，或該責任之金額無法可靠地估計而未有確認。

或有負債不予確認，但須於財務報表附註內披露。當資源流出之可能性發生變化，致使資源很可能流出時，則將其確認為一項撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(p) Current and deferred income tax

Income tax expense is the aggregate amount included in the determination of profit or loss for the year in respect of current tax and deferred tax.

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2. 重要會計政策摘要（續）

(p) 即期及遞延所得稅

所得稅開支指釐定年內盈利或虧損時所計入之即期稅項及遞延稅項之總額。

本期之稅項開支包括即期稅項及遞延稅項。稅項乃於損益內確認，惟與其他全面收入內或直接於權益內確認的項目有關的稅項則除外。在此情況下，稅項亦分別於其他全面收入或直接於權益內確認。

即期所得稅開支根據本公司附屬公司及聯營公司經營業務及產生應課稅收入的國家於結算日已頒佈或基本上已頒佈的稅法計算。管理層對適用稅項法規作出詮釋所規限的情況下定期評估報稅表的稅務狀況，並在恰當時按預期向稅務機關繳納的金額為基準設定撥備。

遞延所得稅採用負債法，就資產及負債之稅基與其在本綜合財務報表之賬面值兩者之暫時差異作確認。遞延所得稅採用結算日前已頒佈或基本上已頒佈、並預期於相關遞延所得稅資產變現或遞延所得稅負債結算時適用之稅率（及稅法）釐定。

遞延所得稅資產，僅在將來很可能有應課稅盈利以抵銷暫時差異時方予確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

2. Summary of significant accounting policies (Continued)

(p) Current and deferred income tax (Continued)

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(q) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders, or directors, where appropriate.

2. 重要會計政策摘要（續）

(p) 即期及遞延所得稅（續）

本集團須就附屬公司及聯營公司投資所產生之暫時差異計提遞延所得稅，但若本集團控制暫時差異撥回之時間，而且在可預見之未來該等暫時差異很可能不會撥回者則除外。

倘現時存在一項可依法強制執行的權利以即期稅項資產抵銷即期稅項負債，且當遞延所得稅資產及負債涉及同一個稅務機關就應課稅實體或有意以淨值基準償還結餘之不同應課稅實體而徵收之所得稅，則遞延所得稅資產及負債可予抵銷。

(q) 股息分派

分派予本公司股東之股息乃於股息獲本公司股東或董事（如適用）批准之期間於本集團財務報表中確認為負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

3. Critical accounting estimates and judgement

Management are required to exercise significant estimates and judgments, which 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, in the selection and application of accounting principles.

(a) Fair value of investment properties

The valuation of investment properties is performed in accordance with the “Valuation Standards on Valuation of Properties” published by the Hong Kong Institute of Surveyors. The valuation is reviewed semi-annually by qualified valuers by considering the information from a variety of sources including but not limited to:

- (i) comparable sales transactions as available in the relevant market; and
- (ii) rental income derived from the existing tenancies with due provision for any reversionary income potential.

The fair value of investment properties is determined by using valuation technique. Details of the judgement and assumptions have been disclosed in Note 6.

Changes to the assumptions used in deriving the valuation could have a significant risk of causing material adjustment to the carrying amounts in the balance sheet.

(b) Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. The depreciation for future periods are adjusted if there are material changes from previous estimates.

3. 關鍵會計估計及判斷

管理層在篩選及應用會計原則時須行使重要估計及判斷，有關估計及判斷須作持續評估並基於過往經驗及其他因素（包括於有關情況下相信為合理的未來事件估計）。

(a) 投資物業之公平值

投資物業乃根據香港測量師學會所發表之「物業估值之估值準則」進行估值。估值每半年由合資格估值師考慮多方面資料而作出檢討，包括但不限於：

- (i) 相關市場上現時可作比較之銷售交易；及
- (ii) 現有租賃產生之租金收入就任何潛在復歸收入作出適當撥備。

投資物業之公平值乃使用估值方法釐定。有關判斷及假設的詳情披露於附註6。

估值所用之假設變動會導致資產負債表的賬面值有被大幅調整的重大風險。

(b) 物業、機器及設備的可使用年期

本集團管理層釐定其物業、機器及設備的估計可使用年期及相關折舊及攤銷開支。該項估計乃根據類似性質及功能的物業、機器及設備的實際可使用年期的過往經驗作出。倘相較過往的估計有重大改變，則在未來期間調整折舊。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

3. Critical accounting estimates and judgement (Continued)

(c) Investment in associate

The Group's management applies critical judgements on the classification of investment in an associate for the acquisition and the subsequent shareholding restructuring of an associate during the year. The judgement involves the assessment of the financial and operating decisions of the Group on the associate. For details please refer to Note 8.

4. Revenue and segment information

The chief operating decision-maker has been identified as the Chief Executive Officer ("CEO") of the Group, who reviews the Group's internal reporting in order to assess performance and allocate resources. The Company's management has determined the operating segments based on these reports.

The Group has two reportable segments, property investment and financial services segments, for the year ended 31 December 2018 and 2017.

Property investment segment holds various retail, commercial and industrial buildings in Hong Kong. It derives revenue through leasing out its properties.

Financial services segment holds licenses to carry out Type 1 (dealing in securities) (restricted by certain conditions), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO. It also derives interest revenue from loan investment. As set out in Note 2(c), the Group had adopted merger accounting to recognise the Acquired Group upon the completion of the Acquisitions. Accordingly, the segment information for the year ended 31 December 2017 had also included the financial services segment as one of the reportable segments.

3. 關鍵會計估計及判斷

(C) 於聯營公司之投資

本集團管理層於年內對聯營公司的收購分類及其後聯營公司的股權重組作出重大判斷。該判斷涉及評估本集團對聯營公司的財務及經營決策。有關詳情，請參閱附註8。

4. 收益及分部資料

主要經營決策者已被確定為本集團行政總裁（「行政總裁」），彼審閱本集團之內部報告以評估表現及分配資源。本公司管理層已根據此等報告釐定營運分部。

截至二零一八年及二零一七年十二月三十一日止年度，本集團有物業投資及金融服務兩個可報告分部。

物業投資分部在香港擁有多項零售、商業及工廈。物業投資分部透過出租其物業獲得收益。

金融服務分部持有從事證券及期貨條例項下第1類（證券交易）（受若干條件限制）、第4類（就證券提供意見）、第6類（就機構融資提供意見）及第9類（提供資產管理）受規管活動之牌照。其亦從貸款投資中賺取利息收入。如附註2(c)所載列，於收購事項完成後，本集團已採納合併會計法確認已收購集團。據此，截至二零一七年十二月三十一日止年度內之分部資料亦納入金融服務分部作為其中一個可報告分部。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

4. Revenue and segment information (Continued)

The chief operating decision-maker assesses the performance of the operating segments based on profit or loss after tax. The Group considers that the measurement principles for profit or loss after tax are consistent with those used in measuring the corresponding amounts in the Group's financial statements. Hence, profit or loss after tax is used for reporting segment profit or loss.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies except that interest in the profit or loss of associates is accounted for on the basis of dividend received or receivable in segment profit or loss while such interest is accounted for under the equity method in the Group's consolidated financial statements.

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different marketing strategies. Transactions (if any) between reportable segments are accounted for on arm's length basis.

Revenue of the Group for FY 2018 and FY 2017 consists of revenue from property investment and financial services segments. The revenue for the year ended 31 December 2018 and 2017 were HK\$144,874,000 and HK\$122,953,000 respectively.

Substantially all the activities of the Group are based in Hong Kong and below is segment information by reportable segments:

4. 收益及分部資料（續）

主要經營決策者根據除稅後損益衡量營運分部之表現。本集團認為，除稅後損益之計量原則與計量本集團財務報表內之相應金額所用者一致。因此，除稅後損益用作報告分部之損益。

營運分部之會計政策與主要會計政策概要所述者相同，惟於聯營公司損益之權益乃根據分部損益已收或應收之股息入賬，而該權益於本集團之綜合財務報表以權益法入賬。

本集團之可報告分部乃提供不同產品及服務之策略性業務單位。由於各業務要求不同市場推廣策略，各可報告分部乃個別管理。可報告分部之間之交易（如有）乃按公平原則基準列賬。

本集團二零一八年財政年度及二零一七年財政年度的收益包括物業投資及金融服務分部之收益。截至二零一八年及二零一七年十二月三十一日止年度之收益分別為144,874,000港元及122,953,000港元。

本集團大體上所有業務均以香港為基地，而根據可報告分部劃分之分部資料如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

4. Revenue and segment information (Continued)

4. 收益及分部資料（續）

(a) Reportable segment profit or loss

(a) 可報告分部損益

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		Property investment 物業投資 HK\$'000 港幣千元	Financial services 金融服務 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Revenue from external customers	外界客戶之收益	92,413	52,461	144,874
Profit for reportable segments	可報告分部盈利	422,870	13,881	436,751
Net finance cost	財務成本淨額	(20,573)	(3,628)	(24,201)
Depreciation	折舊	(248)	(382)	(630)
Income tax	所得稅	(4,640)	(1,476)	(6,116)

For the year ended 31 December 2017 (restated)

截至二零一七年十二月三十一日止年度
(經重列)

		Property investment 物業投資 HK\$'000 港幣千元	Financial services 金融服務 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Revenue from external customers	外界客戶之收益	61,325	61,628	122,953
Profit for reportable segments	可報告分部盈利	261,208	18,478	279,686
Net finance income	財務收入淨額	11	30	40
Depreciation	折舊	(279)	(363)	(642)
Income tax	所得稅	(7,973)	(4,352)	(12,325)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

4. Revenue and segment information (Continued) 4. 收益及分部資料（續）

(b) Reconciliation of reportable segment profit or loss to profit for the year (b) 可報告分部損益與全年盈利對賬表

		For the year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Profit for reportable segments	可報告分部盈利	436,751	279,686
Reconciling items:	對賬項目：		
Share of profits/(losses) of associates under equity method of accounting	根據權益會計法應佔聯營公司盈利／(虧損)	279,717	(404)
Finance cost for the acquisition of an associate (Note)	收購一家聯營公司財務成本 (附註)	(119,463)	(3,846)
Other corporate and treasury activities	其他企業及庫務活動	(13,550)	(26,278)
Profit for the year	全年盈利	583,455	249,158

Note: The finance cost of HK\$119,463,000 (2017: HK\$3,846,000) is not allocated to the above reportable segments as this finance cost was incurred for the acquisition of an associate. Please refer to Notes 8 and 14 for details.

附註：119,463,000港元（二零一七年：3,846,000港元）之財務成本未分配至以上可報告分部乃由於該財務成本為就收購一家聯營公司而產生。詳情請參閱附註8及14。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

5. Property, plant and equipment

5. 物業、機器及設備

		Computer equipment	Office equipment	Office furniture	Leasehold improvement	Vehicle	Total
		電腦設備	辦公室設備	辦公室傢俱	租賃物業改善工程	車輛	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Net book value at 1 January 2018	於二零一八年一月一日之賬面淨值	-	1,335	716	3,258	-	5,309
Acquisition of subsidiaries (Note 25)	收購附屬公司(附註25)	14	14	-	-	-	28
Additions	添置	-	90	48	80	717	935
Depreciation	折舊	(3)	(316)	(120)	(1,529)	(36)	(2,004)
Written off	撇銷	-	(179)	(16)	-	-	(195)
Net book value at 31 December 2018	於二零一八年十二月三十一日之賬面淨值	11	944	628	1,809	681	4,073
At 31 December 2018	於二零一八年十二月三十一日						
Cost	成本	2,137	1,968	956	4,801	717	10,579
Accumulated depreciation and impairment losses	累積折舊及減值虧損	(2,126)	(1,024)	(328)	(2,992)	(36)	(6,506)
Net book value at 31 December 2018	於二零一八年十二月三十一日之賬面淨值	11	944	628	1,809	681	4,073
		Computer Equipment	Office Equipment	Office Furniture	Leasehold Improvement		Total
		電腦設備	辦公室設備	辦公室傢俱	租賃物業改善工程		總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000		HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元		港幣千元
At 1 January 2017, as previously reported	於二零一七年一月一日(如前呈報)						
Cost	成本	2,122	2,467	203	-		4,792
Accumulated depreciation and impairment losses	累積折舊及減值虧損	(2,110)	(1,417)	(137)	-		(3,664)
Net book value at 1 January 2017, as previously reported	於二零一七年一月一日之賬面淨值(如前呈報)	12	1,050	66	-		1,128
Acquisition of the Acquired Group	收購已收購集團	-	234	145	953		1,332
Net book value at 1 January 2017, as restated	於二零一七年一月一日之賬面淨值(經重列)	12	1,284	211	953		2,460
Opening net book value, as restated	期初賬面淨值(經重列)	12	1,284	211	953		2,460
Additions	添置	-	391	610	3,504		4,505
Depreciation	折舊	(12)	(340)	(105)	(1,199)		(1,656)
Closing net book value	年末賬面淨值	-	1,335	716	3,258		5,309
At 31 December 2017	於二零一七年十二月三十一日						
Cost	成本	2,122	3,182	1,009	4,721		11,034
Accumulated depreciation and impairment losses	累積折舊及減值虧損	(2,122)	(1,847)	(293)	(1,463)		(5,725)
Net book value at 31 December 2017	於二零一七年十二月三十一日之賬面淨值	-	1,335	716	3,258		5,309

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

6. Investment properties

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
At 1 January	於一月一日	1,781,500	1,560,500
Acquisition of subsidiaries (Note 25)	收購附屬公司 (附註25)	1,608,921	-
Capitalised expenses	資本化開支	818	-
Fair value gain	公平值收益	400,561	221,000
At 31 December	於十二月三十一日	3,791,800	1,781,500

During the year ended 31 December 2018, the Group completed the acquisition of Patrol Hall 12 Limited which indirectly owns Kwai Fong Plaza as disclosed in Note 25.

For the year ended 31 December 2018, direct operating expenses of HK\$22,347,000 (2017: HK\$12,458,000) arising from investment properties that generated rental income and no direct operating expense arising from investment properties that did not generate rental income (2017: nil), were charged to the consolidated statement of comprehensive income.

As at 31 December 2018, the Group's total future minimum rental receivables under non-cancelable operating leases for its investment properties are as follows:

6. 投資物業

如附註25中所披露，截至二零一八年十二月三十一日止年度，本集團完成收購間接持有葵芳廣場之Patrol Hall 12 Limited。

截至二零一八年十二月三十一日止年度，綜合全面收益表已扣除由產生租金收入之投資物業引致之直接經營開支22,347,000港元（二零一七年：12,458,000港元），及由不產生租金收入之投資物業概無引致直接經營開支（二零一七年：無）。

於二零一八年十二月三十一日，本集團根據其投資物業之不可撤銷經營租賃之未來最低租賃應收款項總額如下：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Not later than one year	不超過一年	42,841	40,237
Later than one year but not later than five years	超過一年但不超過五年	25,328	13,501
		68,169	53,738

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

6. Investment properties (Continued)

Particulars of investment properties held by the Group as at 31 December 2018 and 2017:

6. 投資物業（續）

於二零一八年及二零一七年十二月三十一日本集團所持投資物業詳情：

Property 物業	Type 類型	Lease term 租期
(i) 20th and 21st Floors and Car Parking Spaces Nos. 21, 22 and 23 on 4th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong 香港中環夏慤道12號美國銀行中心20及21樓及4樓之21、22及23號泊車位	Offices and car parking spaces 辦公室及泊車位	Long 長期
(ii) Ground and 1st Floors, Block B, Ko Fai Industrial Building, 7 Ko Fai Road, Yau Tong, Kowloon, Hong Kong 香港九龍油塘高輝道7號高輝工業大廈B座地下及1樓	Industrial building 工廈	Medium 中期
(iii) The lobby on G/F and the front (or southern) portions of the 1st, 2nd and 3rd Floors including the staircase therein leading up to the 3rd Floor and the lift therein serving the 1st and 2nd Floors only and portion of the canopy on the 1st Floor level, Yue King Building, 26, 26A, 27, 28, 29 & 30 Canal Road West, 1-7 Leighton Road and 41-47 Morrison Hill Road, Wanchai, Hong Kong 香港灣仔堅拿道西26、26A、27、28、29及30號、禮頓道1至7號及摩理臣山道41至47號愉景樓地下大堂及1、2及3樓之前部（或南部）（包括通向3樓的樓梯及服務1及2樓之升降機），以及1樓部份上蓋	Office and retail shop 辦公室及零售店	Medium 中期
(iv) 8th Floor of Block C, Sea View Estate, 8 Watson Road, North Point, Hong Kong 香港北角屈臣道8號海景大廈C座8樓	Industrial building 工廈	Medium 中期
(v) Kwai Fong Plaza, Kwai Fong Estate, 177 Hing Fong Road, Kwai Chung, New Territories, Hong Kong (acquired in 2018 (Note 25)) 香港新界葵涌興芳路177號葵芳邨葵芳廣場（於二零一八年收購（附註25））	Retail shops, fresh market and car parking spaces 零售店、鮮活街市及泊車位	Medium 中期

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

6. Investment properties (Continued)

Investment properties comprise:

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Long term leasehold (not less than 50 years)	長期租約（不少於五十年）	1,186,000	999,000
Medium term leasehold (less than 50 years but not less than 10 years)	中期租約（少於五十年 但不少於十年）	2,605,800	782,500
		3,791,800	1,781,500

6. 投資物業（續）

投資物業包括：

Fair value measurements using significant unobservable inputs

使用重大不可觀察輸入數值的公平值計算法

		Retail shops, fresh market and car parking spaces	Office buildings	Industrial buildings	Total
		零售店、 鮮活街市及 泊車位	辦公大樓	工廈	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
At 1 January 2017	於二零一七年一月一日	-	1,302,000	258,500	1,560,500
Fair value gain – unrealised	公平值收益 – 未實現	-	177,000	44,000	221,000
At 31 December 2017	於二零一七年十二月三十一日	-	1,479,000	302,500	1,781,500
At 1 January 2018	於二零一八年一月一日	-	1,479,000	302,500	1,781,500
Acquisition of subsidiaries (Note 25)	收購附屬公司（附註25）	1,608,921	-	-	1,608,921
Capitalised expenses	資本化開支	818	-	-	818
Fair value gain – unrealised	公平值收益 – 未實現	70,261	287,000	43,300	400,561
At 31 December 2018	於二零一八年十二月三十一日	1,680,000	1,766,000	345,800	3,791,800

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

6. Investment properties (Continued)

Valuation processes of the Group

The Group's investment properties were revalued by independent professionally qualified valuers, Cushman & Wakefield Limited ("DTZ") and Savills Valuation and Professional Services Limited ("Savills") at 31 December 2018 and by DTZ at 31 December 2017 respectively, who both hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current valuations are based on the highest and best use. The Group's finance department includes a team that review the valuations performed by the independent valuers for financial reporting purposes. The revaluation gains or losses are shown as "Fair value gain or loss on investment properties" in the consolidated statement of comprehensive income.

At each financial year end the finance department:

- verifies all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation report;
- holds discussions with the independent valuer.

6. 投資物業（續）

本集團的估值流程

本集團之投資物業分別於二零一八年十二月三十一日由獨立專業合資格估值師戴德梁行有限公司（「戴德梁行」）及第一太平戴維斯估值及專業顧問有限公司（「第一太平戴維斯」）（其皆持有獲認可的相關專業資格，且最近曾對所估值的投資物業之地點及種類進行估值）及於二零一七年十二月三十一日由戴德梁行重新估值。所有投資物業乃就其目前最有效及最佳方式使用。本集團的財務部門有一個團隊審閱由獨立估值師就財務報告編製的估值報告。重估收益或虧損均於綜合全面收益表列為「投資物業之公平值收益或虧損」。

於各財政年度末，財務部門：

- 核實獨立估值報告的所有主要輸入數值；
- 評估物業估值較上一年度估值報告的變動；
- 與獨立估值師召開討論會。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

6. Investment properties (Continued)

Valuation techniques

Fair values of the retail shops, fresh market, office buildings, industrial buildings and car parking spaces are derived using the income capitalisation approach. The income capitalisation approach is based on the capitalisation of the net income and reversionary income potential by adopting appropriate capitalisation rates, which are derived from actual location, size and quality of the properties and taking into account market data at the valuation date. The prevailing market rents adopted in the valuation have reference to the actual location, type and quality of the properties and supported by the terms of any existing lease, other contracts or external evidence such as current market rents for similar properties.

There were no changes to the valuation techniques during the year.

Significant inputs used to determine fair value

Capitalisation rates are estimated by management, after consultation with valuers based on the risk profile of the properties being valued. The higher the rates, the lower the fair value. At 31 December 2018, capitalisation rates of 2.5% to 3.75% (2017: 2.75% to 4%) are used in the income capitalisation approach for the retail shops, fresh market, office buildings, industrial buildings and car parking spaces.

Rental rates are estimated based on recent lettings of HK\$55 psf to HK\$110 psf (2017: HK\$110 psf) for retail shops, HK\$41 psf (2017: nil) for fresh market, HK\$39 psf to HK\$100 psf (2017: HK\$36 psf to HK\$92.8 psf) for office buildings, HK\$13.3 psf to HK\$29.5 psf for industrial buildings (2017: HK\$12.5 psf to HK\$26.5 psf) and HK\$3,229 per space (2017: nil) for car parking spaces respectively. The lower the rents, the lower the fair value.

6. 投資物業（續）

估值方法

零售店、鮮活街市、辦公大樓、工廈及泊車位的公平值使用收益資本化法推算。收益資本化法乃基於採用適當之資本化比率將收入淨額及潛在復歸收入予以資本化而得出，而資本化比率乃根據物業的實際位置、規模及質量並考慮估值日之市場數據計算。於估值中採納的當前市場租金已根據物業的實際位置、類型及質量釐定，並用任何現有租約條款、其他合約或外在證據如類似物業的目前市場租金作支持。

於年內，估值方法並無變動。

釐定公平值的主要輸入數值

資本化比率乃由管理層經諮詢估值師後按所估物業的風險情況來估計。比率越高，公平值則越低。於二零一八年十二月三十一日，採用收入資本化方法估值的零售店、鮮活街市、辦公大樓、工廈及泊車位使用2.5%至3.75%（二零一七年：2.75%至4%）的資本化比率。

租金乃根據近期零售店每平方呎55港元至每平方呎110港元（二零一七年：每平方呎110港元）、鮮活街市每平方呎41港元（二零一七年：無）、辦公大樓每平方呎39港元至每平方呎100港元（二零一七年：每平方呎36港元至每平方呎92.8港元）及工廈每平方呎13.3港元至每平方呎29.5港元（二零一七年：每平方呎12.5港元至每平方呎26.5港元）及每個泊車位3,229港元（二零一七年：零）的租金預測。租金越低，公平值也越低。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

7. Interests in subsidiaries

Details of the principal subsidiaries are set out in Note 32 to the financial statements.

7. 於附屬公司之權益

主要附屬公司之詳情載於財務報表附註32。

8. Investment in associates

8. 於聯營公司之投資

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
At 1 January	於一月一日	2,607	3,011
Investment in an associate	於一家聯營公司之投資	3,123,382	-
Share of profits/(losses) of associates	應佔聯營公司盈利／（虧損）	279,717	(404)
At 31 December	於十二月三十一日	3,405,706	2,607

On 28 November 2017, GWPA Property I Holding Limited (“GWPA Property”), a wholly-owned subsidiary of the Company, entered into the shareholders agreement (which was amended and restated on 15 February 2018, 12 April 2018 and 13 March 2019 respectively) with other investors regarding the formation of a joint venture, Everwell City Limited (“Everwell City”), of which GWPA Property agreed to subscribe for 29.9% of class A ordinary shares of Everwell City. Everwell City had participated into a bidding for and won the bid for the purchase of a portfolio of assets comprising 17 diversified commercial properties and shopping centres, retail shops and car parks across Hong Kong (the “Portfolio Assets”).

Under the said shareholders agreement, GWPA Property also agreed to provide an interest-free advance of not more than HK\$743,000,000 to Everwell City in consideration of the grant of a call option which entitled GWPA Property to purchase the relevant subsidiaries of the joint venture group which indirectly holds one of the Portfolio Assets, and the actual amount of such interest-free advance provided to Everwell City by GWPA Property was HK\$725,051,488.

The Group’s capital contribution to Everwell City was completed on 22 February 2018 and the actual contribution paid to Everwell City by GWPA Property was HK\$3,123,382,161, which was financed by loan from the intermediate holding company of the Company. The purchase of the Portfolio Assets by Everwell City was completed on 28 February 2018.

於二零一七年十一月二十八日，GWPA Property I Holding Limited（「GWPA Property」）（本公司之全資附屬公司）就成立合營公司Everwell City Limited（「Everwell City」）與其他投資者訂立股東協議（已分別於二零一八年二月十五日、二零一八年四月十二日及二零一九年三月十三日修訂及重訂），據此GWPA Property已同意認購Everwell City A類普通股之29.9%。Everwell City參與招標並已中標收購包括分佈於香港的17項多元化商業物業以及購物中心、零售店及停車場的組合資產（「組合資產」）。

根據上述股東協議，GWPA Property亦同意向Everwell City提供免息及不多於743,000,000港元之墊款，以作為授出認購選擇權之代價，據此，GWPA Property有權向合營集團收購間接持有組合資產其中一項資產之權益的相關附屬公司，且GWPA Property向Everwell City提供的該免息墊款實際金額為725,051,488港元。

本集團已於二零一八年二月二十二日完成向Everwell City資本出資，且GWPA Property支付予Everwell City的實際出資額為3,123,382,161港元，其由本公司之中間控股公司之貸款撥付。Everwell City已於二零一八年二月二十八日完成收購組合資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

8. Investment in associates (Continued)

During the year ended 31 December 2018, the Company exercised the call option in May 2018 and completed the acquisition of Patrol Hall 12 Limited and its subsidiary, the major asset of which is Kwai Fong Plaza. Please refer to Notes 2 and 25 for details of the acquisition of subsidiaries from Everwell City.

As at 31 December 2017, the balance represented the investment in an associate, Dymocks Franchise Systems (China) Limited (“Dymocks”). It operated as a bookshop.

Summarised financial information for the principal associate

Set out below is the summarised financial information for Everwell City as at 31 December 2018, which is accounted for using the equity method. In the opinion of the Directors, Everwell City is material to the Group.

Summarised balance sheet

		2018 二零一八年 HK\$'000 港幣千元
Non-current assets	非流動資產	24,316,855
Current assets	流動資產	277,003
Non-current liabilities	非流動負債	(23,432,142)
Current liabilities	流動負債	(224,885)

Summarised statement of comprehensive income

		2018 二零一八年 HK\$'000 港幣千元
Revenue	收益	737,358
Profit and total comprehensive income for the year	全年盈利及全面收入總額	783,590

8. 於聯營公司之投資（續）

截至二零一八年十二月三十一日止年度，本公司已於二零一八年五月行使認購選擇權並完成收購Patrol Hall 12 Limited及其附屬公司（其主要資產為葵芳廣場）。從Everwell City收購附屬公司之詳情請參閱附註2及25。

於二零一七年十二月三十一日，結餘為於一家聯營公司Dymocks Franchise Systems (China) Limited（「Dymocks」）之投資，其曾營運書店。

主要聯營公司之財務資料概要

下文載列Everwell City於二零一八年十二月三十一日之財務資料概要，其乃以權益法入賬。董事認為，Everwell City對本集團而言屬重大。

資產負債表概要

全面收益表概要

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

8. Investment in associates (Continued)

Summarised financial information for the principal associate (Continued)

Reconciliation of summarised financial information

8. 於聯營公司之投資（續）

主要聯營公司之財務資料概要（續）

財務資料概要對賬表

		2018 二零一八年 HK\$'000 港幣千元
Capital and reserves attributable to equity holders	歸屬於權益持有人之資本及儲備	782,891
Group's shareholdings (Note (a))	本集團之股權 (附註(a))	35.78%
Group's share of capital and reserves attributable to equity holders (Note (b))	本集團應佔歸屬於權益持有人之資本及儲備 (附註(b))	280,118

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Amounts due to associates	應付聯營公司款項	958	1,054

The balances represent the amounts due to Dymocks and its immediate holding Company. They are unsecured and interest-free.

結餘為應付Dymocks及其直接控股公司款項，其為無抵押及免息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

8. Investment in associates (Continued)

Summarised financial information for the principal associate (Continued)

Reconciliation of summarised financial information (Continued)

Notes:

(a) On 12 April 2018, one of the existing shareholders of Everwell City had syndicated a portion of its interests to a new investor. Due to regulatory reasons, the new investor had to directly acquire a stake in each underlying Hong Kong subsidiaries of Everwell City and as such, the Group's interests in such Hong Kong subsidiaries had been diluted. To facilitate the new investor's acquisition, the Group's shareholding percentage in Everwell City had been adjusted accordingly and the Group's interest in Everwell City had been increased to 35.78% so as to maintain the Group's effective economic interests in the relevant Hong Kong subsidiaries and underlying assets at approximately 29.9% following the acquisition. Notwithstanding such adjustment, the proportionate voting rights of the existing shareholders of Everwell City remain the same.

(b) The share of profits from Everwell City consisted of:

1. Share of profits of 29.9% from 22 February 2018 to 11 April 2018;
2. Share of profits of 35.78% from 12 April 2018 to 30 June 2018,

However, the effective share of profits of the Group from each underlying Hong Kong subsidiaries of Everwell City remains at approximately 29.9% notwithstanding such increase in shareholding.

8. 於聯營公司之投資（續）

主要聯營公司之財務資料概要（續）

財務資料概要對賬表（續）

附註：

(a) 於二零一八年四月十二日，Everwell City的其中一名現有股東已向一名新投資者出售其於Everwell City的部份權益。由於監管原因，新投資者須直接收購Everwell City每家相關香港附屬公司之部份權益，本集團於該等香港附屬公司的權益因此遭到攤薄。為促成新投資者進行收購，本集團於Everwell City的股權比例已相應調整，且本集團於Everwell City的權益已增加至35.78%，務求令本集團於收購後於相關香港附屬公司及相關資產的實際經濟權益維持在約29.9%。即使經該調整，Everwell City現有股東的投票權比例維持不變。

(b) 來自Everwell City的應佔盈利包括：

1. 自二零一八年二月二十二日至二零一八年四月十一日的應佔盈利為29.9%；
2. 自二零一八年四月十二日至二零一八年六月三十日的應佔盈利為35.78%，

然而即使股權增加，本集團來自Everwell City的各相關香港附屬公司之實際應佔盈利維持於約29.9%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

9. Financial asset at fair value through profit or loss

At market value	按市值	2018 二零一八年 HK\$'000 港幣千元
Investment in fund, unlisted in the People's Republic of China	中華人民共和國非上市基金之投資	1,141

With effect of HKFRS 9 on 1 January 2018, the investment was reclassified from available-for-sale financial assets to financial assets at FVTPL. Refer to Note 2(b)(i)

The above investment has been measured at fair value as at 31 December 2018, by the Level 3 in the fair value hierarchy into which the fair value treatment is categorised. For details, please refer to Note 31(e).

10. Loan receivable

As at 31 December 2018, loan receivable of HK\$115,903,000 represents the 15 million United States dollars ("US\$") second lien term loan with a maturity date on 22 January 2026. The loan receivable bears interest at London Interbank Offered Rate plus 8% per annum. The carrying value of the loan receivable approximates to its fair value. There was no loan receivable at 31 December 2017. In deriving the ECL, the Directors of the Company exercise their judgements and consider various factors such as exposure amount at default, the probability of default, and loss given default. ECL of the loan receivable as at 31 December 2018 amounted to HK\$797,000 which was recognised in the consolidated statement of comprehensive income for the year ended 31 December 2018.

9. 按公平值計入損益的金融資產

隨著香港財務報告準則第9號於二零一八年一月一日生效，該投資已由可供出售金融資產重新分類至按公平值計入損益的金融資產。請參閱附註2(b)(i)

上述投資已於二零一八年十二月三十一日按公平值架構之第3級公平值計量，而公平值據此分類。有關詳情，請參閱附註31(e)。

10. 應收貸款

於二零一八年十二月三十一日，應收貸款115,903,000港元指於二零二六年一月二十二日到期日的1,500萬美元（「美元」）的第二留置權貸款。應收貸款按倫敦銀行同業拆息加年利率8%計息。應收貸款之賬面值與其公平值相若。於二零一七年十二月三十一日概無應收貸款。就取得預期信貸虧損，本公司董事已行使彼等之判斷並考慮多項因素，如違責風險承擔金額、違責或然率及違責損失率。於二零一八年十二月三十一日，應收貸款之預期信貸虧損為797,000港元，於截至二零一八年十二月三十一日止年度之簡明綜合全面收益表內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

11. Accounts receivable

An ageing analysis of accounts receivable as at the end of the reporting period is as follows:

		2018		2017	
		Balance	Percentage	Balance	Percentage
		結餘	百分比	結餘	百分比
		HK\$'000	%	HK\$'000	%
		港幣千元		港幣千元	
Current	即期	2,226	72.6%	6,170	68.6%
Less than 30 days past due	逾期少於三十日	236	7.7%	553	6.2%
31 to 60 days past due	逾期三十一日至六十日	119	3.9%	553	6.2%
61 to 90 days past due	逾期六十一日至九十日	103	3.4%	855	9.5%
Over 90 days past due	逾期多於九十日	380	12.4%	855	9.5%
Total	總計	3,064	100.0%	8,986	100.0%

11. 應收款項

截至報告期末，應收款項之賬齡分析如下：

Below is an ageing analysis of accounts receivable that are past due as at the reporting date but not impaired:

以下為於報告日期已逾期但未出現減值之應收賬款之賬齡分析：

		2018		2017	
		Balance	Percentage	Balance	Percentage
		結餘	百分比	結餘	百分比
		HK\$'000	%	HK\$'000	%
		港幣千元		港幣千元	
Less than 30 days past due	逾期少於三十日	236		553	
31 to 60 days past due	逾期三十一日至六十日	119		553	
61 to 90 days past due	逾期六十一日至九十日	103		855	
Over 90 days past due	逾期多於九十日	380		855	
Total accounts receivable past due but not impaired	已逾期但未出現減值應收賬款總額	838		2,816	

Accounts receivable past due but not impaired represent balances that the Group considered to be fully recoverable based on past experience.

已逾期但未出現減值之應收款項指本集團根據以往經驗認為可悉數收回之結餘。

The movements in the allowance for impairment during the year are as follows:

本年度減值撥備的變動情況如下：

		2018		2017	
		Balance	Percentage	Balance	Percentage
		結餘	百分比	結餘	百分比
		HK\$'000	%	HK\$'000	%
		港幣千元		港幣千元	
At 1 January	於一月一日	-		-	
Impairment provision made	已作出減值撥備	300		-	
Accounts written off as uncollectible	無法收回而撇銷的賬目	(300)		-	
At 31 December	於十二月三十一日	-		-	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

12. Prepayments, deposits and other receivables

As at 31 December 2018, the balance represents mainly the rental deposits paid of HK\$5,106,000 and utility and management fee deposits of HK\$3,346,000.

As at 31 December 2017, the balance included mainly deposits of HK\$1,435,668,000 paid for investment in a joint venture as detailed in Note 8. On 28 November 2017, GWPA Property entered into the shareholders agreement (which was amended and restated on 15 February 2018, 12 April 2018 and 13 March 2019 respectively) with other investors regarding the formation of a joint venture, of which GWPA Property agreed to subscribe for 29.9% of class A ordinary shares of the joint venture. The deposits were subsequently accounted for as investment in an associate. For details, please refer to Notes 8 and 25.

13. Deferred income tax

Deferred income tax liabilities are calculated in full on temporary differences under the liability method.

12. 預付款項、按金及其他應收賬款

於二零一八年十二月三十一日，結餘主要為租金之已付按金5,106,000港元及水電與管理費按金3,346,000港元。

於二零一七年十二月三十一日，如於附註8之詳情，結餘主要包括就投資合營公司已付按金1,435,668,000港元。於二零一七年十一月二十八日，GWPA Property就成立合營公司與其他投資者訂立股東協議（已分別於二零一八年二月十五日、二零一八年四月十二日及二零一九年三月十三日修訂及重訂），據此GWPA Property已同意認購合營公司A類普通股之29.9%。按金於其後計入於一家聯營公司之投資。詳情請參閱附註8及25。

13. 遞延所得稅

遞延所得稅負債採用負債法就暫時差異作全數計算。

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Deferred income tax	遞延所得稅	1,913	1,814

The movement on the deferred income tax liabilities account is as follows:

遞延所得稅負債賬之變動如下：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
At 1 January	於一月一日	1,814	1,574
Charged to profit for the year	本年度自盈利扣除	99	240
At 31 December	於十二月三十一日	1,913	1,814

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

13. Deferred income tax (Continued)

The movements in deferred income tax liabilities and assets (prior to offsetting of balances within the same taxation jurisdiction) during the year are as follows:

Deferred income tax liabilities	遞延所得稅負債	Accelerated tax depreciation		Total	
		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
At 1 January	於一月一日	1,814	1,574	1,814	1,574
Charged to profit for the year	本年度自盈利扣除	99	240	99	240
At 31 December	於十二月三十一日	1,913	1,814	1,913	1,814

Deferred income tax assets are recognised for tax loss carry forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group has unrecognised tax losses of HK\$21,020,000 (2017: HK\$9,231,000) to carry forward against future taxable income and the expiry dates of these tax losses are shown as follows:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
After the fifth year	第五年後	21,020	9,231
		21,020	9,231

The Group has not recognized such tax losses as the realization of the related tax benefit is not probable.

13. 遞延所得稅（續）

遞延所得稅負債及資產（未抵銷於同一稅務司法權區之結餘）於年內之變動如下：

僅當與結轉之稅項虧損相關之稅項利益很可能會透過未來應課稅盈利來實現時，遞延所得稅資產方會被確認。本集團可結轉用作與未來應課稅收入抵銷之未確認稅項虧損為21,020,000港元（二零一七年：9,231,000港元）及該等稅項虧損之屆滿日期如下：

本集團並未確認相關稅項虧損，乃因不太可能實現相關應課稅盈利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

14. Loans from an intermediate holding company

During the year ended 31 December 2017, an intermediate holding company, China Great Wall AMC (International) Holdings Company Limited (“Great Wall International”), had agreed to provide loan facilities up to HK\$4,130,000,000 for financing the Group’s investment in an associate as described in Note 8. As at 31 December 2018, the Group has drawn down HK\$3,848,434,000 (2017: HK\$1,435,668,000). The loan from an intermediate holding company is denominated in HK\$, interest bearing at Hong Kong Interbank Offered Rate plus 1.9% per annum and is repayable by November 2022.

During the year ended 31 December 2018, Great Wall International has further agreed to provide loan facilities up to US\$8,557,300 (equivalent to approximately HK\$66,576,000). As at 31 December 2018, the Group has drawn down US\$8,557,300 which is equivalent to approximately HK\$66,576,000. The loan is denominated in US\$, interest bearing at 3.5% per annum and is repayable by February 2026.

The Directors of the Company consider the loans are on normal commercial terms. The carrying values of the loans approximate their fair values.

14. 來自中間控股公司之貸款

如附註8所述，於截至二零一七年十二月三十一日止年度內，中國長城資產（國際）控股有限公司（一家中間控股公司）（「長城國際」）同意提供不超過4,130,000,000港元的貸款融資，以為本集團投資於一家聯營公司提供資金。於二零一八年十二月三十一日，本集團已提取3,848,434,000港元（二零一七年：1,435,668,000港元）。來自中間控股公司之貸款以港元計值，年利率為香港銀行同業拆息利率加1.9%，並須於二零二二年十一月前全數償還。

於截至二零一八年十二月三十一日止年度內，長城國際進一步同意提供不超過8,557,300美元（相等於約66,576,000港元）的貸款融資。於二零一八年十二月三十一日，本集團已提取8,557,300美元（其相等於約66,576,000港元）。貸款以美元計值，年利率為3.5%，並須於二零二六年二月前全數償還。

本公司董事認為該等貸款乃按一般商業條款訂立。貸款之賬面值與其公平值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

15. Bank Borrowings

15. 銀行借貸

		2018 二零一八年 HK\$'000 港幣千元
Non-current	非即期	
Bank loan (Note (a))	銀行貸款 (附註(a))	893,529
Current	即期	
Bank loan (Note (b))	銀行貸款 (附註(b))	49,792
		943,321

Notes:

- (a) During the year ended 31 December 2018, the Group has acquired a subsidiary with an existing bank loan of HK\$891,308,000. The loan is denominated in HK\$. The effective interest rate of the loan is 3.26% and is repayable by 2021. As at 31 December 2018, the Group has undrawn bank facility of approximately HK\$35,000,000. As at 31 December 2018, the Group has pledged an investment property of fair value of HK\$1,680,000,000 and a restricted cash of HK\$9,199,000 to the lender, as a collateral of bank loan.
- (b) During the year ended 31 December 2018, the Group has drawn down an US\$ loan of US\$6,400,000 which is equivalent to HK\$49,792,000. The effective interest rate of the loan is 3.96% and is repayable within 1 year. As at 31 December 2018, the bank facility has been fully utilised.
- (c) In addition to the undrawn bank facility mentioned in (a), as at 31 December 2018, the Group had an undrawn bank facility of principal amount of HK\$300,000,000.

The carrying amounts of bank borrowings approximate their fair values, and are denominated in the following currencies:

附註：

- (a) 於截至二零一八年十二月三十一日止年度內，本集團已收購一間附屬公司（現存一項銀行貸款891,308,000港元）。貸款以港元計值。貸款之實際利率為3.26%並須於二零二一年前全數償還。於二零一八年十二月三十一日，本集團之未提取銀行融資約為35,000,000港元。於二零一八年十二月三十一日，本集團已向借款人抵押公平值為1,680,000,000港元之投資物業及9,199,000港元之受限制現金，作為銀行貸款之抵押品。
- (b) 於截至二零一八年十二月三十一日止年度內，本集團已提取一項美元貸款6,400,000美元（其相等於49,792,000港元）。貸款之實際利率為3.96%並須於一年內全數償還。於二零一八年十二月三十一日，該項銀行融資已全部動用。
- (c) 除上述(a)之未提取之銀行融資外，於二零一八年十二月三十一日，本集團有本金額300,000,000港元之尚未提取之銀行融資。

銀行借貸之賬面值與其公平值相若，並以以下貨幣計值：

		2018 二零一八年 HK\$'000 港幣千元
HK\$	港元	893,529
US\$	美元	49,792
		943,321

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

15. Bank Borrowings (Continued)

As at 31 December 2017, the Group had no bank borrowings balance.

15. 銀行借貸（續）

於二零一七年十二月三十一日，本集團概無銀行借貸結餘。

16. Other payables and accrued liabilities

16. 其他應付款項及應計負債

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Interest payable	應付利息	125,463	3,845
Other payables and accrued expenses	其他應付款項及應計費用	22,574	10,129
Rental received in advance	預收租金	18,739	810
Deposits received from tenants	已收租戶按金	9,950	11,962
Others	其他	1,200	1,248
		177,926	27,994
Represented by:	呈列為：		
Non-current portion	非流動部份	125,262	3,845
Current portion	流動部份	52,664	24,149
		177,926	27,994

17. Share capital

17. 股本

		2018 二零一八年		2017 二零一七年	
		Number of shares 股數	Amount 金額 HK\$'000 港幣千元	Number of shares 股數	Amount 金額 HK\$'000 港幣千元
Authorised:	法定：				
Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股	5,000,000,000	500,000	5,000,000,000	500,000
Issued and fully paid:	已發行及繳足：				
Opening and ending balance	期初及期末結餘	1,567,745,596	156,775	1,567,745,596	156,775

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

18. Reserves

(a) Group

Movements of the Group's reserves for the years ended 31 December 2018 and 2017 are presented in the consolidated statement of changes in equity on page 119.

The contributed surplus of the Group represents the excess of the nominal value of the shares of subsidiaries acquired over the nominal value of the Company's shares issued in exchange therefor during the Group reorganisation in 1990, less dividend distributions.

The Group's other reserves consist of the following components:

18. 儲備

(a) 本集團

本集團截至二零一八年及二零一七年十二月三十一日止年度之儲備變動情況載於第119頁之綜合權益變動表內。

本集團之繳入盈餘乃指一九九零年本集團重組時購入附屬公司之股份面值超出本公司所發行之交換股份的面值，減除股息分派之數額。

本集團其他儲備包括以下組成部份：

		Asset revaluation reserve 資產重估儲備 HK\$'000 港幣千元	Translation reserve 匯兌儲備 HK\$'000 港幣千元 (Restated) (經重列)	Total 總計 HK\$'000 港幣千元 (Restated) (經重列)
Balance as at 1 January 2017, as previously reported	於二零一七年一月一日結餘 (如前呈報)	334,065	389	334,454
Acquisition of the Acquired Group	收購已收購集團	-	(1,078)	(1,078)
Balance as at 1 January 2017, as restated	於二零一七年一月一日結餘 (經重列)	334,065	(689)	333,376
Other comprehensive income	其他全面收入			
Currency translation difference on consolidation	綜合賬目時產生之匯兌差額	-	1,563	1,563
Total comprehensive income	全面收入總額	-	1,563	1,563
Balance as at 31 December 2017	於二零一七年十二月三十一日結餘	334,065	874	334,939
Balance as at 1 January 2018	於二零一八年一月一日結餘	334,065	874	334,939
Other comprehensive loss	其他全面虧損			
Currency translation difference on consolidation	綜合賬目時產生之匯兌差額	-	(965)	(965)
Total comprehensive loss	其他全面虧損	-	965	965
Balance as at 31 December 2018	於二零一八年十二月三十一日結餘	334,065	(91)	333,974

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

18. Reserves (Continued)

(b) Company

		Share premium	Contributed surplus	Retained profits/ (accumulated losses)	Total
		股份溢價 HK\$'000 港幣千元	繳入盈餘 HK\$'000 港幣千元	保留盈利/ (累積虧損) HK\$'000 港幣千元	總計 HK\$'000 港幣千元
At 1 January 2017	於二零一七年一月一日	50,382	588,719	3,891	642,992
Loss for the year	本年度虧損	-	-	(31,555)	(31,555)
At 31 December 2017	於二零一七年十二月三十一日	50,382	588,719	(27,664)	611,437
At 1 January 2018	於二零一八年一月一日	50,382	588,719	(27,664)	611,437
Loss for the year	本年度虧損	-	-	(125,845)	(125,845)
At 31 December 2018	於二零一八年十二月三十一日	50,382	588,719	(153,509)	485,592

Loss for the year of the Company mainly comes from legal and professional fees of HK\$4,919,000 (2017: HK\$7,420,000), rental expense of HK\$9,525,000 (2017: HK\$7,942,000) and staff costs of HK\$13,810,000 (2017: HK\$4,414,000).

18. 儲備（續）

(b) 本公司

本公司年度虧損主要來自法律及專業費用4,919,000港元（二零一七年：7,420,000港元），租金開支9,525,000港元（二零一七年：7,942,000港元）及員工成本13,810,000港元（二零一七年：4,414,000港元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

18. Reserves (Continued)

(b) Company (Continued)

The contributed surplus of the Company arose as a result of the Group reorganisation in 1990 and represents the difference between the nominal value of the Company's shares so allotted and the consolidated net asset value of the acquired subsidiaries and associate less dividends distribution. Under Bermudan law, the contributed surplus is distributable to shareholders under certain circumstances.

In addition, the Company's share premium of HK\$50,382,000 (2017: HK\$50,382,000) can be distributed as fully paid-up bonus shares or applied towards eliminating the accumulated losses of the Company.

18. 儲備（續）

(b) 本公司（續）

本公司之繳入盈餘乃因一九九零年本集團重組所產生，指本公司配發之股份面值與所收購之附屬公司及聯營公司之合併淨資產之差額減除股息分派後之差額。根據百慕達法例，繳入盈餘可於若干情況下分派予股東。

此外，本公司之股份溢價50,382,000港元（二零一七年：50,382,000港元）可作悉數繳足紅股分派，或用於抵銷本公司之累積虧損。

19. Staff costs

19. 員工成本

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Staff costs (including directors' remuneration)	員工成本（包括董事酬金）		
Wages, salaries and bonuses	工資、薪金及花紅	41,140	36,641
Directors' fee	董事袍金	940	840
		42,080	37,481

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

19. Staff costs (Continued)

(a) Five highest paid individuals

Details of the remuneration of the five highest paid individuals during the year are set out below:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Salaries, allowances and benefits in kind	薪金、津貼及非現金利益	13,513	10,050
Retirement scheme contributions	退休計劃供款	90	68
Bonuses paid and payable	已付及應付花紅	200	-
		13,803	10,118

The remuneration of the five (2017: five) highest paid individuals fell within the following bands:

		2018 二零一八年	2017 二零一七年
HK\$1,000,001 – HK\$1,500,000	1,000,001港元 – 1,500,000港元	-	1
HK\$1,500,001 – HK\$2,000,000	1,500,001港元 – 2,000,000港元	1	2
HK\$2,000,001 – HK\$2,500,000	2,000,001港元 – 2,500,000港元	1	1
HK\$2,500,001 – HK\$3,000,000	2,500,001港元 – 3,000,000港元	-	1
HK\$3,000,001 – HK\$3,500,000	3,000,001港元 – 3,500,000港元	2	-
HK\$3,500,001 – HK\$4,000,000	3,500,001港元 – 4,000,000港元	1	-
		5	5

The success of the Company hinges on the performance and commitment of our employees. As the Company continues to grow, the Company's compensation philosophy is designed to provide employees with the opportunity to excel and grow, while aligning with our business strategies and values. The Group's remuneration policy aims to recognize outstanding performance, retain and attract key talents and ensure alignment with the interests of our businesses, and thereby enhancing shareholder value.

19. 員工成本（續）

(a) 五位最高薪酬人士

年內，五位最高薪酬人士之酬金詳情如下：

五位（二零一七年：五位）最高薪酬人士之酬金介乎下列範圍：

本公司之成功與員工之表現及承擔息息相關。因應本公司業務繼續擴展，本公司之薪酬待遇理念乃為僱員提供發揮所長及發展的機會，且與集團的業務策略及價值相輔相成。本集團之薪酬政策旨在肯定員工之優秀表現、挽留及吸納重要人才並確保與本公司業務利益一致，從而提升股東價值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註 (續)

19. Staff costs (Continued)

(b) Directors' and Chief Executive Officer's remuneration

The remuneration of every director and the chief executive is set out below:

For the year ended 31 December 2018:

19. 員工成本 (續)

(b) 董事及行政總裁酬金

各董事及行政總裁之酬金詳情如下：

截至二零一八年十二月三十一日止年度：

Name	姓名	Emoluments paid or receivable in respect of a person's services as a director, whether of the company or its subsidiary undertaking; 就擔任董事(無論為本公司或其附屬企業事務)獲支付或應收之酬金							Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the company or its subsidiary undertaking 就董事管理本公司或其附屬企業事務的其他服務獲支付或應收酬金	Total
		Fees	Salary	Discretionary bonuses	Housing allowance	Estimated money value of other benefits	Employer's contribution to a retirement benefit scheme	Remuneration paid or receivable in respect of accepting office as director		
		袍金 HK\$'000 港幣千元	薪金 HK\$'000 港幣千元	酌情花紅 HK\$'000 港幣千元	住房津貼 HK\$'000 港幣千元	其他福利的估計 貨幣價值 HK\$'000 港幣千元	僱主對退休福利計劃的供款 HK\$'000 港幣千元	就接受委任為董事獲支付或應收酬金 HK\$'000 港幣千元	總計 HK\$'000 港幣千元	
Non-Executive Directors	非執行董事									
Huang Hu	黃虎	-	-	-	-	-	-	-	-	
Lv Jia	呂佳	-	-	-	-	-	-	-	-	
Independent Non-executive Directors	獨立非執行董事									
Song Ming	宋敏	-	180	-	-	-	-	-	180	
Sun Mingchun	孫明春	-	180	-	-	-	-	-	180	
Woo Chin Wan (note (i)(1))	胡展雲 (附註(i)(1))	-	165	-	-	-	-	-	165	
Liu Yan (note (i)(2))	劉艷 (附註(i)(2))	-	15	-	-	-	-	-	15	
Executive Directors	執行董事									
Ou Peng	歐鵬	-	200	-	-	-	10	-	210	
Meng Xuefeng	孟雪峰	-	200	-	-	-	10	-	210	
		-	940	-	-	-	20	-	960	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

19. Staff costs (Continued)

(b) Directors' and Chief Executive Officer's remuneration (Continued)

The remuneration of every director and the chief executive is set out below: (Continued)

Note:

(i) On 26 November 2018, the following changes are effective:

- (1) Mr. Woo Chin Wan has resigned as an independent non-executive Director
- (2) Ms. Liu Yan has been appointed as an independent non-executive Director

19. 員工成本（續）

(b) 董事及行政總裁酬金（續）

各董事及行政總裁之酬金詳情如下：（續）

附註：

(i) 以下變更於二零一八年十一月二十六日生效：

- (1) 胡展雲先生辭任獨立非執行董事職務
- (2) 劉艷女士獲委任為獨立非執行董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

19. Staff costs (Continued)

(b) Directors' and Chief Executive Officer's remuneration (Continued)

The remuneration of every director and the chief executive is set out below: (Continued)

For the year ended 31 December 2017:

19. 員工成本（續）

(b) 董事及行政總裁酬金（續）

各董事及行政總裁之酬金詳情如下：（續）

截至二零一七年十二月三十一日止年度：

Emoluments paid or receivable in respect of a person's services as a director, whether of the company or its subsidiary undertaking:
就擔任董事（無論為本公司或其附屬企業事務）獲支付或應收之酬金

Name	姓名	Fees	Salary	Discretionary bonuses	Housing allowance	Estimated value of other benefits	Employer's contribution to a retirement benefit scheme	Remuneration paid or receivable in respect of accepting office as director	Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the company or its subsidiary undertaking	Total
									就董事管理本公司或其附屬企業事務的其他服務獲支付或應收酬金	
		袍金	薪金	酌情花紅	住房津貼	其他福利的估計	僱主對退休福利計劃的供款	就接受委任為董事獲支付或應收酬金	就董事管理本公司或其附屬企業事務的其他服務獲支付或應收酬金	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Non-Executive Directors		非執行董事								
Huang Hu	黃虎	-	-	-	-	-	-	-	-	-
Lv Jia	呂佳	-	-	-	-	-	-	-	-	-
Independent Non-executive Directors		獨立非執行董事								
Song Ming	宋敏	-	180	-	-	-	-	-	-	180
Sun Mingchun	孫明春	-	180	-	-	-	-	-	-	180
Woo Chin Wan	胡展雲	-	180	-	-	-	-	-	-	180
Executive Directors		執行董事								
Ou Peng	歐鵬	-	150	-	-	-	8	-	-	158
Meng Xuefeng	孟雪峰	-	150	-	-	-	8	-	-	158
		-	840	-	-	-	16	-	-	856

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

19. Staff costs (Continued)

(b) Directors' and Chief Executive Officer's remuneration (Continued)

There was no arrangement under which a Director and/or the Chief Executive Officer waived or agreed to waive any remuneration in respect of the year.

Directors' fees paid or payable to Independent Non-executive Directors during the year were HK\$540,000 (2017: HK\$540,000). There was no Directors' fees received or receivable by other Non-executive Directors during the year (2017: nil). Save from the aforesaid, there were no other emoluments paid or payable to Non-executive Directors in 2018 and 2017.

No options were granted to Directors and/or the Chief Executive Officer to acquire shares of the Company in 2018 and 2017.

The director's fee per annum of each of the Independent Non-executive Directors of HK\$180,000 (2017: HK\$180,000) is fixed by the Board of Directors pursuant to the authority granted by the shareholders at the Company's annual general meeting. Each Non-executive Director, including Independent Non-executive Director, serving on the Board Committees does not receive any additional fee (2017: nil).

The directors' remunerations are determined with reference to directors' remunerations paid by other companies in Hong Kong.

19. 員工成本（續）

(b) 董事及行政總裁酬金（續）

概無董事及／或行政總裁根據任何安排放棄或同意放棄彼等於年內之酬金。

年內已支付或應付予獨立非執行董事之董事袍金為540,000港元（二零一七年：540,000港元）。年內概無其他非執行董事已收或應收之董事袍金（二零一七年：無）。除上文所述者外，於二零一八年及二零一七年概無已付或應付非執行董事的其他酬金。

本公司於二零一八年及二零一七年並無授予董事及／或行政總裁任何購股權以收購本公司股份。

每位獨立非執行董事之年度董事袍金180,000港元（二零一七年：180,000港元）由董事會根據股東於本公司股東週年大會授予之權力所釐定。參與董事會轄下委員會之每位非執行董事（包括獨立非執行董事）不會收取任何額外袍金（二零一七年：無）。

董事酬金乃參照香港其他上市公司所付董事酬金而釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

20. Other operating expenses

Other operating expenses represent the following:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Staff costs (Note 19)	員工成本 (附註19)	42,080	37,480
Legal and professional fee	法律及專業費用	6,391	9,640
Agency fee	代理費	3,915	3,002
Asset management fee	資產管理費	3,601	-
Leasing fee	租賃費	3,032	-
Telecommunication expenses	電信開支	2,897	1,657
Others	其他	7,669	7,752
		69,585	59,531

Asset management fee and leasing fee represent the fee charged by an independent third party for managing one of the investment properties and for entering into new and renewed leases with tenants respectively.

The remuneration of the directors and the chief executives is included in the staff costs (Note 19).

Auditor's remuneration (included in the legal and professional fee) for the current year amounted to HK\$1,500,000 (2017: HK\$1,100,000).

20. 其他經營開支

經營盈利經扣除下列各項開支後列賬：

資產管理費及租賃費指獨立第三方就管理我們其中一項投資物業以及與租戶訂立新的及續訂租約收取的費用。

董事及行政總裁的薪酬計入員工成本（附註19）。

本年度核數師酬金（包括法律及專業費用）為1,500,000港元（二零一七年：1,100,000港元）。

21. Net finance cost

21. 財務成本淨額

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Finance cost/(income)	財務成本／(收入)		
- Interest expense on the loans from an intermediate holding company (Note 14)	- 來自中間控股公司之貸款之利息支出 (附註14)	121,416	3,846
- Interest expenses on bank loans (Note 15)	- 銀行貸款利息支出 (附註15)	19,906	-
- Loan arrangement fee	- 貸款安排費用	2,504	-
- Interest income from bank	- 銀行利息收入	(152)	(41)
		143,674	3,805

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

22. Income tax expense

Hong Kong profits tax has been provided for at the rate of 16.5% (2017: 16.5%) on the estimated assessable profit for the year. The PRC corporate income tax rate is 25% (2017: 25%). The subsidiaries operating in the PRC are loss making during the year ended 31 December 2018 and are not subject to PRC corporate income tax.

22. 所得稅開支

香港利得稅乃以年內估計應課稅盈利按 16.5% (二零一七年：16.5%) 稅率撥備。中國企業所得稅稅率為 25% (二零一七年：25%)。於中國經營的附屬公司於截至二零一八年十二月三十一日止年度錄得虧損，故無須繳納中國企業所得稅。

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Current income tax	即期所得稅		
– Hong Kong profits tax	– 香港利得稅	6,017	12,009
– Under provision in prior year	– 上年度撥備不足	–	76
Deferred income tax	遞延所得稅		
– Deferred tax expense	– 遞延稅項開支	99	240
		6,116	12,325

The taxation on the profit before income tax differs from the theoretical amount that would arise using the taxation rates applicable to the places of operation of the Company and its subsidiaries as follows:

除所得稅前盈利所產生之稅項與假若採用本公司及其附屬公司經營地點適用稅率計算所產生之理論性金額有所不同，詳情如下：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Profit before income tax	除所得稅前盈利	589,571	261,483
Calculated at a taxation rate of 16.5% (2017: 16.5%)	按稅率 16.5% (二零一七年：16.5%) 計算	97,279	43,145
Income not subject to taxation	毋須課稅收入	(114,239)	(36,511)
Tax losses not recognised	未確認之稅項虧損	1,939	25
Recognition of tax losses	確認稅項虧損	(7)	–
Expenses not deductible for taxation purposes	未能作出稅項扣減之開支	21,144	5,590
Under provision in prior year	上年度撥備不足	–	76
Income tax expense	所得稅開支	6,116	12,325

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註 (續)

23. Dividends and cash payment

The Board has resolved not to declare any interim dividend or to recommend any final dividend for the year ended 31 December 2018 (2017: nil).

24. Earnings per share

The calculation of basic earnings per share is based on the profit for the year attributable to shareholders of HK\$583,455,000 (2017: HK\$249,158,000) and the weighted average of 1,567,745,596 shares in issue (2017: 1,567,745,596 shares in issue) during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares arising from exercise of all outstanding share options granted under the Company's share option scheme. A calculation is done to determine the number of shares that could have been acquired at fair value (determined with reference to the latest available market share price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. As at 31 December 2018 and 2017, there were no outstanding options to be exercised. Accordingly, there was no potential dilutive ordinary shares during the year 2018 and 2017.

23. 股息及現金付款

董事會議決不宣派任何中期股息，亦不建議派發截至二零一八年十二月三十一日止年度之任何末期股息（二零一七年：無）。

24. 每股盈利

每股基本盈利乃根據年內股東應佔之盈利583,455,000港元（二零一七年：249,158,000港元）及年內1,567,745,596股加權平均已發行股份（二零一七年：已發行1,567,745,596股股份）計算。

每股攤薄盈利以假設因行使根據本公司之購股權計劃授出之所有尚未行使的購股權而產生之所有可攤薄的潛在普通股被兌換後，根據經調整之已發行普通股的加權平均股數計算。根據未行使購股權所附之認購權的貨幣價值，計算按公平值（根據本公司股份之最近期市價釐定）可購入之股份數目。根據上述所計算之股份數目，對假設購股權已被行使而需發行之股份數目作比較。於二零一八年及二零一七年十二月三十一日，概無尚未行使的購股權。因此，於二零一八年及二零一七年內並無潛在攤薄普通股。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

25. Business combination

As set out in Note 8, under the shareholders agreement, GWPA Property was granted a call option (the “Option”) to acquire one of the Portfolio Assets. On 11 May 2018, GWPA Property exercised the Option for the purchase of the sale shares (representing the entire issued shares of Patrol Hall 12 Limited (“Patrol Hall 12”)) and the sale loan (representing all of the shareholder’s loan owed by Patrol Hall 12). GWPA Property designated Great Wall Pan Asia Property Investment Limited, a wholly-owned subsidiary of the Company, to take up the sale shares and the sale loan on completion. Purchase price of HK\$725,051,488 was paid on 13 June 2018 (the “Completion Date”) by setting off against the outstanding amount of the advance of HK\$725,051,488 owed by Everwell City to GWPA Property. On 13 June 2018, the Group completed the acquisition of Patrol Hall 12 and its wholly-owned subsidiary, Ray Glory Limited, which directly owns Kwai Fong Plaza.

As a result of the above acquisition, the Group recognised a gain of HK\$1,513,351 upon exercising the Option in the consolidated statement of comprehensive income for the year ended 31 December 2018.

Acquisition of subsidiaries

25. 業務合併

如附註8所載列，根據股東協議，GWPA Property獲授認購選擇權（「選擇權」）以收購組合資產的其中一項。於二零一八年五月十一日，GWPA Property行使選擇權購買銷售股份（即Patrol Hall 12 Limited（「Patrol Hall 12」）之全部已發行股份）及銷售貸款（即Patrol Hall 12結欠之全部股東貸款）。GWPA Property已指定長城環亞置業投資有限公司（本公司之全資附屬公司）於完成時承購銷售股份及銷售貸款。購買價725,051,488港元於二零一八年六月十三日（「完成日期」）藉抵銷Everwell City結欠GWPA Property之尚未償還墊款725,051,488港元支付。於二零一八年六月十三日，本集團完成收購Patrol Hall 12及其直接持有葵芳廣場之全資附屬公司頂煌有限公司。

由於以上收購事項，於行使選擇權後，本集團於截至二零一八年十二月三十一日止年度的綜合全面收益表中確認收益1,513,351港元。

收購附屬公司

		2018 二零一八年 HK\$'000 港幣千元
Cash consideration	現金代價	725,051
Realised gain of the Option	選擇權之變現收益	1,513
Total investment cost	投資成本總額	726,564
Less: Net assets of Patrol Hall 12 as at Completion Date	減：Patrol Hall 12於完成日期之資產淨值	1,513
Amount due to the immediate holding company by Patrol Hall 12 as at Completion Date	於完成日期Patrol Hall 12應付直接控股公司款項	725,051
		—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

25. Business combination (Continued)

25. 業務合併（續）

(a) Details of fair value of net assets acquired as at the Completion Date are as follows:

(a) 於完成日期收購之資產淨值之公平值詳情如下：

		2018 二零一八年 HK\$'000 港幣千元
Investment property	投資物業	1,608,921
Property, plant and equipment	物業、機器及設備	28
Restricted cash	受限制現金	7,115
Cash and bank balances	現金及銀行結餘	3,617
Accounts receivable	應收款項	1,057
Accrued expenses	應計費用	(2,964)
Advance payment received from tenants	向租戶收取之預先付款	(1,237)
Amount due to the immediate holding company by Patrol Hall 12	Patrol Hall 12應付直接控股公司款項	(725,051)
Borrowing	借款	(891,308)
Other assets	其他資產	1,335
Net identifiable assets acquired	所收購之可識別資產淨值	1,513

Notes:

附註：

- (1) The acquired business contributed revenue of HK\$35,000,000 and net profit of HK\$68,482,000 to the Group for the period from the Completion Date to 31 December 2018.
- (2) Acquisition-related costs of HK\$840,000 were included in the other operating expenses in the consolidated statement of comprehensive income for the year ended 31 December 2018.

- (1) 自完成日期至二零一八年十二月三十一日期間，已收購業務為本集團貢獻收益35,000,000港元及淨盈利68,482,000港元。
- (2) 收購相關成本840,000港元於截至二零一八年十二月三十一日止年度的綜合全面收益表以其他經營開支入賬。

(b) Analysis of the net cash outflow in respect of the acquisition:

(b) 有關收購事項之淨現金流出分析：

		2018 二零一八年 HK\$'000 港幣千元
Purchase consideration	收購代價	725,051
Cash and bank balances	現金及銀行結餘	(3,617)
		721,434
Restricted cash	受限制現金	(7,115)
Net cash outflows arising from acquisition	收購事項產生之淨現金流出	714,319

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

26. Notes to the Consolidated Statement of Cash Flows

26. 綜合現金流量表附註

(a) Reconciliation of operating profit to cash generated from operations:

(a) 經營盈利與經營產生之現金對賬表：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Operating profit	經營盈利	453,528	265,692
Fair value gain on investment properties	投資物業公平值收益	(400,561)	(221,000)
Depreciation and impairment	折舊及減值	2,199	1,656
Exchange (gain)/loss	匯兌(收益)/虧損	(783)	998
Impairment for loan receivable	應收貸款減值	797	-
Gain on exercising option	行使購股權的收益	(1,513)	-
Decrease/(increase) in accounts receivable	應收款項減少/(增加)	6,979	(5,279)
Decrease in prepayments, deposits and other receivables	預付費用、按金及其他 應收款項減少	1,433,572	6,212
Decrease in amounts due to associates	應付聯營公司款項減少	(96)	(1,174)
Decrease in amount due to a follow subsidiary	應付同系附屬公司款項減少	-	(2)
Increase/(decrease) in amount due to an intermediate holding company	應付中間控股公司 款項增加/(減少)	91	(3,059)
Increase in other payables and accrued liabilities	其他應付款項及 應計負債增加	24,314	792
Cash generated from operations	營運產生之現金	1,518,527	44,836

(b) Cash and cash equivalents

(b) 現金及現金等值

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Cash at bank and in hand	銀行及手頭現金	149,517	112,560
Short-term bank deposits with original maturity of less than three months	存款期為三個月以下的短期 銀行存款	20,076	6,001
		169,593	118,561

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

26. Notes to the Consolidated Statement of Cash Flows (Continued)

(c) Net debt reconciliation

This section sets out the movements in net debt for each of the periods presented.

26. 綜合現金流量表附註（續）

(c) 淨負債對賬

本節載列各所示期間的淨負債變動。

		Total liabilities from financing activity Borrowing due after 1 year 來自融資活動之總負債 於一年後到期的借貸 HK\$'000 港幣千元
As at 1 January 2017	於二零一七年一月一日	-
Cash flow	現金流	(1,435,668)
Other non-cash movement	其他非現金變動	(3,845)
As at 31 December 2017	於二零一七年十二月三十一日	(1,439,513)
As at 1 January 2018	於二零一八年一月一日	(1,439,513)
Cash flow	現金流	(2,479,342)
Other non-cash movement	其他非現金變動	(121,416)
As at 31 December 2018	於二零一八年十二月三十一日	(4,040,271)

27. Capital risk management

The Group's primary objective when managing capital is to safeguard the Group's ability to continue its businesses as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Group structures its capital with due consideration to risk. The Group manages and adjusts its capital structure in the light of the changes in economic conditions and risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, repurchase shares of the Company from shareholders, issue new shares, or increase or reduce borrowings.

27. 資本風險管理

本集團管理資本之首要目標乃確保本集團有能力持續經營其業務，從而使其能夠繼續為股東提供回報及為其他利益相關人士提供利益。

本集團經審慎考慮風險後方確定其資本結構。本集團視乎經濟狀況之變化及相關資產之風險特徵管理及調整其資本架構。為維持或調整其資本架構，本集團會調整派付予股東之股息金額、向股東購回本公司股份、發行新股或增加或減少貸款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

27. Capital risk management (Continued)

For the purpose of calculating the net debt-to-capital ratio, the Group defines net debt as total debt (which includes the loans from an intermediate holding company and bank borrowings) less cash and bank balances, and capital as all components of equity. The Group monitors capital on the basis of the net debt-to-capital ratio.

The net debt-to-capital ratio at 31 December 2018 was as follows:

27. 資本風險管理（續）

就計算淨負債資本比率而言，本集團將淨負債定義為債務總額（包括來自中間控股公司之貸款及銀行借貸）減現金及銀行結餘，而資本之定義為權益之所有組成部份。本集團根據淨負債資本比率監控資本。

於二零一八年十二月三十一日之淨負債資本比率如下：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Total borrowings	貸款總額	4,858,330	1,435,700
Less: cash and cash equivalents	減：現金及現金等值	(169,593)	(118,561)
Net debt	淨負債	4,688,737	1,317,139
Total equity	總權益	2,472,594	1,890,104
Total capital	總計資本	7,161,331	3,207,243
Net debt-to-capital ratio	淨負債資本比率	65.5%	41.1%

The increase in the net debt-to-capital ratio is mainly due to the loans from an intermediate holding company and bank borrowings as at 31 December 2018.

於二零一八年十二月三十一日，淨負債資本比率增加乃主要由於來自中間控股公司之貸款及銀行借貸所致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

30. Balance sheet of the Company

30. 本公司資產負債表

		Notes 附註	31 December 2018 二零一八年 十二月三十一日 HK\$'000 港幣千元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 港幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備		2,724	3,290
Interests in subsidiaries	附屬公司之權益		4,783,580	945,226
Interests in associates	聯營公司之權益		2,607	2,607
Loan receivable	應收貸款		115,903	-
			4,904,814	951,123
Current assets	流動資產			
Accounts receivable	應收款項		1,040	-
Prepayments, deposits and other receivables	預付費用、按金及 其他應收款項		6,093	1,441,411
Cash and cash equivalents	現金及現金等值		42,969	13,670
			50,102	1,455,081
Total assets	資產總值		4,954,916	2,406,204
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Loans from an intermediate holding company	來自中間控股公司之 貸款		3,915,009	1,435,668
Other payables and accrued liabilities	其他應付款項及應計負債		125,262	3,845
			4,040,271	1,439,513
Current liabilities	流動負債			
Amounts due to subsidiaries	應付附屬公司款項		214,672	193,061
Amounts due to associates	應付聯營公司款項		1,125	1,125
Other payable and accrued expenses	其他應付款項及應計費用		6,689	4,293
Bank borrowing	銀行借貸		49,792	-
			272,278	198,479
Total liabilities	負債總額		4,312,549	1,637,992
EQUITY	權益			
Capital and reserves	資本及儲備			
Share capital	股本		156,775	156,775
Reserves	儲備	18(b)	485,592	611,437
Total equity	權益總額		642,367	768,212
Total equity and liabilities	總權益及負債		4,954,916	2,406,204

The balance sheet of the Company was approved by the Board of Directors on 15 March 2019 and was signed on its behalf.

本公司資產負債表由董事會於二零一九年三月十五日批准並由以下人士代表董事會簽署。

Mr. Chen Zenan
陳澤南先生
Chairman
主席

Mr. Meng Xuefeng
孟雪峰先生
Director
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

31. Financial risk management

The Group's activities expose it to a variety of financial risks, particularly liquidity and credit risks. Where appropriate, the Group's risk management policies seek to minimise potential adverse effects of these risks on the financial performance of the Group. The policies for managing these risks are summarised below.

(a) Cash flow interest rate risk

The Group's cash flow interest rate risk arises from cash balances placed with authorised financial institutions, loans from an intermediate holding company and bank borrowings, which generate interest income and incur interest expense for the Group. The Group manages its interest rate risk for cash balances by placing such balances on various maturities and interest rate terms.

At 31 December 2018, the Group had loans from an intermediate holding company of HK\$3,915,009,000 (2017: HK\$1,435,668,000) and bank borrowings of HK\$943,321,000 (2017: nil). It is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would decrease/increase the Group's profit for the year and total equity by approximately HK\$40,781,000 (2017: HK\$1,101,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the interest-bearing financial instruments in existence at that date.

31. 金融風險管理

本集團之業務面對多種金融風險，特別是流動資金及信貸等風險。本集團之風險管理政策旨在於適當情況下，尋求把該等風險對本集團財務表現之潛在負面影響降至最低。該等風險管理政策概述如下。

(a) 現金流利率風險

本集團之現金流利率風險來自存放於認可金融機構之現金結餘、中間控股公司之貸款及銀行借貸，其為本集團產生利息收入及引致利息支出。本集團透過將該等結餘以不同年期及利率條款作存放管理其現金結餘之利率風險。

於二零一八年十二月三十一日，本集團有來自中間控股公司之貸款3,915,009,000港元（二零一七年：1,435,668,000港元）及銀行借貸943,321,000港元（二零一七年：無）。據估計，在所有其他變數維持不變之情況下，利率整體上升／下降100個基點將令本集團全年盈利及總權益減少／增加約40,781,000港元（二零一七年：1,101,000港元）。

上述敏感度分析乃假設利率變動已於結算日發生，並已應用於該日存在之計息金融工具。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

31. Financial risk management (Continued)

(b) Liquidity risk

Liquidity risk refers to the risk that the Group will encounter difficulty in meeting its obligations associated with financial liabilities. The Group's objective in managing this risk is to maintain a balance between the continuity and the flexibility of funding through the use of bank loans and overdraft, if necessary, and the loan from group companies.

The following table details the remaining contractual maturities of the Group's financial liabilities at the balance sheet date, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates as at the balance sheet date) and the earliest date on which the Group can be required to pay. The balance includes the accrued interest for the loans from an intermediate holding company and bank borrowings. For details, please refer to Note 14 and 15.

31. 金融風險管理（續）

(b) 流動資金風險

流動資金風險指本集團於履行與金融負債相關之義務時遭遇困難之風險。本集團管理該風險之目標乃透過使用銀行貸款及透支，維持資金連續性與靈活性之平衡（倘需要）及來自集團公司之貸款。

下表列示於結算日本集團金融負債之餘下合約期限詳情，乃基於按合約未折現之現金流量（包括採用合約利率計算之利息付款，或若為浮動利率，則基於結算日之利率）及本集團須支付款項之最早日期。餘額包括來自中間控股公司之貸款及銀行借貸之應計利息。詳情請參閱附註14及15。

		Other payables and accrued liabilities		Loans from an intermediate holding company		Bank borrowings	
		其他應付款項及應計負債		來自中間控股公司之貸款		銀行借貸	
		2018	2017	2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Within 1 year or on demand	一年內或按要求	23,773	11,377	-	-	51,795	-
More than 1 but less than 2 years	超過一年但少於兩年	-	-	-	-	-	-
More than 2 but less than 5 years	超過兩年但少於五年	-	-	4,481,962	1,676,901	957,728	-
More than 5 years	超過五年	-	-	85,230	-	-	-
Carrying amount	賬面值	23,773	11,377	4,567,192	1,676,901	1,009,523	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

31. Financial risk management (Continued)

(c) Currency risk

Currency risk arises on account of monetary assets and liabilities denominated in a currency that is not the functional currency. There is no non-monetary exposure on the Group.

The financial assets and financial liabilities of the Group are denominated predominantly in Hong Kong Dollars. The Group's only significant exposure to foreign exchange risk arises from its cash at bank and financial asset at fair value through profit or loss in RMB and cash at bank, loan receivable and bank borrowing in US\$.

As at 31 December 2018, the Group had cash at bank in RMB of HK\$19,642,000 (2017: HK\$4,877,000), financial asset at fair value through profit or loss in RMB of HK\$1,141,000 (2017: HK\$1,196,000), cash at bank in US\$ of HK\$9,435,000 (2017: HK\$16,826,000), loan receivable in US\$ of HK\$116,700,000 (2017: nil) and bank borrowing in US\$ of HK\$49,792,000 (2017: nil).

If the RMB had strengthened/weakened by 10% against Hong Kong Dollars with all other variables held constant, it would increase/decrease the pre-tax profit for the year by HK\$2,078,000 (2017: HK\$607,300). As US\$ is pegged to HK\$, the Group does not expect any significant movement in the US\$/HK\$ exchange rate.

The sensitivity analysis above has been determined assuming that the change in exchange rate had occurred at the balance sheet date.

31. 金融風險管理（續）

(c) 貨幣風險

貨幣風險來自以功能貨幣以外貨幣計值之貨幣資產及負債的賬目。本集團並無非貨幣風險。

本集團之金融資產及金融負債均主要以港元計值。本集團在外匯承受之唯一重大風險來自其以人民幣計值之銀行現金及按公平值計入損益之金融資產、銀行現金以及以美元計值之應收貸款及銀行借貸。

於二零一八年十二月三十一日，本集團有以人民幣計值之銀行現金19,642,000港元（二零一七年：4,877,000港元）、以人民幣計值之按公平值計入損益之金融資產1,141,000港元（二零一七年：1,196,000港元）、以美元計值之銀行現金9,435,000港元（二零一七年：16,826,000港元）、以美元計值之應收貸款116,700,000港元（二零一七年：無）及銀行借貸49,792,000港元（二零一七年：無）。

在所有其他變數維持不變之情況下，倘人民幣兌港元升值／貶值10%，年內除稅前盈利將增加／減少2,078,000港元（二零一七年：607,300港元）。由於美元與港元掛鈎，本集團預計美元兌港元匯率不會出現任何重大變動。

上述敏感度分析乃假設匯率變動已於結算日發生。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

31. Financial risk management (Continued)

(d) Credit risk

The Group's credit risk arises mainly from its deposits with banks, accounts receivable and loan receivable.

Bank deposits are mainly placed with high-credit-quality financial institutions. The credit quality of bank deposits can be assessed by reference to external credit ratings (if available) as follows:

	2018 二零一八年 %	2017 二零一七年 %
AA-	34.2	33.4
A+	46.5	41.3
A	2.5	10.0
BBB	16.8	15.3
	100.0	100.0

The Group manages its credit risk associated with accounts receivable and loan receivable through the application of credit approvals, credit ratings and monitoring procedures.

The loan receivable of HK\$115,903,000 represents US\$15 million second lien term loan which was acquired by the Group during the year. As at 31 December 2018, the external credit rating of the issuer of the loan receivables was no less than "B". The Group considered the credit rating and the credit risk exposure of the Group as low.

Credit sales are only made to customers with appropriate credit history or high credit standing while sales to new customers or customers of low credit standing are usually made on an advance payment or cash on delivery basis.

As at 31 December 2018, the total accounts receivable are from 24 customers (2017: 10 customers) only.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from accounts receivable are set out in Note 11 to the financial statements.

31. 金融風險管理（續）

(d) 信貸風險

本集團之信貸風險主要來自其銀行存款、應收款項及應收貸款。

銀行存款主要存放於信用良好的高質素金融機構。銀行存款的信貸質素可參照以下外部信貸評級（如有）評估：

本集團通過採用信貸審批、信用評級及監控程序，管理其應收款項及應收貸款相關的信用風險。

應收貸款115,903,000港元指本集團於年內收購的15百萬美元第二留置權貸款。於二零一八年十二月三十一日，應收貸款發行人的外部信用評級不低於「B」級。本集團認為本集團的信用評級及信用風險較低。

本集團僅允許具有良好信貸記錄或較高信貸評級之客戶進行賒購，而對於新客戶或信貸評級較低之客戶，通常採用預先付款或貨到付款方式進行交易。

於二零一八年十二月三十一日，所有應收款項僅來自二十四名客戶（二零一七年：十名客戶）。

有關本集團所面臨之應收款項之信貸風險進一步量化披露，載於財務報表附註11。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

31. Financial risk management (Continued)

(e) Fair value estimation

The Group's investment properties and financial asset are measured at fair value. The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

See Note 6 and Note 9 for disclosures of the investment properties and financial asset at fair value through profit or loss that are measured at fair value respectively.

31. 金融風險管理（續）

(e) 公平值估計

本集團之投資物業及金融資產以公平值計量。本集團以可反映計量所用之輸入數值之重要性之公平值架構分類公平值計量。公平值架構的分級如下：

- 相同資產或負債之活躍市場報價（未經調整）（第1級）。
- 除包含於第1級之報價外，資產或負債之直接（即價格）或間接（即源自價格者）可觀察輸入數值（第2級）。
- 並非根據可觀察市場數據釐定之資產或負債之輸入數值（即不可觀察輸入數值）（第3級）。

有關按公平值計入損益之投資物業及可供出售之金融資產之披露資料，請分別參閱附註6及附註9。

		Level 1 第1級 HK\$'000 港幣千元	Level 2 第2級 HK\$'000 港幣千元	Level 3 第3級 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Financial asset at fair value through profit or loss	按公平值計入損益的金融資產				
Investment in an investment fund	於投資基金之投資	-	-	1,141	1,141
Investment properties	投資物業	-	-	3,791,800	3,791,800

There was no transfer between levels during the years ended 31 December 2018 and 2017.

於截至二零一八年及二零一七年十二月三十一日止年度內概無分級轉換。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

31. Financial risk management (Continued)

(e) Fair value estimation (Continued)

The financial asset at fair value through profit or loss under Level 3 fair value measurement represents the investment in limited partnership which is owned by Shen Zhen Great Wall Pan Asia International Equity Investment Fund Management Company* (深圳長城環亞國際股權投資基金管理有限公司), a wholly-owned subsidiary of the Company and is not traded in the active market.

The directors have determined that the purchase cost represents fair value at the end of the reporting period for the investment in limited partnership as the investment was purchased close to year end.

(f) Valuation of financial instruments with unobservable inputs

The following table shows a reconciliation from the beginning balance to the ending balance for fair value measurement in Level 3 of the fair value hierarchy:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Opening balance	年初結餘	1,782,696	1,560,500
Acquisition	收購	1,608,921	1,196
Additions during the year	年內添置	818	-
Unrealised gain recognised during the year	年內確認的未變現收益	400,561	221,000
Exchange difference	匯兌差額	(55)	-
Closing balance	年末結餘	3,792,941	1,782,696
Net changes in unrealised gains for Level 3 investment as at 31 December 2018	於二零一八年十二月三十一日 第3級投資未變現收益的 變動淨值	400,506	221,000

* For identification purpose only

31. 金融風險管理（續）

(e) 公平值估計（續）

第3級公平值計量項下的按公平值計入損益的金融資產為於本公司全資附屬公司深圳長城環亞國際股權投資基金管理有限公司擁有之有限合夥之投資，且並非於活躍市場交易。

董事認為，由於該投資於接近年末購入，故購買成本為於有限合夥之投資於報告期末的公平值。

(f) 包含不可觀察輸入數值的金融工具的估值

下表列載公平值架構下以第3級公平值計量年初結餘至年末結餘的對賬：

* 僅供識別

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

31. Financial risk management (Continued)

31. 金融風險管理（續）

(f) Valuation of financial instruments with unobservable inputs (Continued)

(f) 包含不可觀察輸入數值的金融工具的估值（續）

Investment	Fair value	Valuation Technique	Unobservable inputs	Rate/Range
投資	公平值 HK\$'000 港幣千元	估值方法	不可觀察 輸入數值	比例／範圍
Financial asset at fair value through profit or loss – Investment in fund 按公平值計入損益的金融資產 – 基金投資	1,141	Recent transaction price 近期交易價	N/A 不適用	N/A 不適用
Investment properties (Refer to Note 6 for details) 投資物業（請參閱附註6）	3,791,800	Income capitalisation approach 資本化方法	Capitalisation rate: 2.5%-3.75% 資本化率：2.5%至3.75%	The higher the capitalisation rate, the lower the fair value 資本化率越高，公平值則越低。
			Rental rates: Retail shops: HK\$55 psf-HK\$110 psf Fresh market: HK\$41 psf Office buildings: HK\$39 psf-HK\$100 psf Industrial buildings: HK\$13.3 psf-HK\$29.5 psf Car parking space: HK\$3,229 per space	The lower the rents, the lower the fair value 租金越低，公平值則越低。
			租金： 零售店：每平方呎55港元至每平方呎110港元 鮮活街市：每平方呎41港元 辦公大樓：每平方呎39港元至每平方呎100港元 工廈：每平方呎13.3港元至每平方呎29.5港元 泊車位：每個泊車位3,229港元	

The financial asset at fair value through profit or loss under Level 3 fair value measurement represents the investment in limited partnership and is not traded in the active market. The directors have determined that the recent transaction price represents fair value at the end of the reporting period for the investment in limited partnership as the investment was purchased close to year end and therefore, the purchase cost approximates the fair value as at 31 December 2018.

第3級公平值計量項下的按公平值計入損益之金融資產為於有限合夥之投資，且並非於活躍市場交易。董事認為，由於該投資於接近年底購入，故近期交易價為於有限合夥之投資於報告期末的公平值，因此於二零一八年十二月三十一日，購買成本與公平值相若。

For details, please refer to Note 2(b)(i).

有關詳情，請參閱附註2(b)(i)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

32. Subsidiaries and associates

Particulars of the Company's principal subsidiaries and the Group's principal associate at 31 December 2018 are as follows:

Subsidiaries

Company 公司名稱	Place of incorporation/ registration and operations (Kind of legal entity) 註冊成立／註冊及 營業地區 (法定企業類別)	Nominal value of issued/registered share capital 已發行／註冊股本面值	Proportion held 持有比率		Nature of business 業務性質
			Direct 直接	Indirect 間接	
Great Wall Pan Asia Asset Management Limited 長城環亞資產管理有限公司	Hong Kong 香港	Ordinary HK\$25,560,000 普通股25,560,000港元	–	100%	Asset management services 資產管理服務
Great Wall Pan Asia Corporate Finance Limited 長城環亞融資有限公司	Hong Kong 香港	Ordinary HK\$5,000,000 普通股5,000,000港元	–	100%	Corporate finance services 企業融資服務
Great Wall Pan Asia Securities Limited 長城環亞證券有限公司	Hong Kong 香港	Ordinary HK\$10,000,000 普通股10,000,000港元	–	100%	Securities services 證券服務
Lytton Investment Limited	The Commonwealth of The Bahamas 巴哈馬共和國	Ordinary US\$2 普通股2美元	–	100%	Property holding 物業持有
Macheer Properties Limited	The British Virgin Islands 英屬維爾京群島	Ordinary US\$1 普通股1美元	–	100%	Property holding 物業持有
Nanchao Investments Limited	Hong Kong 香港	Ordinary HK\$2 普通股2港元	100%	–	Dormant 暫無營業
Nanchao Yau Tong Limited	The British Virgin Islands 英屬維爾京群島	Ordinary US\$1 普通股1美元	–	100%	Property holding 物業持有
Sunny Bright Development Limited 新利輝發展有限公司	Hong Kong 香港	Ordinary HK\$2 普通股2港元	–	100%	Property holding 物業持有
Sunny Success Development Limited 新利成發展有限公司	Hong Kong 香港	Ordinary HK\$2 普通股2港元	–	100%	Property holding 物業持有
Patrol Hall 12 Limited	The British Virgin Islands 英屬維爾京群島	Ordinary HK\$8 普通股8港元	–	100%	Property holding 物業持有
Ray Glory Limited 頂煌有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	–	100%	Property holding 物業持有

32. 附屬公司及聯營公司

於二零一八年十二月三十一日，本公司的主要附屬公司及本集團的主要聯營公司詳情如下：

附屬公司

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

32. Subsidiaries and associates (Continued)

Associates

Company 公司名稱	Place of incorporation and operations 註冊成立及營業地區	Nominal value of issued share capital 已發行股本面值	Percentage of equity attributable to the Group 本集團應佔股本百分比	Nature of business 業務性質
Dymocks Franchise Systems (China) Limited [#]	Hong Kong 香港	Ordinary HK\$7,700,000 普通股7,700,000港元	45%	Bookshop operation 營運書店
Everwell City Limited	The British Virgin Islands 英屬維爾京群島	Ordinary HK\$10,001 普通股10,001港元	35.78%	Property holding 物業持有

The financial statements of this company were not audited by PricewaterhouseCoopers Hong Kong or other PricewaterhouseCoopers International member firms.

The above table lists the subsidiaries of the Company and associates of the Group which, in the opinion of the Directors, principally affected the results of the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries and associates would, in the opinion of the Directors, result in particulars of excessive length.

33. Related party transactions

As at the balance sheet date, the Directors regard Great Wall Pan Asia (BVI) Holding Limited as the immediate holding company of the Company and China Great Wall Asset Management Co., Ltd. ("China Great Wall") as the ultimate holding company of the Company.

The significant transactions with China Great Wall and its group of subsidiaries during the year were as follows:

32. 附屬公司及聯營公司（續）

聯營公司

Company 公司名稱	Place of incorporation and operations 註冊成立及營業地區	Nominal value of issued share capital 已發行股本面值	Percentage of equity attributable to the Group 本集團應佔股本百分比	Nature of business 業務性質
Dymocks Franchise Systems (China) Limited [#]	Hong Kong 香港	Ordinary HK\$7,700,000 普通股7,700,000港元	45%	Bookshop operation 營運書店
Everwell City Limited	The British Virgin Islands 英屬維爾京群島	Ordinary HK\$10,001 普通股10,001港元	35.78%	Property holding 物業持有

該公司之財務報表並非由香港羅兵咸永道會計師事務所或其他羅兵咸永道會計師事務所國際成員公司審核。

董事認為，上表所列之本公司附屬公司及本集團之聯營公司對本集團年內業績有重大影響，或佔本集團淨資產重大比例。董事認為，載列其他附屬公司及聯營公司之詳細資料會使所需篇幅過分冗長。

33. 關聯方交易

於結算日，董事視Great Wall Pan Asia (BVI) Holding Limited為本公司之直接控股公司，而中國長城資產管理股份有限公司（「中國長城」）為本公司之最終控股公司。

於年內與中國長城及其附屬公司進行之重大交易如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註（續）

33. Related party transactions (Continued)

(a) Transactions with China Great Wall Group

Significant transactions with China Great Wall and its group of subsidiaries are as follow:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Rendering of services	提供服務		
– Asset management service	– 資產管理服務	31,579	35,888
– Consultancy service	– 顧問服務	–	1,000

(b) Key management personnel compensation

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	1,540	1,290
Post-employment benefits	退休後福利	20	16
		1,560	1,306

34. Subsequent events

On 8 March 2019, both of Sunny Bright Development Limited and Sunny Success Development Limited, being wholly-owned subsidiaries of the Company, which hold certain office units and car parking spaces of the Bank of America Tower, received letters of offer from China Great Wall AMC (International) Holdings Company Limited, an intermediate holding company, which offered to rent portion of the above premises from 1 May 2019 to 31 December 2021. These proposed tenancies constitute continuing connected transactions under Chapter 14A of the Listing Rules and are subject to independent shareholders' approval. For details, please refer to the Company's announcement dated 8 March 2019 and the circular dated 4 April 2019.

35. Approval of the financial statements

The consolidated financial statements were approved by the Board of Directors on 15 March 2019.

33. 關聯方交易（續）

(a) 與中國長城集團之交易

與中國長城及其附屬公司之重大交易如下：

	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Rendering of services		
– Asset management service	31,579	35,888
– Consultancy service	–	1,000

(b) 主要管理人員之酬金

	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Salaries and other short-term employee benefits	1,540	1,290
Post-employment benefits	20	16
	1,560	1,306

34. 結算日後事項

於二零一九年三月八日，新利輝發展有限公司及新利成發展有限公司（均為本公司的全資附屬公司，並持有美國銀行中心若干辦公室單位及泊車位）均自中間控股公司中國長城資產（國際）控股有限公司接獲要約函件，提出由二零一九年五月一日至二零二一年十二月三十一日租賃上述物業的一部份。該等建議租賃構成上市規則第14A章項下之持續關連交易，須由獨立股東批准，方可作實。詳情請參閱本公司日期為二零一九年三月八日之公告及日期為二零一九年四月四日之通函。

35. 財務報表之批准

本綜合財務報表已於二零一九年三月十五日獲董事會批准。

FIVE-YEAR FINANCIAL SUMMARY

五年財務摘要

SELECTED FINANCIAL DATA

經揀選財務數據

		Year ended 31 December 截至十二月三十一日止年度				
		2018	2017	2016	2015	2014
(in HK\$ millions, unless otherwise stated)		二零一八年	二零一七年	二零一六年	二零一五年	二零一四年
OPERATING RESULTS	經營業績					
Revenue	收益	145	123	92	53	47
Adjusted operating profit**	經調整經營盈利**	51	44	32	35	31
Fair value gain on investment properties	投資物業公平值收益	401	221	118	191	11
Operating profit	經營盈利	454	268	150	228	44
Share of profits/(losses) of associates	應佔聯營公司盈利/(虧損)	280	(0)	(1)	(5)	(9)
Income tax expense	所得稅開支	(6)	(12)	(4)	(5)	(5)
Net profit attributable to shareholders from continuing operations	股東應佔來自持續經營業務之淨盈利	583	252	308	285	32
Net profit attributable to shareholders from discontinued operations	股東應佔來自已終止經營業務之淨盈利	-	-	1,408	31	105
Net profit attributable to shareholders	股東應佔淨盈利	583	252	1,716	316	137
PER SHARE OF COMMON STOCK	普通股每股					
Adjusted operating profit per share (in HK cents)	每股經調整經營盈利(港仙)	3.23	2.83	2.01	2.22	1.99
Basic earnings per share (in HK cents)	每股基本盈利(港仙)	37.22	15.89	109.49	18.26	2.03
Diluted adjusted operating profit per share (in HK cents)	每股攤薄經調整經營盈利(港仙)	3.23	2.83	2.01	2.22	1.99
Diluted earnings per share (in HK cents)	每股攤薄盈利(港仙)	37.22	15.89	109.49	18.25	2.03
Dividend per share (in HK cents)	每股股息(港仙)	-	-	-	2.80	6.00
Net asset value per share (in HK\$)	每股淨資產(港元)	1.58	1.21	1.07	2.16	2.03
FINANCIAL POSITION	財務狀況					
Property, plant and equipment	物業、機器及設備	4	5	2	97	531
Total assets	資產總值	7,513	3,363	1,715	3,732	3,533
Loan from an intermediate holding company	來自中間控股公司之貸款	(3,915)	(1,436)	-	-	-
Loan from a non-controlling shareholder	來自一名非控制性股東之貸款	-	-	-	2	7
Total liabilities	負債總額	(5,041)	(1,471)	(36)	(358)	(363)
Net assets attributable to shareholders	股東應佔淨資產	2,473	1,892	1,679	3,318	3,116
Number of shares in issue	已發行股份數目	1,567,745,596	1,567,745,596	1,567,745,596	1,561,057,596	1,561,057,596
KEY RATIOS	重要比率					
Adjusted operating profit to revenue	經調整經營盈利佔收益比率	35%	36%	34%	66%	66%
Return on average equity	平均股本回報率	26.75%	14.09%	12.32%	9%	1%
Return on average total assets	平均資產總值回報率	10.73%	9.91%	11.30%	8%	1%
Gearing	資產負債比率	65.5%	41.1%	-	-	-
Current assets to current liabilities	流動資產對比流動負債	177%	49.56%	4.35%	4.69%	2.89%

The financial results for media business for the years ended 31 December 2017 and 2016 were presented as discontinued operations. The figures for the years ended 31 December 2014 and 2015 have not been restated as they were not prepared using the principles of merger accounting and it would involve delay and expenses out of proportion to the benefit to shareholders.

截至二零一七年及二零一六年十二月三十一日止年度媒體業務之財務業績呈列為已終止經營業務。截至二零一四年及二零一五年十二月三十一日止年度之數字未經重列，乃由於其並非按合併會計原則編製且此舉會造成延誤及引致費用與股東利益不相稱。

** Adjusted operating profit is defined as operating profit before other income and fair value gain on investment properties.

** 經調整經營盈利界定為未計其他收入及投資物業公平值收益之經營盈利。



長城環亞控股有限公司 *
GREAT WALL PAN ASIA HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)
(Stock Code 股份代號：583)

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* For identification purpose only
僅供識別

