



**SHOUGANG CONCORD INTERNATIONAL
ENTERPRISES COMPANY LIMITED**
首長國際企業有限公司

Stock Code 股份代號 : 697



Annual Report 年報
2018

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CORPORATE INFORMATION**公司資料****BOARD OF DIRECTORS****Executive Directors**Zhao Tianyang (*Chairman*)Li Shaofeng (*Vice Chairman*)

Xu Liang

Liang Hengyi (*Managing Director*)**Non-Executive Directors**

Li Yinhui

Liu Jingwei

Ho Gilbert Chi Hang

Li Hao

Independent Non-executive Directors

Wang Xin

Choi Fan Keung Vic

Deng Yougao

Zhang Quanling

EXECUTIVE COMMITTEEZhao Tianyang (*Chairman*)

Li Shaofeng

Xu Liang

Liang Hengyi

AUDIT COMMITTEEWang Xin (*Chairman*)

Li Yinhui

Liu Jingwei

Ho Gilbert Chi Hang

Choi Fan Keung Vic

Deng Yougao

Zhang Quanling

董事會**執行董事**趙天暘 (*主席*)李少峰 (*副主席*)

徐量

梁衡義 (*董事總經理*)**非執行董事**

李胤輝

劉景偉

何智恒

李浩

獨立非執行董事

王鑫

蔡奮強

鄧有高

張泉靈

執行委員會趙天暘 (*主席*)

李少峰

徐量

梁衡義

審核委員會王鑫 (*主席*)

李胤輝

劉景偉

何智恒

蔡奮強

鄧有高

張泉靈

CORPORATE INFORMATION 公司資料

NOMINATION COMMITTEE

Zhao Tianyang (*Chairman*)
Liang Hengyi
Wang Xin
Deng Yougao
Zhang Quanling

REMUNERATION COMMITTEE

Zhang Quanling (*Chairlady*)
Li Shaofeng
Li Yinhui
Wang Xin
Choi Fan Keung Vic

COMPANY SECRETARY

Leung Yuen Chee Sara

AUDITOR

PricewaterhouseCoopers

SHARE REGISTRAR

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

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

7th Floor
Bank of East Asia Harbour View Centre
56 Gloucester Road
Wanchai
Hong Kong

STOCK CODE

697

WEBSITE

www.shougang-intl.com.hk

提名委員會

趙天揚 (主席)
梁衡義
王鑫
鄧有高
張泉靈

薪酬委員會

張泉靈 (主席)
李少峰
李胤輝
王鑫
蔡奮強

公司秘書

梁婉慈

核數師

羅兵咸永道會計師事務所

股份過戶登記處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心22樓

註冊辦事處及主要營業地點

香港
灣仔
告士打道56號
東亞銀行港灣中心
7樓

股份代號

697

網址

www.shougang-intl.com.hk

GROUP OVERVIEW

集團簡介

Shougang Concord International Enterprises Company Limited (the “**Company**”) is the **listed flagship in Hong Kong** of Shougang Group Co., Ltd. (“**Shougang Group**”), and is also one of the first Red Chips listed in Hong Kong
首長國際企業有限公司（「**本公司**」）是首鋼集團有限公司（「**首鋼集團**」）在**港旗艦上市公司**，亦為首批於香港上市的紅籌股之一

Since the implementation of the transformation strategy, the business layout is clearly visible and well poised to take-off
轉型戰略實施以來，業務佈局清晰可見，蓄勢待發

- parking assets operation and management business and urban renewal business are both developing rapidly.

New business scale has been ever-expanding

停車資產經營管理與城市更新業務獲得快速發展，
新業務規模不斷擴大

- Proactively reduces old business volume and gradually withdraws
主動縮減舊有業務體量，並逐步退出

Our values: value investment, excellent products, open and inclusive

價值觀：價值投資、極致產品、開放包容

1. Must uphold the principle of value investment
必須堅持價值投資原則
2. Be committed to providing the best products and services to society
致力於為社會提供最好的產品和服務
3. Be a trustworthy, open and inclusive investor
做一個值得信任、開放包容的投資者

Our mission and vision:

be a trustworthy superior asset investor and operator, make city life better

使命願景：

成為值得信賴的卓越資產投資和經營者，讓城市生活更美好

MILESTONES 里程碑

The Company is listed on the main board of the Hong Kong Stock Exchange
本公司於香港聯交所主機板上市

1991

Shougang Group and Cheung Kong (Holdings) Limited (now known as CK Hutchison Holdings Limited) successfully acquired the Company in 1992
首鋼集團聯合長江實業(集團)有限公司(現稱長江和記實業有限公司)於1992年成功收購本公司

1992

Completed business transformation, and acquired parking asset operation and private equity management business in China
完成業務轉型，收購在中國從事停車資產經營和私募基金管理業務

2016

Commenced asset restructuring, and sold Qinhuangdao business, including steel manufacturing, mineral mining and processing
開啟資產重組，出售秦皇島業務，包括鋼材製造、礦物開採及加工業務

2017

2018

Entered in rapid development period in 2019
2019年進入快速發展期

2019

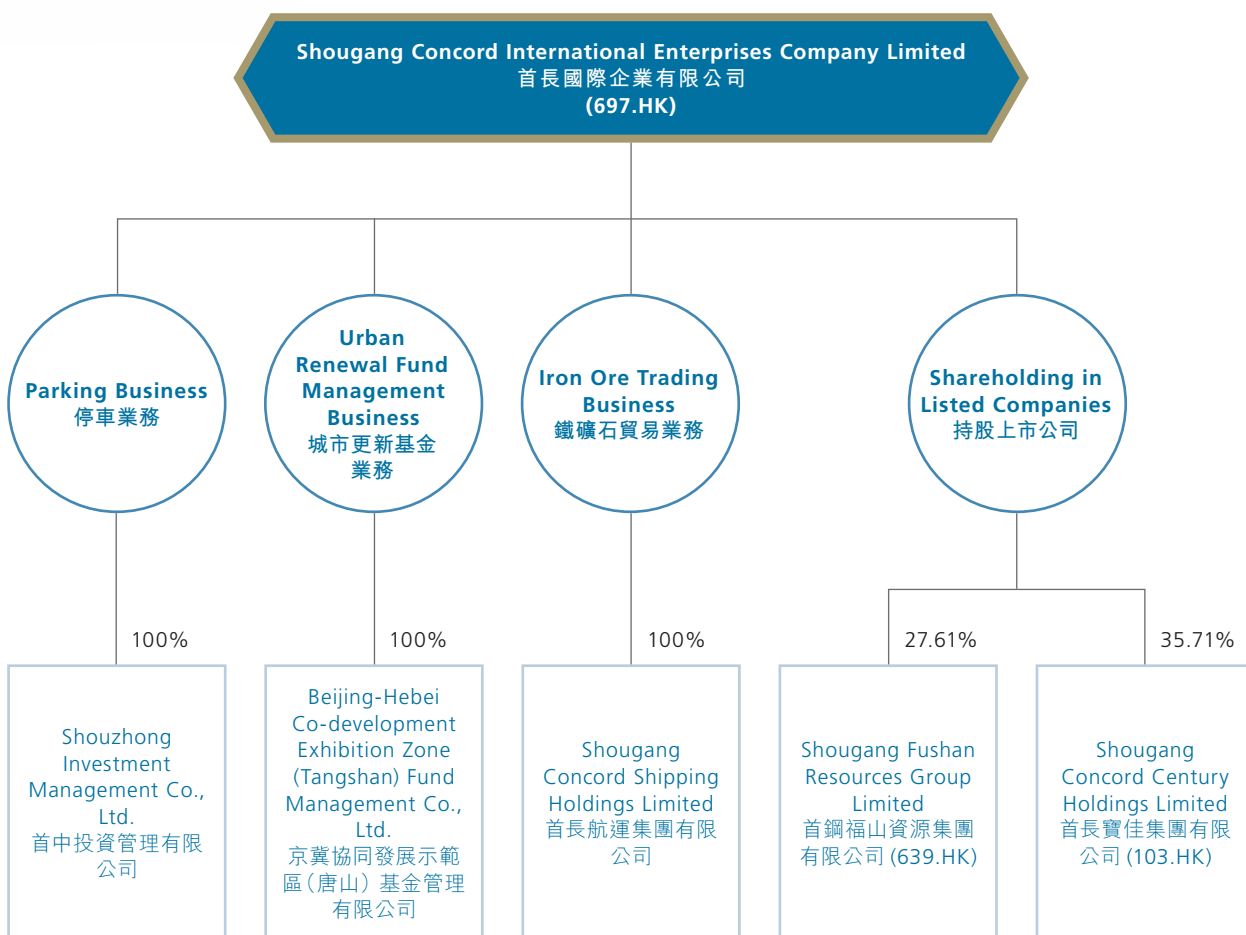
Insisted firmly on the transformation strategy, developed the main business, reduced the old business, divested relevant assets, and introduced strategic shareholders for coordinated development
堅定轉型戰略，發展主營業務，縮減舊有業務，剝離相關資產，引入戰略股東，謀劃協同發展

GROUP STRUCTURE 集團架構

The Company and its subsidiaries (the “**Group**”) is committed to building China’s leading car parking assets operation and management and urban renewal fund management company.

本公司及其附屬公司（「**本集團**」）致力於打造中國領先的停車資產經營管理和城市更新基金管理公司。

As at 31 December 2018
於 2018 年 12 月 31 日



FINANCIAL HIGHLIGHTS

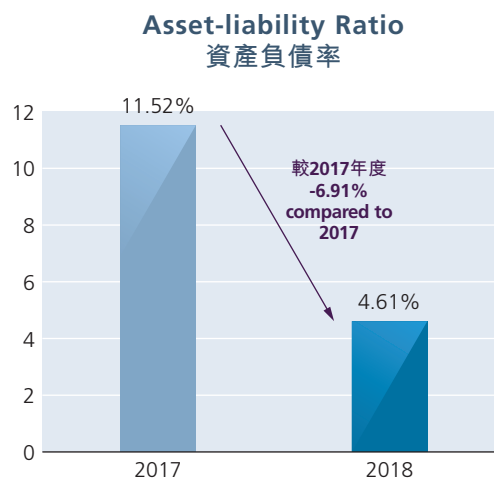
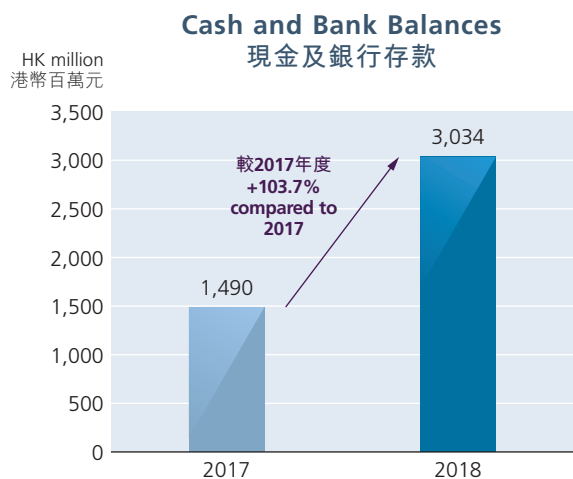
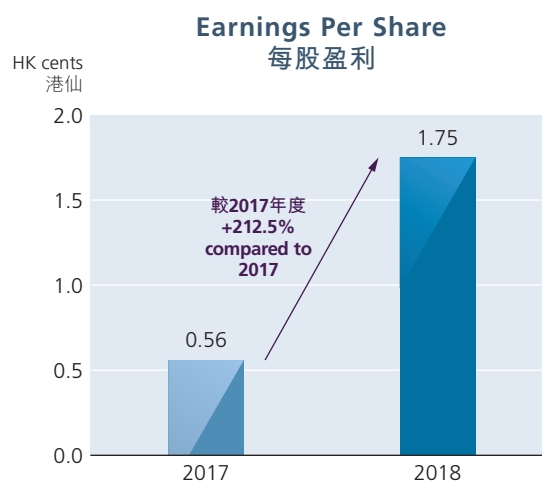
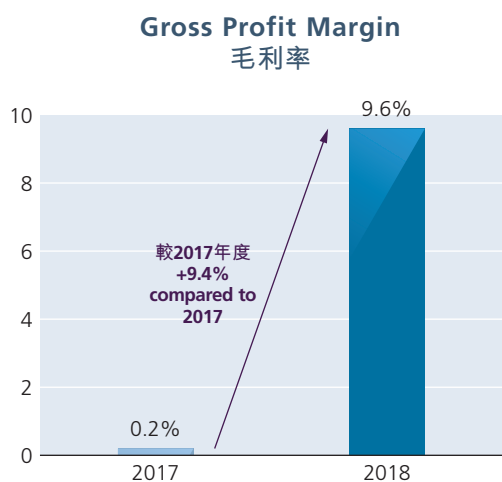
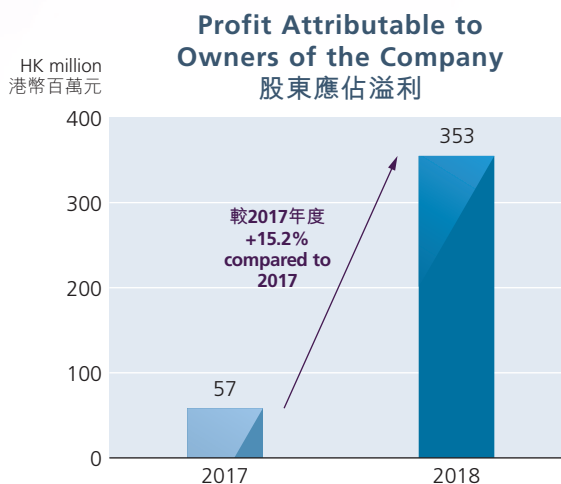
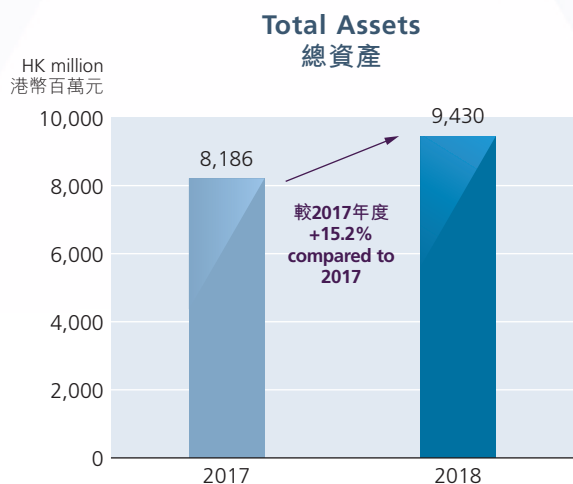
財務摘要

For the year ended 31 December/
As at 31 December

截至12月31日止年度/
於12月31日

		2018 <i>HK\$ Million</i> 港幣百萬元	2017 <i>HK\$ Million</i> 港幣百萬元	變動(%)
Revenue	營業額	1,676	3,816	(56.1%)
Gross profit margin	毛利率	9.6%	0.2%	9.4%
Profit attributable to shareholders	股東應佔溢利	353	57	516.4%
Earnings per share (<i>HK cents</i>)	每股盈利 (港仙)	1.75	0.56	212.5%
Total assets	總資產	9,430	8,186	15.2%
Net assets attributable to shareholders	股東應佔淨資產	8,966	7,025	27.6%
Cash and bank balances	現金及銀行存款	3,034	1,490	103.7%
Asset-liability Ratio	資產負債率	4.61%	11.52%	(6.91%)

FINANCIAL HIGHLIGHTS 財務摘要



CHAIRMAN'S STATEMENT 主席報告書

Dear shareholders,

all potential investors, employees and business partners who care about the growth of the company,

"Work all day long and go with the times." During the past year, we have demonstrated greater confidence in advancing strategic transformation to achieve development by changing lane; we have gained more experience in tactical arrangement, lean management and splitting complex issues into the most simplified units.

During the year, the Company held 16 board meetings and 23 director-level special sessions. For its parking business, contracts have been signed for in aggregate 22,128 new parking lots in Beijing, Shanghai, Chongqing, Chengdu and other cities. The urban renewal fund under our management reached RMB30 billion, of which about RMB11 billion was newly increased. The turnover of the iron ore trading continued to decline while the gross profit margin increased significantly. Its associated companies also achieved good returns. Moreover, two major asset restructurings and one share subscription were conducted during the year which further optimized our asset structure.

During the year, the Company has achieved a profit attributable to shareholders of HK\$353 million, with a year-on-year increase of 516.4%; whereas the asset-liability ratio fell to 4.61%, with accounts receivable and notes receivable decreased by HK\$706 million to HK\$117 million, representing a decrease of 85.8%; cash reserves increased by HK\$1.544 billion, up to HK\$3.034 billion. Based on the confidence in the Company's development and aspiration to give back to the shareholders, the Company is pleased to announce that the board has recommended to distribute 2018 dividends in the total amount of HK\$700 million to shareholders and plans to distribute dividends of not less than HK\$700 million to shareholders each year from 2019 to 2022.

尊敬的股東：

以及各位關心公司成長的潛在投資者、員工與業務夥伴，

「終日乾乾，與時偕行。」這一年，我們在推進戰略轉型，實現換道發展上有了更強的自信；這一年，我們在戰術安排、精益管理、將複雜問題拆分到最小單元方面有了更多的經驗。

年度內，公司召開董事會16次，召開董事層面的專題會23次；停車業務在北京、上海、重慶、成都等地新簽約車位22,128個；城市更新基金管理規模達到人民幣300億元，其中新增管理規模約人民幣110億元；鐵礦石貿易營業額繼續遞減，毛利率大幅提升；聯營公司也取得了較好收益；年內進行了2次重大資產重組和1次股份認購，進一步優化了資產結構。

年度內，公司實現股東應佔溢利港幣3.53億元，同比增長516.4%，資產負債率下降至4.61%，應收賬款及應收票據減少港幣7.06億元，降至港幣1.17億元，降幅85.8%；現金儲備增加港幣15.44億元，達港幣30.34億元。基於對公司發展之信心和對股東回饋的執著信念，公司欣然宣佈2018年度向股東派息港幣7億元，並在2019年至2022年每年向股東至少派息港幣7億元的方案。

CHAIRMAN'S STATEMENT 主席報告書

Under the complicated economic environment in 2018, the Company's above-mentioned achievements are the result of joint efforts of all partners. As a Hong Kong listed company, we are turning into a company with an innovative business model, good cash flow, stable and healthy operation. Evolution of the organization is steadily promoted, rapidly iterated and upgraded. We make progress every quarter, every month and even every day. With the common mission and vision and the forming of a shared value, the team is transforming into a real team. Next, on behalf of the board of directors of the Company, I report to you on our efforts and achievements over the past year.

CHAPTER 1. STRATEGY IMPLEMENTATION AND REVIEW

The "grey rhino" stands there, and the "black swan" often flies over as well. An excellent business management team with leaping over the economic cycle as its goal can turn a business idea of "what to do" into a real business of "what should be done" in an uncertain economic environment.

For the Company, our challenges are to smoothly and safely retreat from traditional business, seize the opportunities of rapid growth for new business, maintain sufficient quality and speed, and achieve transition in different dimensions, which require the abilities of deep thinking, broad cognitive dimension and fast learning from our team.

在2018年錯綜複雜的經濟環境之下，公司取得上述成績是全體夥伴共同努力的結果，我們正在成為一家創新商業模式、現金流良好、運營穩定健康的香港上市公司。我們不斷推動組織進化成長，快速迭代升級，每季度、每月乃至每天都有所進步，在共同的使命願景之下，共同的價值觀正在形成，團隊開始成為真正的團隊。下面我代表公司董事會，向各位匯報我們在過去一年所做的努力和取得的成果。

第一章戰略執行與回顧

「灰犀牛」就矗立在那裡，「黑天鵝」也經常飛過來，一個優秀的企業經營團隊以跨越經濟週期為目標，需要在不確定性的經濟環境中，把「想做什麼」的商業構想變成「做成什麼」的商業可達。

對於公司而言，我們的挑戰在於平穩地從傳統業務中安全退出，抓住新業務的快速增長機會，保持足夠的質量和速度，實現在不同曲線的躍遷，這要求我們團隊的思考力度要深，認知維度要廣，學習速度要快。

CHAIRMAN'S STATEMENT 主席報告書

1. Parking business segment: flourishing development with strategic focus

Through the investment and operation of parking assets, we have achieved product upgrades, management empowerment and service value increase, in order to provide better services to users, and thus obtain good returns from assets.

In the past year, the investment intensity in parking assets has been continuously increased. By defining a clear regional layout, we have focused on parking assets with high traffic, huge potential and good returns, and promoted efficiency in asset construction and operation as well as provided users with structural opportunities for parking consumption upgrade.

During the year, the Company has acquired 22,128 parking lots through contracts awarded to the Company, increased by 307% (year-on-year), with an actual acquisition of 30,513 parking lots (some contracts were signed in February 2019). These parking lots were strictly selected out from more than 300 car parking projects on retention and 80 projects which were put forward to meetings for discussion in 2018. Although it's below the target of 50,000 parking lots proposed in the 2017 Chairman's Statement, the team has adhered to the bottom line of profits, ensured asset quality as the priority and strived to reach the optimal results. We believe that, based on the achievements made during the year, the Company is capable of fully exerting its efforts in 2019. By setting the key performance index for the management team to be the acquirement of 100,000 parking lots, we will be able to further consolidate the leading position in the industry.

一、停車業務板塊：發展態勢蓬勃，戰略聚焦發力

我們通過停車資產的投資和經營，實現產品升級、管理賦能和服務增值，為用戶提供更好的服務，進而獲得良好的資產收益。

在過去的一年中，我們持續加大停車資產的投資強度，明確區域佈局，進一步向流量高、潛力大、收益好的停車資產聚焦，提升資產的建設與運營效率，服務於用戶對停車消費升級的結構性機會。

年內簽約獲取車位22,128個，同比增長307%，實際獲取（部分在2019年2月完成簽約）30,513個，該些獲取的車位是在全年超過300個車場項目儲備、80個上會項目中嚴格篩選出來的。雖然低於2017年主席報告提出的50,000個車位的目標，但團隊始終堅守收益底線，以保證資產質量為優先級目標，努力地在向最優結果靠近。我們也相信在年內工作的基礎上，2019年將會全面發力，公司對經營團隊的考核指標是獲取100,000個車位，以夯實行業領先的地位。

CHAIRMAN'S STATEMENT

主席報告書

(1) *Define attributes of the category to create cutting-edge products for the future*

In 2017, the Company formulated the investment principle of "key cities, prime locations and quality parking spaces". In 2018, we have further clarified the category attributes of parking assets. In the area of investment, we have continuously focused on the first-tier and second-tier key cities in China. In terms of the classification of products, as always, we have focused on large-scale transportation hubs, high-density public utilities, and the supporting parking assets of commercial properties with high traffic. For the operation of specific projects, we have further focused on high-quality projects in prime locations.

With the accelerated popularization of technologies such as 5G, smart driving, and the Internet of Things, the car as a smart terminal is about to usher in a magical moment. As the key component in multiple scenes of travelling, the future parking space will become a new landscape with ultimate efficiency, green sharing, and seamless intelligence.

(2) *Focus on market segments, and create products of differentiated business forms*

We have accelerated to make the team more capable of polishing edge-cutting products in market of differentiated business forms. We have explored the investment and business models with distinctive features in three sub-sectors, namely transportation hubs, public facilities and commercial properties, and have achieved breakthroughs in implementation of major projects.

(一) *明確品類屬性，打造面向未來的頭部產品*

2017年公司確定了「重點城市、核心位置、優質車位」的投資原則，2018年我們進一步明確了停車資產的品類屬性。在投資區域的佈局上，持續向國內一、二線的重點城市聚焦。在產品業態的分類上，一如既往地重點投向大型交通樞紐、高密度公用設施和大流量商業地產配套的停車資產。在具體項目的操作上，進一步聚焦核心地段的優質項目。

隨著5G、智能駕駛、物聯網等技術的加速普及，汽車作為智能終端即將迎來奇點時刻。未來的停車空間作為出行的關鍵節點與多元場景，將是一個極致高效、綠色共享、無縫智能的全新圖景。

(二) *聚焦細分市場，打造差異化的業態產品*

我們加快提升團隊在差異化的業態市場中打磨頭部產品的能力，探索在交通樞紐、公共設施、商業地產等三個細分領域具有特色的投資和經營模式，實現重大項目的落地突破。

CHAIRMAN'S STATEMENT 主席報告書

Transportation hub parking

Based on its comprehensive knowledge of user needs and deep understanding of the investment and financing system for infrastructure in China, the Company has formed a leading position in airports and high-speed railway stations, and etc. and has built its core competitiveness in all links of the whole process of parking lots ranging from design, investment, construction and operation. During the year, in addition to the parking buildings of Beijing Daxing International Airport and Shanghai Hongqiao Airport, the Company has also acquired the long-term operating rights of the parking lot of Guiyang Longdongbao International Airport, which has further consolidated its leading position among airport parking building operators.

I would like to introduce to you the Beijing Daxing International Airport Parking Building Project. At present, the preparation for construction and operation of the project is progressing smoothly and has entered the stage of final construction and final commissioning. The leasing and operation together with the product design are also progressing steadily as planned. The project is scheduled to be put into operation simultaneously with Beijing Daxing International Airport in October 2019.

交通樞紐停車領域

我們基於用戶需求的深度把握，以及對中國基礎設施投融资體制的深刻理解，已經在機場、高鐵站等領域形成領先優勢。在停車場的設計、投資、建設和運營的全流程各環節，打造公司的核心競爭力。年內，除北京大興國際機場停車樓和上海虹橋機場停車樓之外，公司又獲取了貴陽龍洞堡機場停車場長期運營權，進一步鞏固了公司在機場停車樓運營商中的領先地位。

在這裡，我想特別向各位介紹的是北京大興國際機場停車樓項目。目前項目的建設和運營籌備工作進展順利，已經進入收尾施工和最後調試階段，運營招商和產品設計亦按計劃穩步推進，該項目計劃將於2019年10月和北京大興國際機場同步投入運營。

CHAIRMAN'S STATEMENT

主席報告書

As China's super-large integrated transportation hub for international aviation, Beijing Daxing International Airport is a new landmark for the coordinated development of "Beijing-Tianjin-Hebei" integration. It will have the world's largest single terminal upon completion and operation. The airport's long-term planning throughput of passengers is 100 million person-time, and its parking building will serve 12 million vehicles/time annually. We target to build it into a flagship benchmark project in category of the comprehensive transportation hub, provide world-class parking and travel service to customers and travelers around the world.

Public utility parking

For public utility parking, we have focused on the segment market of grade III-level A hospitals in the first-tier cities. I think many friends share the same feeling as mine towards the quality of these parking services: limited parking spaces in hospitals has caused serious congestion in the surrounding roads and this brings extremely inconvenient to nearby residents and patients. There is a huge demand and urgency to upgrade the hospital parking lot. To this end, through carrying out product innovation by changing the ground parking lot to multi-storey parking lot, the Company has made intensive land use and tapped potential of resources, and also has improved internal and external traffic environment of hospitals as well as has realized a better unity of economic benefits and social benefits.

北京大興國際機場作為中國超大型國際航空綜合交通樞紐，是「京津冀」一體化協同發展的新地標，建成運營後將擁有世界最大的單體候機樓。機場長期規劃客流吞吐量是一億人次，機場停車樓年度服務車輛可達1,200萬輛/次。我們將會將其打造成綜合交通樞紐品類中的旗艦型標桿項目，為廣大客戶和各地旅客提供世界級的停車與出行服務。

公用設施停車領域

在公用設施停車領域，我們關注一線城市「三甲」醫院這個細分市場。這個領域停車產品的服務品質，我想很多朋友和我一樣感同身受：醫院車位資源非常緊張，周邊道路時常擁堵不堪，給附近居民和患者造成極大不便，存在著巨大的需求痛點和產品升級的迫切性。為此，公司通過停車場「平改立」產品的創新，集約利用土地，深挖資源潛力，改善了醫院內外部交通環境，實現了經濟效益和社會效益較好的統一。

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I want to share with you the China-Japan Friendship Hospital project. There is, on average, over 8,000 person-time of outpatients and emergency patients every day and about 2,500 vehicles entering and exiting hospital daily, but with limited 340 parking lots formerly. The limited parking spaces had caused slow traffic, serious congestion, and even affected passing through of ambulances, which threatened the life safety of patients. Our Company has utilized part of the original ground parking lot and built a self-propelled four-storey parking building with a total area of 10,000 square meters, which can provide 520 parking lots, representing an increase of 53%. After implementation of the project, traffic speed of the main roads around the hospital has been at least doubled during peak hours, and the average waiting time of vehicles has been reduced by 80%. In addition, the top floor of the parking building is also equipped with a medical rescue helipad which allows a helicopter of less than 8 tons to take off and land. It is the only special medical facility in downtown Beijing that seamlessly combines air and ground rescue, which provides a new life channel for emergency rescue of the seriously ill patients.

和各位分享我們中日友好醫院項目。中日友好醫院的日均門診急診量超過8,000人次，日均進出車次約2,500輛，原有停車位僅有340個。緊張的停車資源導致車輛通行速度慢、周邊擁堵嚴重，甚至影響急救車通行，危及患者生命安全。公司利用醫院原有地面停車場的一部分，新建4層、總面積1萬平方米的自走式立體停車樓，可提供停車位520個，較之前新增53%。項目實施後醫院周邊主幹道高峰時段車輛通行速度提升1倍以上，就診車輛平均等待時間減少80%。此外，停車樓頂層還配套建設了醫療救援直升機停機坪，可起降起飛重量8噸以內的直升機，這是北京市區內唯一具備航空與地面救援無縫銜接的醫療專用設施，為重大疾病患者的緊急救護又提供一條新的生命通道。

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Commercial property parking

The parking of commercial properties is a relatively mature area. Our focus is on adding value to the owners' properties and comprehensively improving operational capabilities, including the provision of professional advice on traffic flow forecasting, moving line optimization and cost saving aspects. Moreover, we have aimed to deliver fast and "housekeeping" parking services during operation.

In 2018, through project expansion and merger and acquisition of equity, we acquired the parking lot of New World Department Store in core business district of Beijing, the parking lot of Shangjing Tiandi in Shanghai and the parking lot of the Wisdom Valley of Chengdu (Chengdu Xibuzhigu Park), which further enriched the basic portfolio of the Company's parking business, increased the size of parking spaces under operation and management, and optimized the regional layout of investment.

商業地產停車領域

在商業地產停車這個相對成熟的業態領域，我們重點關注的是業主對提升物業價值的迫切需求，全面加強該品類產品的運營能力，包括為客戶提供車流預測、動線優化和節約投資的專業建議，在產品的運營環節提供快捷和「管家式」的停車服務。

2018年，我們通過項目拓展和股權併購的模式，分別獲取了北京核心商圈新世界商場停車場、上海尚景天地停車場和成都西部智谷園區停車場等，進一步拓展了公司停車業務的基本盤面，增加了運營管理的車位規模，優化了投資的區域佈局。

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(3) *Consolidate basic capabilities, create lean and efficient operating system*

For high-quality parking assets and premium parking services, the Company's commitment to shareholders and users shall be met through lean and efficient operation and management by all colleagues and partners.

We have launched 5-Stars service system to comprehensively improve the quality of parking service. Identification system for parking lots has been constantly upgraded to make parking more efficient to save every second for car owners; we have paid attention to detailed management by reasonably planning the parking space to ensure vehicles enter and exit conveniently, and have been always keeping the parking lots clean to ensure good experience to car owners; safety is paramount, we have guaranteed cameras to operate 24 hours a day and have equipped parking lots with 24-hour central control and on-site security personnel to immediately meet the customer needs. In 2019, the 5-Stars service system will cover all parking lots under our management. The Company has always been committed to meeting the needs of customers, and we hope that all users can experience the quality of our parking services in every detail.

In 2019, the Company will continue to increase its investment in parking technology. Innovative products such as AI technology and immersive services will also be launched gradually, and management productivity will be further improved.

(三) *夯實基礎能力，打造精益高效的運營體系*

公司優質的停車資產和高品質的停車服務，最終是要通過每一位同事和夥伴對一事一物精益而高效的運營管理，方能實現公司對股東和用戶的承諾。

為此，我們啟動了5星服務體系，全面提升停車服務品質。升級車場標識系統，提高停車效率，為車主節約每一秒；注重細節管理，合理規劃停車空間，確保車輛進出便捷；最高頻次保潔車場，確保良好體驗；安全壓倒一切，攝像頭24小時確保運作無誤，配備24小時中控和現場值守人員，第一時間滿足客戶需要。5星服務體系將在2019年全面覆蓋我們所管理的停車場。公司始終以滿足客戶需求為己任，希望讓所有的用戶於細節處體驗我們用心打造的停車品質。

2019年，公司仍將持續加大對停車科技的投入力度，AI技術、臨境服務等創新產品也將逐步上線，管理效率必將得到進一步提升。

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We have launched mixed parking consumption products in several parking lots. Our team has expanded the marketing coverage to a radius of 3 kilometers away from the independent parking lots and have attracted an increase of 30% customers. A trail of differentiated pricing strategy for different hours and different sub-areas will be launched at Beijing Daxing International Airport. Meanwhile, we have carried out environmental and lighting improvement projects in our parking lots. We hope that the users could feel the warm light from S-Park on their journeys.

(4) Explore incremental benefits, expand the innovative space for non-parking business

We know that excellent asset operators should never be satisfied with value preservation, but are good at finding opportunities to explore incremental benefits. The parking business inherently possesses dual attributes of traffic and space, so non-parking business is a natural extension of parking business and full of space for innovation. We have in-depth cooperation with Didi Group, Guazi second-hand car, and JD Technology, and strive to deliver a better user experience in areas of convenient transportation, power charging services and new retail.

We have cooperated with Beijing avant-garde artists to spice up our parking lots with graffiti art elements, creating more youthful and fashionable atmosphere in urban underground space. A series of events such as graffiti show, flash mobs, photography festivals, music festivals, and street performances will be launched subsequently so as to create a new hangout for urban fashion culture to attract more young people.

我們在多個車場推出了停車消費組合產品，團隊以獨立車場為圓心，三公里輻射區域為半徑，擴大營銷範圍，吸客力度提升了30%，分時段、分區域的差異化定價策略也將在北京大興國際機場試行。同時，我們對旗下車場全面進行了環境改善和亮化工程，希望奔波在路途上的用戶，可以感受到S-Park釋放出的溫暖燈光。

(四) 挖掘增量效益，拓展非停業務的創新空間

我們深知優秀的資產經營者絕不僅僅滿足於固守保值，而是善於拓展價值空間，挖掘增量效益。停車業務自帶流量和空間的雙重屬性，非停業務是停車業務的自然延伸，創新空間巨大。我們分別與滴滴集團、瓜子二手車和京東科技開展深度合作，力圖在出行便利、充電服務和新零售領域給客戶更好的體驗。

我們與北京先鋒藝術家合作，在車場引入塗鴉藝術元素，使城市地下空間的氛圍更加年輕、時尚，後續將有塗鴉秀、快閃秀、攝影節、音樂節、街頭文化展示等一系列活動推出，吸引更多的年輕用戶來到這裡，營造新的城市時尚文化集聚地。

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We have been constantly exploring on how to shift parking lots from single parking space into new multi-functional urban space. We believe, by restructuring and integrating functions of the space, our product can stand out among the competitors whilst generate a great sense of affinity and superimpose its future value.

Based on expansion of non-parking business and exploration of urban space functionality, we predict in 2019 that revenue from non-parking business will account for more than 30% of the total revenue.

I spend a lot of time to review how we polished the parking business. I believe no matter how the economic cycle is adjusted, we should consider where constant rigid demand is, what unchanged commercial essence is, and how to improve efficiency, create products.

Regarding product, we can't be lazy, can't take shortcuts. Do what we should do, every step counts. The team should offer products which are good enough to seize opportunities growing by ten or even hundreds times. What is "good enough"? I think that only "one-fold better than the previous one" is not enough. In the future, only "ten-fold better" will have an opportunity to stand out.

我們不斷探索將停車場從單一的停車空間，向著更多元化的城市新空間轉變。我們認為，當我們對空間的功能進行重構與融合之後，可以讓產品更加出眾，讓服務更有溫度，讓未來的價值成倍數疊加。

基於我們對非停業務的拓展和城市空間的功能探索，2019年公司預計非停業務收入佔總收入比重將提升至30%以上。

我用了相當大的篇幅，來回顧我們是如何打磨停車業務這個產品。我認為，無論經濟週期的調整如何，我們都要思考哪裡有不變的剛性需求，哪些是不變的商業本質，如何提升效率打造產品。

在產品層面上，我們偷不得懶，走不得捷徑。我相信該做的事一件也不能少，我們走過的路，每一步都算數。團隊要用足夠好的產品抓住十倍乃至百倍增長的機會。「足夠好」到底有多好？我認為只有「一倍好」是不夠的，未來只有「十倍好」才有機會脫穎而出。

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2. The urban renewal fund business segment: distinctive resource advantages and good strategic start

The urban renewal fund relates to the major mission and responsibility of the Company in transformational development of Shougang Group, also an important part of the Group's transformation towards an integrated urban service provider.

(1) Prominent location advantage of the park, with major policy support from the Group, the urban renewal fund business has outstanding endowment advantages

The hundred-year-old Shougang has witnessed revitalization of national iron and steel industry, also has marked a profound accumulation of industrial civilization. Located in Shijingshan and by Yongding River, the new Shougang Park has distinctive regional advantages, rich ecological and cultural resources, with an area up to 8.63 square kilometers for development. Shougang Group has given the fund business for Park renewal to the Company, which has indicated the strongest policy support to the Company, and we are determined to play a greater role to serve the Park development.

With arrival of the Organizing Committee of the Winter Olympic Games, Shougang Park has ushered in important historical opportunities. On 5 June 2018, Shougang Group became the highest-level sponsor of the 2022 Winter Olympic Games, namely, the Olympic official urban renewal service partner. In the future, the new Shougang Park will become a model for the Olympic Movement to promote urban development, a world's model for the reuse of the industrial heritage and the revitalization of industrial zones, and a new landmark of urban renewal with global influence in the new era.

二、 城市更新基金業務板塊：資源優勢明顯，戰略開局良好

城市更新基金業務板塊，是公司在首鋼集團的轉型發展中所肩負的重大使命與責任，也是集團實現城市綜合服務商轉型的重要組成部分。

(一) 園區區位優勢明顯，集團給予重大政策支持，城市更新基金業務擁有突出稟賦優勢

百年首鋼見證了民族鋼鐵工業的振興，也為這裡留下深厚的工業文明的沉澱。新首鋼園區依石景山，傍永定河，區域優勢明顯，生態和文化資源豐富，總體可開發面積達到8.63平方公里。首鋼集團將園區更新的基金業務賦予公司，是對公司最大的政策支持，公司也將在服務園區發展過程中發揮更大的作用。

隨著冬奧會組委會的進駐，首鋼園區又迎來重要的歷史機遇。2018年6月5日，首鋼集團成為2022年冬奧會最高級別的贊助商——奧林匹克官方城市更新服務合作夥伴。未來的新首鋼園區將是奧林匹克運動推動城市發展的典範、工業遺產再利用和工業區復興的世界典範、新時代具有全球影響力的城市復興新地標。

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(2) *The Winter Olympic Plaza and Qiaomengyuan (Overseas Chinese Creation and Innovation Development Zone) project progressed smoothly, the urban renewal business segment achieved a good strategic start*

During the year, the Company and Tishman Speyer, a renowned international investor and operator for industrial park, jointly launched the Winter Olympic Plaza project. The project is located on the extension of Chang'an Street, accessible by multiple subway lines and convenient transportation. Integrated with the Winter Olympic Games Organizing Committee Office, the gross floor area of this project is 225,000 square meters. We will work with our partners to create architecture with retained post-industrial style, perfectly combining historical heritage with modern architecture. In the future, the park will become an international sports, science and technology industrial park integrating headquarter office, commerce, sports entertainment, and service facilities for Winter Olympics Games, a lively practice of promoting urban development of Olympic Games. The Qiaomengyuan Project is located on the west extension of Chang'an Street, with a total area of 11,000 square meters. Positioned as a comprehensive space for innovative new business forms, the project concentrates on new business forms such as international business schools, new retail bookstores, international exhibitions and displays. In 2018, 168 high-end events, courses of 5 renowned business schools and 11 TED-style speeches were undertaken, attracting high-end traffic of more than 20,000 person-time. Both Yiwang College of Matrix Partners and the Canjia College of Shougang Fund have chosen to locate here. Compared with the surrounding traditional office, sales per square meter of this project increased by more than 40%.

(二) 冬奧廣場、僑夢苑項目順利推進，城市更新業務板塊實現良好戰略開局

年內，公司與國際知名產業園區投資運營商美國鐵獅門集團共同啟動了冬奧廣場項目。該項目位於長安街延線，多條地鐵通達，區域交通便捷。與冬奧組委辦公區融為一體，總建築面積22.5萬平方米。我們將與合作夥伴一道，保留濃郁後工業文化風格，使歷史積澱與現代建築有機融合，未來將成為集成總部辦公、商業、體育娛樂、冬奧會服務設施於一體的國際化體育科技產業園區，成為奧林匹克運動推動城市發展的生動實踐。僑夢苑項目坐落於長安街西延線上，總面積1.1萬平米。該項目定位於創新型新業態空間聚合體，聚集國際商學院、新零售書店、國際化展覽展示活動等新業態場景。該項目年內共承接了168場高端活動，5個高品質商學院集中授課，11次TED式演講；吸引高端人流量超過2萬人次。經緯億萬學院、首鋼基金參加學院均將會址選於此，相比於周邊傳統寫字樓辦公空間，坪效比提升40%以上。

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From a long term perspective, we believe in the future park development and real estate sector will mainly shift from incremental development to stock renewal. Through the light asset operation mode of "Fund + Base + Industry", aiming at high-quality development by serving the park better, we will collaborate with top partners to build benchmark projects in the park to ensure quality of renewal development. Meanwhile, we begin to pay attention to opportunities for investing and acquiring premium resources and properties for renewal in core cities besides Shougang Park. Through renovation and renewal, operational improvement and import of resources, we can realize restoration of asset value and add value to assets, and expect the withdrawal of fund investors through REITs.

從更長的時間視角看，園區開發與地產行業的未來將主要由增量開發轉向存量更新。我們將通過「基金+基地+產業」的輕資產運營模式，以服務好園區的高質量發展為目標，引入頂級合作夥伴，打造園區標桿項目，確保園區更新開發的品質。與此同時，公司也在關注首鋼園區以外核心城市優質資源和需改造物業的投資收購機會，通過更新改造，運營改善和資源導入，實現資產價值修復與增值，並期待通過REITs實現基金投資人的退出。

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3. Non-core business segment: insist firmly on transformation development, strategic withdrawal progressing smoothly

Honoring our commitments to all investors, we have withdrawn further from the non-core business while developed actively in core business. During the year, revenue from ore trading reduced to HK\$1.5 billion, decreased by 60.6% than that of 2017; the gross profit margin of ore trading business increased from 0.2% to 3.5%, and the receivables decreased from HK\$817 million to HK\$63 million. In 2019, the Company will further cut the scale of ore trading business. In addition, the disposing of the entire equity of Shougang Concord Century Holdings Limited, an associated company of the Group, which will bring HK\$206 million in cash to the Company.

An excellent management team takes the initiative to find new business opportunities and continuously adds value to company during cyclical adjustment. I appreciate the great contribution made by the trading business team to the established strategic withdrawal, as they have followed the Company's arrangements and have taken overall situation into account.

三、非主營業務板塊：堅定轉型發展，戰略退出順利

我們恪守對所有投資人的承諾，在核心業務領域持續發力的同時，進一步退出非主營業務。年內將礦石貿易收入規模縮減至港幣15億元，較2017年下降60.6%，並將礦石貿易業務毛利率從0.2%提升至3.5%，應收款從港幣8.17億元下降至港幣0.63億元。2019年，公司將會進一步縮減貿易業務規模，並將處置本集團之聯營公司首長寶佳集團有限公司的全部股權，該股權處置交易將使公司獲得現金港幣2.06億元。

優秀的經營團隊，要能夠在週期調整中主動作為，尋找新的業務機會，不斷提升公司價值。在既定的戰略性退出過程中，公司貿易經營團隊顧全大局，服從公司安排，做出了積極的貢獻，我對此表示感謝。

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4. Introduced strategic investors: ensure long-term development and highlight strategic synergy

By introducing strategic investors with synergy and leading edge, it has further optimized Company's shareholding structure and will enhance corporate governance of the Company and will bring the operations of the Company to an international level, therefore laying the foundation of long-term development for the Company.

During the year, NWS Group, ORIX Group, and CIMC Group have become important strategic shareholders of the Company. NWS Group funded twice in March and September respectively to support the Company's equity adjustment and placement. In December, NWS Group sold out Urban Parking (Beijing) Limited, a company which has been cultivated in mainland China for many years, to the Company, reflecting their strong support to the Company's transformation development. CIMC Group is the largest container manufacturer in China. Its automatic multi-storey parking system business subdivided from the airport facilities equipment business segment, as an important part of the ecological chain of the parking industry, will form a good strategic synergy with the Company's parking business. As one of the global top integrated financial service groups, ORIX Group has taken actions to give support to and to show its confidence in the Company.

四、引入戰略性投資者：保障長足發展，戰略協同凸顯

通過引入具有協同效應和領先優勢的戰略投資者，優化了公司的股權結構，也必將提升公司治理和國際化經營水平，為公司的長足發展奠定基礎。

年內，新創建集團、歐力士集團和中集集團成為公司重要戰略股東，其中新創建集團在3月份、9月份兩次出資支持公司的股權調整及配售，並在12月份將其內地在內地深耕多年的富城（北京）停車管理有限公司整體注入公司，全面支持了公司的轉型發展；中集集團是中國最大的集裝箱專業生產企業，旗下的空港設備業務板塊的自動化立體停車系統業務作為停車行業生態鏈條的重要環節，將與公司停車業務構成良好的戰略協同；歐力士集團是全球最大的綜合金融服務集團之一，以實際行動給公司投了信任票。

CHAIRMAN'S STATEMENT 主席報告書

By the end of the year, the Company's total assets have reached HK\$9.43 billion with an increase of about HK\$1.244 billion from the end of previous year, up approximately 15.2%, and its book cash has reached HK\$3.034 billion, showing an abundant liquidity. The Company's net assets have amounted to HK\$8.995 billion with an increase of about HK\$1.751 billion from the end of previous year, up approximately 24.2%. The asset-liability ratio has further lowered, from 11.52% to 4.61%. The Company's asset condition is at its best in recent years, with extremely low asset-liability ratio and sufficient cash reserves, making the Company more unruffled in a complex and volatile economic environment.

We are extremely grateful for the investment by strategic shareholders during the transformation stage of the Company. The Company will exercise best endeavor, act out and create greater value for shareholders. In the future, according to the development needs of the Company, it might be necessary to have a few more strategic shareholders who understand the industry and are able to contribute to market expansion and resource integration. It will increase the number of shares of the Company, however, the Company will strictly adhere to the bottom line and gradually enhance its dividend-paying ability to achieve a continuous increase in the dividend payout ratio. If the market opportunity is appropriate, it does not rule out the possibility of share buy-backs. It is an important task for the management team to ensure a continuous increase of the earnings per share for all shareholders.

截至年末，公司總資產達到港幣94.3億元，較去年年末增長約港幣12.44億元，增幅約15.2%，公司賬面現金達港幣30.34億元，流動性非常充裕。公司淨資產達港幣89.95億元，較去年年末增長約港幣17.51億元，增幅24.2%。資產負債率進一步降低，由11.52%下降至4.61%。公司資產狀況處在近年來的最佳狀態，極低的資產負債率和充盈的現金儲備，讓公司在複雜多變的經濟環境中將更加從容。

對於戰略股東在公司轉型階段的投資，我們無比感恩，公司將盡心盡力、說到做到，為股東創造更大的價值。在未來，根據企業的發展需要，可能還需要進一步引入少數懂行業、有助於市場拓展和資源整合的戰略股東，這將造成公司股數增加，但公司將嚴守底線，逐步增強分紅能力，以達到分紅率的持續提高。如市場機會合適，也不排除啟動回購股份的可能。保障全體股東的每股收益不斷提升是管理團隊的重要任務。

CHAIRMAN'S STATEMENT 主席報告書

CHAPTER 2. ORGANIZATIONAL GROWTH AND EVOLUTION

There are two core variables in the growth of an enterprise: strategy and organization. The explicit variable is strategic focus, and the implied variable is the organizational iteration. If the strategy cannot be effectively focused, the organization will be exhausted with decreasing efficiency. If the speed of organizational evolution cannot be kept up with the pace of strategy, the enterprise will eventually stop moving forward.

The achievement of the business performance in 2018 was the result of our constant focus on and efforts in the strategy. However, in order to win from battle to war, the Company needs to build a highly capable team and a self-growing system.

1. Build a highly capable team

Talents gather for their careers, and the Company thrives on talents. In the journey towards the ambitious goal, we need excellent talents sharing common goals and values to continuously join our marching team. How to attract the best talents to join us, how to place people in the best suitable positions to play their roles effectively, how to design a mechanism to retain the outstanding talents, and how to cultivate the growth of young talents with great potential, all the above are the most important things for us to build a remarkable and evergreen company.

第二章組織成長與進化

企業的成長有兩個核心變量：戰略與組織。明線變量是戰略的聚焦，暗線變量是組織的迭代。戰略不能有效聚焦，則組織疲憊而效率低下；組織進化的速度如果跟不上戰略的腳步，企業終將止步不前。

今年經營業績的取得，是我們在戰略上不斷聚焦與發力的結果，但公司要能從打勝仗到打勝戰役，需要打造一支極具戰鬥力的團隊和一個可以自我成長的系統。

一、 打造極具戰鬥力的團隊

人才因事業而聚集，公司因人才而興旺。在向遠大目標前進的征程中，我們需要有著共同目標和價值觀的優秀人才不斷加入我們前進的隊伍。如何吸引最優秀的人才加盟，如何讓最合適的人在最佳的崗位發揮重要的作用，如何設計機制留住優秀的人才，如何培養極具潛力的青年人才成長，從而塑造卓越長青的企業，對我們來說是最重要的事情。

CHAIRMAN'S STATEMENT 主席報告書

In 2018, more outstanding talents joined our management team

Ms. Zhang Meng, Deputy General Manager of the Company, is in charge of investment, management, and withdrawal of the Company's funds. Before joining Shougang Fund as Director of Risk Management in 2014, she had worked in a well-known law firm in China for a long time and accumulated rich experience in fund business. She is forthright, sincere and motivated, dares to take the responsibilities, and takes care of her team. She is able to lead the team to achieve good performance by overcoming difficulties.

Ms. Liang Lixia, Deputy General Manager of the Company, has more than 20 years of experience in well-known real estate companies before joining the Company. She has unique and profound insights into the value increment and re-creation of commercial projects. She presided over the acquisition and re-disposal of various non-performing assets projects in Beijing, with huge returns generated. Her joining is of great significance to the Company's relevant exploration and business development.

During the year, with the Chinese team of Urban Parking from NWS Group via acquisition, we have become even more powerful. Among them, Mr. Lu Ping has 10 years of experience in parking management and 15 years of experience in commercial real estate management, especially extensive practical experience in equipment selection and emergency response.

2018年，我們有更多優秀的人才加入經營團隊

張檬女士，擔任公司副總經理，分管公司旗下基金的投資、管理和退出。她2014年加入首鋼基金任風控總監，此前長期在國內知名律師事務所工作，基金行業經驗豐富。她為人真誠率性、積極進取、敢於擔當，對團隊愛護有加，能夠帶領團隊攻堅克難取得佳績。

梁麗霞女士，擔任公司副總經理，加盟公司前她在知名房地產公司有著逾20年的豐富經驗，對於商業項目增值再造有著獨到和深刻見解，曾經主持收購及再處置北京多個不良資產項目，收益巨大。她的加盟對於公司在該領域的探索和業務發展意義巨大。

年內因併購新創建富城停車中國團隊，讓我們如虎添翼。其中，陸平先生具有10年的停車場管理及15年的商業地產物業管理經驗，尤其在設備選型、突發事件應急處置等方面具有豐富的實踐經驗。

CHAIRMAN'S STATEMENT 主席報告書

In 2018, more frontline teams have grown rapidly

There are so many teammates I want to thank. This year I would like to introduce our team at Shanghai Hongqiao Airport to you. Among them, Ms. Jia Menglei, the ticketing supervisor, starting from a junior leader responsible for collecting parking fees, she has witnessed that the daily parking volume of P1 parking lot of Hongqiao Airport has grown from 100~200 vehicles per day to more than 4,000 vehicles per day. There is always a smile on her face, trying to make customers feel at home; Ms. He Meifang, Head of Finance, has come to Shanghai to work since 2007 and is currently Head of the Financial Department of Hongqiao Project. She is meticulous in accounting work without any deviations and brings great synergy throughout every level of the Company.

2. Shape an evolutionary organization

At the moment, the traditional corporate organizational form might be seriously challenged. Too many organizational levels lead to low decision-making efficiency, which makes high-level managers lose their sensitivity to the frontline market; complex management rules and systems hamper the initiative and innovation of talents, and the unreasonable value distribution system cannot retain outstanding talents.

We must change and shape an organization with the capability of evolution, in which flexibility could resist the rigidity derived from scale and innovation could fight against organizational entropy increase, so as to ensure the Company stays longer in the phase of healthy and high-speed growth.

(1) Reduce internal hierarchy, and shape a flat organization

Generally speaking, the more hierarchies within an enterprise, the more reporting there will be, the harder it is to understand and slower the action will be taken. The primary goal of employees is to fulfill orders from superiors in the layer-by-layer report, instead of being user centric, and they will spend their energy on the report, instead of going to frontline to solve the users' real problems.

2018年，我們有更多一線的團隊得到快速成長

需要感謝的夥伴太多，今年我要向各位介紹的是我們上海虹橋機場的團隊。其中，票務主管賈夢雷女士從基層收費班長做起，見證了虹橋機場P1停車場每日由零散的100~200輛車增長到現在進出4,000多輛，微笑始終在她的臉上綻放，努力讓客戶賓至如歸；財務主管何美芳女士2007年來到上海打拼，現擔任虹橋項目財務部主管一職。她的財務工作能夠事無鉅細無偏差，同時又貫穿公司上下，提升協同效率。

二、塑造具備進化力的組織

當下，傳統的企業組織形態可能受到嚴重挑戰。過多的組織層級，導致決策效率的低下，讓高層失去了對市場一線的敏感度；複雜的管理規則和制度，束縛了人才的主動性和創新活力；不合理的價值分配體系也留不住優秀的人才。

為此，我們必須做出改變，打造具有進化能力的組織，以靈活性對抗規模剛性，以創新性對抗組織增熵，以此保障企業在健康高速成長區間停留的時間更久。

(一) 減少內部層級，塑造扁平化組織

一般來說企業內部的層級越多，匯報越多，理解就會越難，行動就會越慢。員工會在層層的匯報中以完成上級命令為首要目標，而不再是以用戶為中心，會把精力花在報告上，而不去一線解決用戶的實際問題。

CHAIRMAN'S STATEMENT 主席報告書

As a startup, we want to create a culture entirely different from big companies and we are determined to create a flat organization and strive to achieve “three and a half levels” and “two and a half levels” management in decision-making by streamlining and optimizing organizational structure. For business operation, there are no more than three levels from the bottom level to top management, and then to the last half level (board) for review. For fund investment business, there are no more than two levels from the most bottom level to the top management, then to the final half level (the investment committee) for review. We ask mid and senior level executives to be accountable instead of simply avoiding risks. Those who fail to lead the team to win the battle, but blame the subordinates and external factors shall be resolutely dismissed.

(2) *Develop simple rules to create a networked organization*

We are committed to creating a network organization that is professional, highly adaptable, and efficient.

In terms of operational rules, we believe that extremely simple rules rather than complex central control system can guarantee the creativity of the junior employees, realize the network effect of emerging collective wisdom, and ensure the sensitivity and flexibility of the Company to the frontline market.

作為一家創業企業，我們打造與大企業截然不同的文化，下定決心打造扁平化組織，通過精簡優化組織結構，力圖實現管理決策的「三級半」和「兩級半」。在產業經營範圍，從最基層到最高層管理者不超過三級，再到最後的半級（董事會）進行覆核；在基金投資領域從最基層到最高層管理者之間不超過兩級，再到最後的半級（投委會）進行覆核。我們要求中高管責任擔當而非簡單地風險迴避，對於那些不能帶領團隊打勝仗，並把責任推諉給下屬和外界因素變化的中高管堅決請走。

(二) 制定簡單規則，打造網絡型組織

我們致力於打造專業化強、適應度高、運行高效的網狀組織。

在運行規則上，我們認為極度簡單的規則而非複雜的中心控制體系，才能保證基層的創造力，才能實現群體智慧湧現的網絡效應，保證公司對一線市場的敏感性和靈活度。

CHAIRMAN'S STATEMENT 主席報告書

In terms of organizational collaboration, we have drawn inspiration from the Yuanyang Array in ancient military tactics, to define the boundaries of each person's professional ability and view everyone as a trusted partner on the one hand, and to break the boundary, communicate and collaborate in the most direct and effective way on the other hand. By combining the advantage of flexible division of small teams with the advantage of scaled operation of big teams, the Company can flexibly apply the array according to environmental changes.

For potential risks, we control them through negative lists, but contents of the lists comply with the principle of simplicity and can be supplemented according to situation. For audits and various interim and post event supervision, in-process checking and results replay will be conducted annually, quarterly and monthly according to the negative lists, which is an insurmountable red line for Company's operation.

(3) *Establish a sharing mechanism to create a dynamic organization*

At present, how to establish an effective sharing mechanism is important to modern corporate governance. In essence, it is an issue of how to determine the relationship between talents and enterprises in respect of value creation and distribution. As early as 1980s, Shougang Group was one of the first batch for trials of national economic system reform to implement a contract plan of "Contracting for Progressive Increases of Profit". Under the historical conditions at that time, the contract system allowed Shougang to "have both self-motivated and self-constrained mechanisms, and be able to be self-accumulated, self-reform, and self-developed." Implementation of the contract system enabled Shougang to break through the constraints of planned economic system, expanded the autonomy of business operation and effectively promoted the development of the enterprise.

在組織協作上，我們從古代兵法的「鴛鴦陣」中獲取靈感，即要明確每個人的專業能力邊界，讓每個人都成為可以信任的夥伴，又要打破邊界，用最直接有效的方式溝通和協作。在實踐中把小團隊分工的靈活優勢與大軍團作戰的規模優勢結合起來，企業可以根據環境變化靈活應用陣法。

對於潛在的風險，我們通過制定負面清單加以管控，但清單的內容依然尊重極度簡單的原則，可以根據情況適度增加。審計及各類事中、事後監督根據負面清單，按照年度、季度乃至月度去進行過程督導和結果復盤，以此促使負面清單成為企業運營過程中不可逾越的紅線。

(三) *建立分享機制，打造活力型組織*

當下，企業如何建立有效的分享機制是現代企業治理的重要命題。本質上，這是一個如何確定人才與企業在價值創造、價值分配中的關係問題。早在上個世紀八十年代，首鋼集團曾被列為第一批國家經濟體制改革試點單位，實行「利潤遞增包干」的承包方案。在當時的歷史條件下，承包制讓首鋼「既有了自我激勵，自我約束的機制，也有了自我積累，自我改造，自我發展的能力」。承包制的實施讓首鋼突破了計劃經濟體制的束縛，擴大了企業經營自主權，有力地促進了企業的發展。

CHAIRMAN'S STATEMENT 主席報告書

The Company inherits the Shougang spirit of being 'highly responsible, innovative and leading', has formulated a mechanism in line with market-oriented reform for management and key business staff, covering basic salary, performance bonus, long-term earnings sharing, and value sharing. We hope that employees will have no worries behind when they dedicate to and work hard for the Company, they will receive sufficient respect and reward.

公司傳承「敢擔當、敢創新、敢為天下先」的首鋼精神，針對管理層和業務骨幹，制定了符合市場化改革方向，包含基礎薪酬、績效獎金、長期收益分享和價值分享機制。我們希望員工在為公司奉獻和拚搏的時候，能夠後顧無憂，奮鬥者必將獲得足夠的尊重和獎賞。

CHAPTER 3. PONDERING OVER THE COMPANY'S MISSION, VISION, AND VALUES

In our business practice, I have become more and more aware that the corporate values not only influence our strategic judgment, management decisions and behaviors, but also fundamentally determine our destiny.

What kind of products do we want to provide to users? How do we continuously make efforts to contribute to the society? What kind of company do we want to be? What values shall we uphold to achieve our goals? This is the three ultimate questions of the philosophy of corporate survival: "Who am I? Where am I going? How will I arrive?" Without a mission, we will not know the ultimate meaning of existence. If there is no vision in common, we will not know where to go together. Without values, we will not be able to judge what are right from wrong.

To this end, we have thought and discussed thoroughly. Some expressions may not be completely accurate now, but I hope this is a beginning. We are open and inclusive, hope to share our ideas, and look forward to hearing voices from all shareholders, employees, and business partners.

第三章 公司使命願景以及價值觀的思考

在我們的商業實踐過程中，我越來越深刻的感受到，企業的價值觀不僅影響著我們的戰略判斷、管理決策和行為方式，而且從根本上決定了我們的命運。

我們要給用戶提供什麼樣的產品，如何不斷地努力為社會做出貢獻？我們希望成為一家怎樣的公司？我們又將遵循什麼樣的價值觀，達成我們的目標？這正是企業生存哲學的終極三問：「我是誰？我去往何處？我將如何抵達？」如果沒有使命，我們就將不知道存在的終極意義。如果沒有共同的願景，我們將不知道一起走向何方。如果沒有價值觀，我們將無法判斷哪些是對，哪些是錯。

為此，我們做了深入思考和討論，現在的有些表述也許還不完全準確，但我希望這是一個開始，我們秉持開放包容的理念，希望和各位股東、公司員工與業務夥伴一起來完成這個答卷。

CHAIRMAN'S STATEMENT 主席報告書

1. Our mission and vision: be a trustworthy superior asset investor and operator, make city life better!

We hope that in the near future, the Company could become the best asset investment enterprise with a deep layout in the familiar assets segment in China, and create great value for investors through anchoring the asset investment opportunity with lower risk, better returns, more dividends, and less retracement.

We hope that in the near future, lean management could be applied to make asset operation more efficient, empower evolution of urban functions, provide more valuable services to customers, use science and technology to generate profound changes, and create better urban life for users.

We hope that in the near future, the Company will be sufficiently inclusive and open, with equity as a link to invest and acquire more valuable companies and assets, as well as with SG Capital Group as a cultural identity to build the cornerstone of trust by empowering and managing the invested companies and assets.

We hope that in the near future, the team will share common cognitions, believe in and abide by common values, continuously grow on the platform, create more values for the Company and society, and ultimately enjoy benefits from the Company's development.

2. Our values: value investment, excellent products, open and inclusive

To achieve mission and vision of the Company, we need to achieve a lot of important tasks. The most important thing in this process is what kind of values we adhere to, and the multiple thinking models built by these values. The values of the Company determine our behavior patterns and value criterion.

一、我們的使命願景：成為值得信賴的卓越資產投資和經營者，讓城市生活更美好！

我們希望在不遠的將來，公司可以成為中國最好的資產投資企業，在熟悉的細分資產領域深度佈局，通過錨定風險較低、收益較好、分紅較多、回撤較小的資產投資機會為投資人創造巨大價值。

我們希望在不遠的將來，能夠用精益管理提升資產運行效率，為城市功能進化賦能，為客戶提供更多有價值的服務，亦能夠用科技智能引發深刻的改變，為用戶創造更美好的城市生活。

我們希望在不遠的將來，公司足夠的包容和開放，以股權為紐帶，投資收購更多有價值的企業及資產，以SG Capital Group為文化標識，通過為被投資企業及資產的賦能及管理，構築起信任的基石。

我們希望在不遠的將來，團隊能夠有共同的認知，篤信並遵守共同的價值觀，不斷在平台上實現自身的成長，為公司和社會創造更多的價值，並最終分享企業發展所帶來的收益。

二、我們的價值觀：價值投資、極致產品、開放包容

要實現企業的使命和願景，需要達成諸多要務，這個過程中最重要的就是我們堅持什麼樣的價值觀，以及這些價值觀所構築的多元思維模型。公司的價值觀，確立了我們做事的行為方式和價值準則。

CHAIRMAN'S STATEMENT 主席報告書

(1) *Must uphold the principle of value investment*

In the past five years, the price of a considerable number of assets in mainland China has seriously deviated from their value. Instead of blindly investing the funds into the highly valued business to earn temporary plaudits in commercial illusions, it is better to make well preparation while waiting, to take initiative to pave a path for business development and to comprehensively engage in the investment and operation of parking facilities and other undervalued assets. We have further improved our investment decision-making model and persisted to maintain investment standards. We uphold the idea of being low profile, "make a hard camp and fight a dull battle", to win tactfully and readily without competing. Unswervingly focusing on long-term, and only earning long-term money, we believe that excellent long-term investors will be surely rewarded by time.

(2) *Be committed to providing the best products and services to society*

Industry is the past, customers are the future. We must always think and improve the products from user's perspective, and even redefine the product category, because the users and we all believe that the parking lot should be a comfortable, efficient and safe space, and it should exist like a piece of artwork, and a space full of warmth and real perception. In order to achieve such goals and pursuits, we will strive to provide customers with the best parking service in the world by creating the best products and services through a "ten-fold better" efforts.

(一) 必須堅持價值投資原則

過去五年，內地相當多門類的資產價格嚴重偏離價值，與其將資金盲目地投入到高估值企業商業幻想中博取短暫的喝彩，不如在等待中做好準備，主動選擇深耕產業之路，深度參與停車設施及其他被低估資產的投資和經營。我們進一步完善了投資決策模型，堅持了投資標準。秉持居下不爭的理念，「結硬寨，打呆仗」，不爭而善勝。做堅定的長期主義者，只賺長期的錢，相信卓越的長期投資者必將受到時間的獎勵。

(二) 致力於為社會提供最好的產品和服務

行業是過去，客戶是未來，我們要始終站在用戶的角度去思考 and 改進產品，甚至是重新定義產品的品類，因為我們和用戶都相信，停車場應該是舒適、高效、安全的空間，甚至應該像藝術品一樣存在，是一個充滿溫度，真實可感知的空間。為了這樣的目標和追求，我們將努力通過「十倍好」的努力，打造極致的產品和服務，力求為客戶提供全球最好的停車服務。

CHAIRMAN'S STATEMENT

主席報告書

(3) *Be a trustworthy, open and inclusive investor*

As an investor who intends to acquire control in the target companies, it is necessary for the Company to establish a foundation of common interest with the acquired Company, and it is necessary to build a multi-level trust system. Under this principle, we work from three levels. First, locate the win-win situation for both parties in the price and structure of transactions. Second, think about how to empower our partners before the acquisition, identify to-do-list, in principle, we will not invest in a company if we can't help its development. Third, create an extremely simple negative list, extremely strict red lines and extremely serious in-process supervision and post event audit.

As more and more teams join our big family, we will adhere to an open and inclusive culture in the future. Inspired by the common mission and vision, we will continue to foster the endogenous feature of culture and value and enhance recognition of value and cultural identity to become a united team working together in harmony.

CHAPTER 4. ACKNOWLEDGMENT

There are a lot of people I would like to thank. We are exploring and walking on an unknown road, and we can see the glimmer of a lighthouse in a distance. Even though we are getting closer to the lighthouse, we are still walking on our way. However, with the support from the shareholders, the care of our customers, and the efforts of our teammates, we are never alone when moving forward, and we can draw strength of the present moment and make great strides towards the future.

On the road of exploration, Shougang Group gives the best resources and the greatest support to the Company, and also allows the team to innovate on the cutting edge via trials and errors and constantly seek to create the ultimate products. It is under the inclusiveness of Shougang Group that the Company has the opportunity to grow up with breakthrough.

(三) *做一個值得信任、開放包容的投資者*

作為控股型投資者需要公司與被收購企業建立共同的利益基礎，需要構建多層次的信任體系。在這條原則之下，我們從三個層面開展工作：一是在交易價格和交易結構上要找到雙方共贏的點；二是在收購前就需要想好如何為夥伴賦能，明確問題解決清單，原則上不能幫助企業發展就不要投資；三是劃定極度簡單的負面清單，極度嚴格的紅線以及極度認真的事中監督和事後審計。

隨著越來越多的團隊陸續加入我們的大家庭。在未來，我們將秉持開放包容的文化理念，在共同的使命與願景的感召之下，不斷增強文化價值觀的內生性，不斷提高增強文化價值觀的認同感，成為同心同德、合力共贏的戰鬥團隊。

第四章致謝

要感謝的人很多，我們正在一條未知的道路上探索前行，能夠模糊地看到遠方燈塔的微光，但即便臨近燈塔之下，也依然在路途上而已。然而由於股東的支持、客戶的關愛、夥伴的努力，前行之路上我們從不孤單，亦能更好地汲取當下的力量，大步快速向遠方邁進。

在探索之路上，首鋼集團將最好的資源和最大的支持賦能給公司，亦允許團隊在邊緣創新，不斷試錯、不斷尋求打造極致產品，正是在博大胸懷的包容之下，公司才有機會茁壯成長、形成突破。

CHAIRMAN'S STATEMENT 主席報告書

On the road of exploration, investors have given great trust in us. Now the Company is at the initial stage, and many works are not perfect. Under this circumstance, our investors give great financial support to us, help integrate the industrial chain and spend time on researching the priorities of the Company's development. These are the important cornerstones for the Company to become the best company in the market segments.

On the road of exploration, customers open up to innovation. We polish the products, guarantee better urban life services and redefine product categories in cooperation with our customers.

On the road of exploration, the teammates are working together and marching forward. Enterprise never has a perfect moment, but every teammate has aspiration to pursue "ten-fold better" with the common goal of creating an ideal enterprise, and never stop.

The best gratitude is to reward the trust of shareholders and customers with better performance and better products, and to encourage the team to grow up together with the Company and ultimately realize the mission and vision of the Company.

The future has come, 2018 has already ended. I believe in 2019 it will be even more fantastic with the support from all of you.

Thank you all!

Zhao Tianyang
26 March 2019

在探索之路上，投資人給予了巨大的信任，要知道現在只是公司的起步階段，很多工作還不完善，在此情況之下，大家給予大量資金支持、幫助整合產業鏈、付出時間研究公司發展之要務，這些是公司成為細分市場最好企業的重要基石。

在探索之路上，客戶開放創新，與我們共同打磨產品，保障提供更好的城市生活服務，重新定義產品品類。

在探索之路上，夥伴們戮力同心，砥礪前行。企業從沒有完美的時刻，但大家以創造理想企業為共同目標，始終追尋「十倍好」，從未停歇。

最好的感謝是以更加優秀的業績和更好的產品來回報股東和客戶的信任，並促使團隊與企業共同成長，最終實現企業之使命願景。

未來已來，2018年早已結束，相信在大家的的支持下2019將更加精彩。

謝謝各位！

趙天陽
2019年3月26日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

COMPANY OVERVIEW

2018 was the first year that the Group focused on car parking assets operation and management business and urban renewal-oriented fund management business. The first annual results have an encouraging performance. The profit attributable to the owners of the Company for the year was HK\$353 million, representing an increase of 516.4% compared to last year. With the efforts of the Group, car parking assets operation and management business begun to contribute revenue and the gross profit margin is increasing along with the improvement of operation. Meanwhile, the urban renewal-oriented fund management business managed by the Group are subscribed by more investors as the team manages the underlying assets of the funds meticulously, therefore the funds rapidly expanded and contributing stable profit to the Group. In addition, guided by the principle of product reduction, risk control and profit increase formulated in the beginning of 2018, the trading business turned around from loss to profit. For all those reasons, the Group's consolidated profit attributable to the owners of the Company in 2018 records an increase compared to that of 2017 by several times.

PERFORMANCE REVIEW

公司縱覽

2018年是集團轉型聚焦停車資產經營管理與以城市更新為方向的私募基金管理的第一年，首份全年業績即見到有令人鼓舞之表現，股東應佔本年度溢利港幣3.53億元，較去年增長516.4%。在集團的努力下，停車業務開始貢獻收入，並隨著運營水準的提升，停車板塊的毛利率得到增長；隨著團隊對於所管理基金之底層資產的精心打磨，更多的投資人願意投資認購本集團所管理之基金，基金規模的迅速擴大使得基金管理板塊成為本集團穩定利潤來源；按照2018年初對於鐵礦石貿易業務所定之「減量、控險、增利」之原則指導下，鐵礦石貿易板塊實現了扭虧為盈。由於所有該等原因，本集團於2018年之股東應佔綜合溢利較2017年錄得數倍增長。

業績縱覽

		For the year ended 31 December 截至12月31日止年度	
		2018	2017
		HK\$ Million 港幣百萬元	HK\$ Million 港幣百萬元
Profit (loss) attributable to the owners of the Company before share of results of associates	攤佔聯營公司業績前之股東應佔溢利(虧損)	78	(192)
Share of results of associates	攤佔聯營公司之業績	275	249
Profit attributable to the owners of the Company	股東應佔溢利	353	57

MANAGEMENT DISCUSSION AND ANALYSIS 管理層論述與分析

Key Performance Indicators

關鍵表現指標

		For the year ended 31 December/ 截至12月31日止年度/ As at 31 December 於12月31日	
		2018 HK\$ Million 港幣百萬元	2017 HK\$ Million 港幣百萬元
Revenue	營業額	1,676	3,816
Gross profit margin	毛利率	9.6%	0.2%
Profit attributable to the owners of the Company	股東應佔溢利	353	57
Earnings per share (HK cents)	每股盈利 (港仙)	1.75	0.56
Total assets	總資產	9,430	8,186
Net assets attributable to the owners of the Company	股東應佔淨資產	8,966	7,025
Bank balances, cash and time deposit with original maturity over three months	銀行結存、現金及原到期日超過三個月的定期存款	3,034	1,490
Borrowings	借款	103	–

The Group's profit attributable to the owners of the Company for the year ended 31 December 2018 was HK\$353 million as compared to the profit of HK\$57 million for last year. The Group recorded a revenue of HK\$1,676 million, representing a decrease of 56.1% over last year. The gross profit margin increased significantly from 0.2% for last year to 9.6% for the year. The earnings per share for the year was 1.75 HK cents and the earnings per share for the last year was 0.56 HK cents.

集團截至2018年12月31日止年度之股東應佔溢利為港幣3.53億元，而去年則為溢利港幣0.57億元。集團本年錄得年度營業額港幣16.76億元，較去年下降56.1%。毛利率大幅提升，從去年的0.2%上升到本年度的9.6%。集團本年度之每股盈利為1.75港仙，而去年為每股盈利0.56港仙。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

FINANCIAL REVIEW

Year ended 31 December 2018 compared to the year ended 31 December 2017

Revenue and Cost of Sales

The Group recorded revenue of HK\$1,676 million for this year, representing a decrease of 56.1% when comparing to HK\$3,816 million for last year. The decrease in revenue was mainly because that after the introduction of new businesses and based on the status quo of the trading business, the Group decided to strictly control the increase in trading volume of iron ore.

Cost of sales for the year was HK\$1,516 million, representing a decrease of 60.2% when comparing to HK\$3,807 million for last year. The decrease in cost of sales was also mainly attributable to the tightened control in trading volume of iron ore by the Group.

Gross profit for the year was HK\$161 million. The gross profit margin was 9.6% as compared to 0.2% for last year. The increase in gross profit margin was attributable to the improvement in the overall risk management and operation capability of the original iron ore trading business on one hand, and to the newly added car parking assets operation and management business and urban renewal-oriented fund management business on the other hand. The gross profit margin of both businesses was much higher than that of iron ore trading business, especially the urban renewal-oriented fund management business.

財務回顧

截至2018年12月31日止年度與截至2017年12月31日止年度之比較

營業額及銷售成本

集團於本年錄得營業額港幣16.76億元，對比去年之港幣38.16億元，下降56.1%。營業額下降主要是因為本集團在引入新業務後，基於貿易業務的現狀，決定嚴控鐵礦石貿易量的增加。

本年銷售成本為港幣15.16億元，對比去年之港幣38.07億元，下降60.2%。銷售成本下降主要也是因為本集團對於鐵礦石貿易量的控制收緊。

本年錄得毛利港幣1.61億元，毛利率為9.6%，而去年之毛利率為0.2%。毛利率提升一方面歸因於原有鐵礦石貿易業務整體風險管控和運營能力提升，另一方面是因為新增的停車資產經營管理業務與以城市更新為方向的基金管理業務，兩項業務毛利率均遠高於鐵礦石貿易業務，特別是以城市更新為方向的基金管理業務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

EBITDA

For the year under review, earnings before interest, tax, depreciation, amortisation, impairment loss and changes in fair value of commodity contracts for the operations of the Group was HK\$352 million (2017: HK\$223 million).

Finance costs

For the year under review, finance costs amounted to approximately HK\$6 million, 67.2% lower than that of last year. The decrease in finance costs was due to the decrease in the overall loan of the Group.

Share of results of associates

In this year, we have shared a profit of HK\$278 million from Shougang Fushan Resources Group Limited (“**Shougang Resources**”) and shared a loss of HK\$3 million from Shougang Concord Century Holdings Limited (“**Shougang Century**”), whereas for last year, the share of profit from Shougang Resources and loss from Shougang Century were HK\$273 million and HK\$24 million respectively.

Taxation

The tax expense for the year was HK\$10 million, mainly for the payment of the China enterprise income tax for the subsidiaries engaged in operation and management of car parking assets and management of private funds in the mainland China with the tax rate of 25%, while there was no tax payment for the last year.

EBITDA

於本回顧年度，集團之業務在扣除利息、稅項、折舊、攤銷、減值虧損及有關商品合約公平值變動淨額前溢利為港幣3.52億元（2017年：港幣2.23億元）。

財務成本

於本回顧年度，財務成本約為港幣600萬元，較去年下降67.2%。財務成本下降是因為集團整體貸款減少。

攤佔聯營公司之業績

於本年度，我們從首鋼福山資源集團有限公司（「**首鋼資源**」）攤佔了港幣2.78億元之溢利及從首長寶佳集團有限公司（「**首長寶佳**」）攤佔港幣300萬元之虧損，而去年從首鋼資源攤佔了港幣2.73億元之溢利及從首長寶佳攤佔港幣0.24億元之虧損。

稅項

於本年度稅項支出為港幣0.1億元，主要為於中國內地從事停車資產經營管理及私募基金管理業務之附屬公司繳納之中國企業所得稅，稅率為25%，而去年度沒有任何稅項支出。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

REVIEW OF OPERATIONS

Summary of net profit contribution to the Group by operation/entity:

業務回顧

各分部／公司對本集團的淨溢利貢獻概覽：

Operation/Entity 分部／公司	Percentage of interest held by the Group 本集團所持權益百分比	For the year ended 31 December 截至12月31日止年度		
		2018 HK\$ Million 港幣百萬元	2017 HK\$ Million 港幣百萬元	
1. Trading business 1. 貿易業務	100%	44	(20)	
2. Car Parking Assets Operation and Management Business 2. 停車資產經營管理業務	100%	(23)	–	
3. Urban Renewal-oriented Fund Management Business 3. 以城市更新為方向的基金管理業務	100%	25	–	
Sub-total	小計	46	(20)	
4. Share of results of associates Shougang Resources Shougang Century	4. 攤佔聯營公司之業績 首鋼資源 首長寶佳	27.61% 35.71%	278 (3)	273 (24)
Sub-total	小計	275	249	
5. Others Net gains/(losses) related to commodity contracts Corporate and others	5. 其他 有關商品合約之收益 ／(虧損)淨額 公司自身及其他		45 (13)	(122) (50)
Sub-total	小計	32	(172)	
Profit attributable to the owners of the Company	股東應佔溢利	353	57	

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

Trading Business

The trading business of the Group mainly involves the trading of iron ore imported by the PRC. Iron ore is a vital raw material for the manufacturing of steel, while steel is one of the important material widely applied in our daily life, including development of infrastructures, real estates, shipbuilding, railways, industrial machineries, automobiles and home appliances, etc.

Since 2017, the Group has adjusted its business model based on market conditions and has begun to use hedging instruments including iron ore futures/swaps to reduce the risks faced by its iron ore trading business. The Group expects that the prospects of the trading business will remain challenging. As a result, it has decided to strictly control the risks of iron ore trading and gradually reduce the revenue from iron ore trading as well as the volume of iron ore transaction.

In the current year, sales volume of iron ore in trading business was approximately 2.93 million tonnes, representing a decrease of 60.3% when comparing to last year, and the selling price decreased by 1.8% to US\$65.4 per tonne. The Group recorded a revenue of HK\$1,500 million, representing a decrease of 60.6% when comparing to last year. Although the revenue decreased, the gross profit increased significantly and the gross profit margin increased from the 0.2% for 2017 to 3.5% for this year. The net profit amounted to HK\$44 million, as compared with the net loss of HK\$20 million for last year. The increase in net profit was mainly due to the increase of gross profit margin and the reversal of provision of impairment loss in trade receivables of HK\$25 million.

貿易業務

集團之貿易業務主要是買賣中國進口之鐵礦石。鐵礦石為生產鋼鐵之主要原材料，而鋼鐵則為廣泛應用於日常生活眾多方面之其中一項最重要之材料，包括基建發展、房地產、造船、鐵路、工業機械、汽車及家電等。

自2017年起，本集團已根據市況調整業務模式，並開始使用鐵礦石期貨／掉期等對沖工具以減低鐵礦石貿易業務所面臨的風險。本集團預期鐵礦石貿易業務之前景仍將充滿挑戰，並決定嚴格控制鐵礦石貿易風險，逐步減少鐵礦石貿易收入及鐵礦石貿易量。

於本年度，貿易業務銷售了約293萬噸鐵礦石，比去年下降60.3%，銷售單價則下降1.8%至每噸65.4美元，錄得收入港幣15億元，比去年下降60.6%。收入下降，但毛利明顯提升，毛利率從2017年的0.2%提升至本年的3.5%，實現淨溢利港幣0.44億元，上年為淨虧損港幣0.2億元。溢利增加主要是由於毛利率增加及應收賬款減值撥備回撥港幣0.25億元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

Ever since 2009, the trading business had mainly involved trading of iron ore pursuant to the offtake agreements entered into with Mount Gibson Iron Limited (“**Mt. Gibson**”). However, the amount of iron ore provided by Mt. Gibson to the Group dropped significantly following the suspension of the Koolan Island mine of Mt. Gibson due to the occurrence of seawall slump and flooding in late 2014. Mt. Gibson has restarted the production of Koolan Island mine which is currently progressing well. Mt. Gibson expressed that, according to its feasibility study and technical assessment results of the Koolan Island mine, the mine had a reserve of iron ore (66% Fe) of 21 million tonnes and was expected to resume iron ore sales in the first half of 2019. Under the offtake agreement, the Group is required to acquire 80% of the annual production of Koolan Island.

In December 2016, the Group entered into another offtake agreement with Mt. Gibson for the purchase of about one fourth of the first year’s production volume of iron ore from Iron Hill, a new project of Mt. Gibson. The offtake agreement has a term of 12 months, with subscription price to be determined based on cost and freight after taking consideration of the market price with reference to Platts Iron Ore Index, plus general market premium on iron lump, and penalties in relation to the purity of the iron ore. The Group is entitled to extend the term of the agreement to a maximum of 12 months. In December 2017, the Group entered into another offtake agreement in respect of the iron ore purchase from Iron Hill mine, which further optimised the procurement costs for the purchase of iron ore from Iron Hill mine. The performance of the offtake agreement in relation to the Iron Hill mine entered into between the Group and Mt. Gibson will be completed in the first quarter of 2019.

The iron ore trade has no strategic synergy with the Group’s new principal business. The Group will continue to reduce iron ore trading volume to reduce ore trading revenue, and strictly control the risk of ore trading.

貿易業務自2009年起，主要是經營與Mount Gibson Iron Limited (「**Mt. Gibson**」) 簽訂之承購協議項下之鐵礦石貿易，可是近2014年年底，Mt. Gibson的Koolan Island礦山發生海堤崩塌，導致礦山水浸，Mt. Gibson供應予集團之鐵礦石數量大幅減少。Mt. Gibson已重啟Koolan Island礦山生產，目前進展順利。Mt. Gibson表示根據其對Koolan Island礦山之可行性研究及技術評估結果，礦山有65.5% Fe高品位之鐵礦石儲量2,100萬噸，並預計於2019年上半年可開始重新恢復鐵礦石銷售。在該承購協議項下，集團需承購Koolan Island每年80%之生產。

於2016年12月，集團與Mt. Gibson簽訂了另一承購協議，以承購Mt. Gibson新項目Iron Hill首年可供生產量約四份之一的鐵礦石。承購協議為期十二個月，承購價包括按普氏鐵礦石指數作參考之成本加運費市場價格，另加塊礦在市場的一般溢價及鐵礦石純度罰則。集團有權對協議期限延長最多十二個月。於2017年12月，集團再度就Iron Hill礦山之承購簽訂另一份承購協議更加優化了採購Iron Hill礦山鐵礦石之採購成本。集團與Mt. Gibson就Iron Hill礦山簽訂的承購協定將於2019年一季度執行完成。

鐵礦石貿易與集團新主業並無戰略協同。集團將繼續縮減鐵礦石交易量，減少礦石貿易收入，嚴控礦石交易風險。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

Urban Renewal-oriented Fund Management Business

The Group expanded its business to private fund management through the acquisition of 京冀協同發展示範區(唐山)基金管理有限公司(Beijing-Hebei Co-development Exhibition Zone (Tangshan) Fund Management Co., Ltd., "Jingji Capital") at the end of 2017. On May 2018, the registered capital of Jingji Capital changed from RMB200 million to RMB400 million, and all of the additional registered capital was contributed by Jingji (Hong Kong) Limited, a wholly-owned subsidiary of the Group. As of 31 December 2018, there are 17 funds managed or operated by Jingji Capital, with a total target subscription scale of approximately RMB30 billion. Currently, the investors of the managed funds include major financial institutions such as Agricultural Bank of China, China Merchants Bank and China Life Insurance, as well as various provincial and municipal government fund investment agencies in Beijing, Hebei Province, Jilin Province, Sichuan Province and Heilongjiang Province, etc. The funds focus on the investments of car parks based infrastructure and the renovation of old parks. Meanwhile, it will consider investments in health care based consumer upgrades, new energy auto parts and equipment manufacturing, as well as advanced technologies.

以城市更新為方向的基金管理業務

本集團於2017年底收購京冀協同發展示範區(唐山)基金管理有限公司(「京冀資本」)，將業務拓展至私募基金管理。於2018年5月，京冀資本的註冊資本由人民幣2億元變更為人民幣4億元，而新增註冊資本全部由本集團全資子公司京冀(香港)有限公司認繳。於2018年12月31日，京冀資本管理或負責投資運作的基金17隻，目標認繳規模約達人民幣300億元。現所管理基金的投資人包括中國農業銀行、招商銀行、中國人壽等大型金融機構和北京市、河北省、吉林省、四川省、黑龍江省等多省市政府的基金投資機構。該等基金的投資重點專注於以停車為主的基礎設施與園區舊改。同時，將考慮投資於以醫療為主的消費升級、新能源汽車零配件及裝備製造，以及前沿科技等方向。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

In 2018, the Group successively raised, established and managed a number of new funds to serve the development of urban renewal business, including: 京冀曹妃甸協同發展展示範區基金一期(有限合夥)(Beijing-Hebei Caofeidian Co-development Exhibition Zone Fund I) (Limited Partnership) with a size of RMB1 billion, focusing on supporting the development and construction of Caofeidian Park; 北京首鋼產業轉型基金有限公司 (Beijing Shougang Industry Transformation Fund Co., Ltd.) with a registered capital of RMB10 billion (the subscription for the first and second phases of registered capital has been completed and the fund size is RMB8.1 billion), focusing on supporting the development of 新首鋼高端產業綜合服務區 (New Shougang High-end Industry Comprehensive Service Park,

本集團於2018年陸續募集設立並管理多個新基金以服務城市更新業務，包括：人民幣10億元規模的京冀曹妃甸協同發展展示範區基金一期(有限合夥)，重點支持曹妃甸園區開發建設；註冊資本將為人民幣100億元的北京首鋼產業轉型基金有限公司(已完成首期及二期註冊資本認繳，基金規模為人民幣81億元)，支持新首鋼高端產業綜合服務區(「首鋼園區」)的開發；以及人民幣16.05億元規模的北京首獅銘智瑾信經濟諮詢企業(有限合夥)，以投資於首奧產業園區項目，為2022年冬奧組委提供辦公及訓練配套場所的同時，引入國際知名體育龍頭企業、文化創意、科技創新類企業，建設成為



Shougang Park
首鋼園區

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

“Shougang Park”); and 北京首獅銘智瑾信經濟諮詢企業(有限合夥)(Beijing Shoushi Ming Zhi Jin Xin Economic Consulting Firm (Limited Partnership)) with a size of RMB1,605 million for investment in Shouao Industrial Park project which is to provide Organising Committee for the 2022 Winter Olympic Games with offices and ancillary premises for training, as well as to develop itself as an influential industrial park in China by introducing internationally well-known sports industry leaders, cultural and creative enterprises and technology innovation companies. The Group adopts the real estate financial model of “funds + bases + industries” to participate in the development, management, operation, and exit of industrial entities. Through having controlling shareholding or investing in the enterprises in the old industrial zone, it will lead the concentration of high-end industries and promote regional development, transformation and upgrade.

國內有影響力的產業園區。本集團通過「基金+基地+產業」的不動產金融模式，參與產業載體開發、管理、運營、退出，通過控股或參股老工業區內的企業，引導高端產業聚集，促進區域開發建設和轉型升級。



Shougang Park
首鋼園區

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

As the fund manager, Jingji Capital is usually the general partner. In line with the industry practice of private fund, the general partner shall invest in a minority stake of the funds under its management so as to share its investment return and alpha returns. At 31 December 2018, Jingji Capital held a basket of interest in the minority stake of funds totaling HK\$195 million.

With the steady growth in the number and size of funds under the management of Jingji Capital, the Group expects that in the foreseeable future, the management fee income and investment return from the provision of private fund management services will achieve sustainable and rapid growth.

Car Parking Assets Operation and Management Business

Currently, “difficulties and chaos in parking” is one of the painful points in the administration of large and medium-sized cities across China and there is a huge gap between the demand for and the supply of parking spaces. To solve the problem of scatter, weakness, small scale and low operational efficiency of car parking industry, the Group provides integrated solutions for the control of regional static traffic and smart car parking facilities. With all the efforts, the Group aims to enhance the operational efficiency of regional static and dynamic traffic management.

京冀資本作為基金的管理人，一般也是普通合夥人，按私募基金行業慣例，普通合夥人會投資於所管理之基金的少部份權益，以分享其投資收益和超額收益，於2018年12月31日，京冀資本持有一籃子的少數股權基金權益共港幣1.95億元。

隨著京冀資本管理基金數目及規模的穩步增長，本集團預期來自提供私募基金管理服務之管理費收入及投資收益於可見將來，將有可持續及高速的增長。

停車資產經營管理業務

停車難、停車亂是目前中國大中型城市治理的痛點，停車位缺口數量巨大。本集團針對停車行業散、弱、小，運行效率低等痛點，向地區靜態交通控制和智能停車場設施提供整合解決方案，從而提升地區靜態交通和動態交通管理兩方面的營運效益。

Beijing Daxing International Airport

北京大興國際機場



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

The Group accelerated the layout of the parking industry and adhered to the principle of “key cities, prime locations and quality parking spaces”, while focusing on segment markets such as airports, hospitals, shopping malls, office buildings and roadside to source high-quality, high-return operational projects. At present, the Group has entered into contracts in relation to the benchmark projects in the industry including Beijing Daxing International Airport, Shanghai Hongqiao Airport, Guiyang Longdongbao Airport, Beijing China-Japan Friendship Hospital, and Beijing Station. In 2018, the Group obtained the long-term operation rights of 22,128 car parking lots in Beijing, Shanghai, Chongqing, etc.

Through acquisition, the Group strengthened its existing advantages and quickly integrated market resources in the meanwhile.

集團加快在停車產業的佈局，秉持著重點城市、核心位置、優質車位的原則，聚焦於機場、醫院、商場、寫字樓、路側等細分市場，尋找高質量、高收益的運營項目，目前已簽約北京大興國際機場、上海虹橋機場、貴陽龍洞堡機場、北京中日友好醫院、北京站等行業標桿項目。2018年，本集團在北京、上海、重慶等地獲取車位及長期經營權22,128個。

集團亦通過股權收購等方式，強化既有優勢，同時快速整合市場資源。



China-Japan Friendship Hospital Helipad
中日友好醫院停車樓頂層停機坪



Beijing Station Parking Lot
北京站停車場

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

首中投資管理有限公司 (Shouzhong Investment Management Co., Ltd., “**Shouzhong Investment**”) is principally engaged in the business of car parking assets investment and operation in the PRC. The Group has completed the acquisition of 44.94382% of Shouzhong Investment held by CIMC Transportation Equipment (International) Holdings Limited (“**CIMC Transportation**”) on 23 March 2018. Upon the acquisition, Shouzhong Investment is owned as to 89.88764% by the Group. According to the acquisition agreement, the consideration of approximately RMB209,884,269 was to be settled by way of issuing a total of 1,047,931,056 new shares by the Company at an issue price of HK\$0.2475 per share. The consideration shares were issued on 26 March 2018 at the share price per share of HK\$0.217. In April 2018, the registered capital of Shouzhong Investment changed from RMB445 million to RMB1.5 billion to support its rapid business development. In September 2018, the Company acquired the equity interests held by Beijing Jianshi Tongxin Management Consultancy Centre (北京堅石同心管理諮詢中心) in Shouzhong Investment. Upon completion of the acquisition, Shouzhong Investment is held as to 100% by the Company and became a wholly-owned subsidiary of the Company.

首中投資管理有限公司(「**首中投資**」)主要於中國從事停車資產投資及運營業務。本集團於2018年3月23日，完成收購中集交通運輸裝備(國際)控股有限公司(「**中集交通**」)持有之44.94382%首中投資股權。於完成收購事項後，首中投資由本集團持有89.88764%權益。根據收購協議，代價約人民幣209,884,269元由本公司按發行價每股港幣0.2475元發行合計1,047,931,056股新股份之方式支付。代價股份於2018年3月26日以每股股份港幣0.217元發行。於2018年4月，首中投資註冊資本由人民幣4.45億元變更為人民幣15億元，以支持其快速的業務拓展。於2018年9月，本公司收購北京堅石同心管理諮詢中心(有限合夥)持有的首中投資的股權，收購事項完成後，首中投資由本公司持有100%權益，成為本公司之全資附屬公司。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

On 28 December 2018, the Group completed the acquisition of the entire equity interest in Urban Parking (Beijing) Limited (富城(北京)停車管理有限公司) (“**Urban Parking Beijing**”), which further expanded its business of management and operations of car parking assets. Urban Parking Beijing, together with its subsidiaries, is principally engaged in the provision of car parking management services in Beijing, Shanghai and Chongqing and manages over 10,000 car parking lots, most of which are located in urban core areas. Pursuant to sale and purchase agreement, the consideration of the acquisition was RMB49,380,000 (equivalent to approximately HK\$55,591,831), of which RMB9,980,000 shall be settled in cash and RMB39,400,000 shall be settled by way of allotment and issuance of 177,425,528 new shares at HK\$0.25 per share by the Company. The consideration shares were issued on 28 December 2018 at the share price per share of HK\$0.196. Through the acquisition, Urban Parking Beijing became a wholly-owned subsidiary of the Group and could contribute all its revenue and profit to the Group. Meanwhile, the experienced management team of Urban Parking Beijing will help the Group expand the market share, in particular in respect of commercial, office and car parking lot businesses.

本集團於2018年12月28日，完成收購富城(北京)停車管理有限公司(「**富城停車北京**」)的全部股權，進一步擴展其停車資產經營管理業務，富城停車北京連同其附屬公司主要於北京、上海及重慶從事提供停車管理服務，其管理車位元數目超過10,000個，大部分位於城市核心地區。根據買賣協議，收購事項之代價為人民幣49,380,000元(相當於約港幣55,591,831元)，其中人民幣9,980,000元以現金支付，人民幣39,400,000元由本公司按每股港幣0.25元之價格配發及發行177,425,528股新股份的方式支付。代價股份於2018年12月28日以每股股份港幣0.196元發行。透過收購事項，富城停車北京成為本公司之全資附屬公司，可為本集團貢獻其所有收益及溢利，同時，富城停車北京經驗豐富的管理團隊將有助於本集團擴大市場份額，特別是商業及辦公室樓車場業務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

In addition, Shouzhong Investment also owns the car park operation right of a major project in the new airport in Beijing through the investment in 48.125% equity interest in Beijing Shouzhong Car Parking Management Company Limited, “**Shouzhong Parking**”, a joint venture of Shouzhong Investment. The operation of the new airport project is for a term of 20 years with an option to extend for a further 5 years. The new airport in Beijing will contain 4,200 parking lots and is expected to be put into operation by the end of 2019. On 30 December 2018, Beijing Shouxing Zhixing Investment Co., Ltd. (北京首興智行投資有限公司, a wholly-owned subsidiary of the Company, “**Shouxing Zhixing**”), Shouzhong Investment, Shouzhong Parking, Shougang Fund and Beijing Gonglian Anda Car Parking Management Co., Ltd. (北京公聯安達停車管理有限公司, “**Gonglian Anda**”) entered into the Capital Increase Agreement, pursuant to which, Shouxing Zhixing proposed to contribute RMB76,000,000 to the registered capital of Shouzhong Parking, and the registered capital of Shouzhong Parking will thereby be increased from RMB144,000,000 to RMB220,000,000. The capital increase will be subject to consideration by independent shareholders at the general meeting of the Company. Upon completion of the capital increase, the Company’s interests in Shouzhong Parking will be increased to approximately 66.045% and Shouzhong Parking will become a subsidiary of the Company and be incorporated in the accounts of the Company.

另外，首中投資亦通過投資在合營公司北京首中停車管理有限公司（「**首中停車**」）之48.125%股權，擁有重要項目北京新機場之停車場經營，營運期為20年，另有再延長5年之選擇權。北京新機場將擁有4,200個停車位，預計在2019年年底可投入營運。於2018年12月30日，本公司全資子公司北京首興智行投資有限公司（「**首興智行**」）與首中投資、首中停車、首鋼基金及北京公聯安達停車管理有限公司（「**公聯安達**」）訂立增資協議，首興智行擬以人民幣76,000,000元認繳首中停車之新增註冊資本，及首中停車註冊資本由人民幣144,000,000元增加至人民幣220,000,000元。本公司將於股東大會上由獨立股東就此增資事項進行審議。於增資事項完成後，本公司於首中停車合共之間接權益將增加至約66.045%，首中停車將成為本公司之附屬公司並合併在本公司賬目中。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

Shougang Resources

Exploration and sale of coking coal

Shougang Resources is a 27.61% owned associate of the Group listed in Hong Kong and is a major hard coking coal producer in China. Shougang Resources currently operates three premium coal mines in Shanxi province, PRC, namely Xingwu coal mine, Zhaiyadi coal mine and Jinjiazhuang coal mine. It sold 0.74 million tonnes of raw coking coal and 2.10 million tonnes of clean coking coal during the year and its consolidated revenue for the year was HK\$3,686 million, an increase of 6% over that of last year. The selling price (inclusive of VAT) of raw coking coal and clean coking coal sold during the year were RMB786 and RMB1,451 respectively, representing increases of 15% and 5% respectively comparing to last year. In 2018, the price of raw coking coal and clean coking coal rose slightly, however, as affected by the decline in the sales volume of raw coking coal, the profit attributable to the owners of the Company of Shougang Resources for this year was HK\$1,100 million, which was substantially flat with HK\$1,081 million for last year, representing an increase of 2%. Profit of Shougang Resources attributable to the Group was HK\$278 million in this year while the profit was HK\$273 million in last year.

The strong financial position of Shougang Resources with zero gearing ratio and bank balances of HK\$4.5 billion enable it to improve its value when appropriate investment opportunities arise.

Customers are confident of the high-quality products of Shougang Resources which are regarded as panda coal.

首鋼資源

焦煤開採及銷售

首鋼資源為集團擁有27.61%股權在香港上市的聯營公司，是國內大型硬焦煤生產商，現於中國山西省經營興無、寨崖底及金家莊三個優質煤礦。首鋼資源本年銷售約74萬噸原焦煤及210萬噸精焦煤，綜合營業額為港幣36.86億元，較去年上升6%。原焦煤每噸含稅售價為人民幣786元，而精焦煤為人民幣1,451元，分別較去年上升15%及5%。於2018年度，原焦煤及精焦煤價格小幅上漲，但受到原焦煤銷售量下滑的影響，首鋼資源本年度股東應佔溢利與上年基本持平，為港幣11億元，去年溢利為港幣10.81億元，增長2%。集團本年攤佔首鋼資源之溢利為港幣2.78億元，而去年是攤佔其溢利港幣2.73億元。

首鋼資源的財務狀況十分穩健，接近零負債之餘，同時擁有港幣45億元銀行存款，在有合適投資機會時，能為首鋼資源提升價值。

首鋼資源的產品質量上乘，有熊貓煤之譽，客戶對此都充滿信心。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

Shougang Century

Manufacture of steel cord for radial tyres and sawing wires; processing and trading of copper and brass products

Shougang Century is a 35.71% owned associate of the Group listed in Hong Kong whose businesses are manufacturing of steel cords and processing and trading of copper and brass products in Shandong province and Zhejiang province, the PRC. The Group's share of its net loss was HK\$3 million in this year, comparing to the share of net loss of HK\$24 million in last year.

With the Group's transformation towards car parking assets operation and management business and urban renewal-oriented private fund management business, from the perspective of future development strategies, the existing businesses of Shougang Century are not complementary to the business development of the Group. To make full use of resources and optimise the principal business structure, on 21 November 2018, the Group entered into the sale and purchase agreement with Shougang Holding in relation to disposal of the 35.71% equity interest in Shougang Century at a consideration of HK\$205,996,553.70, which reflects an indirect transfer of 686,655,179 shares of Shougang Century at a consideration of HK\$0.30 per share of Shougang Century. The restructuring will be subject to consideration by independent shareholders at the general meeting of the Company. Upon completion of the restructuring, the Group will be no longer hold any equity interest in Shougang Century.

首長寶佳

製造子午線輪胎之鋼簾線、切割鋼絲、銅與黃銅材料加工及貿易

首長寶佳為集團擁有35.71%股權在香港上市的聯營公司，於中國山東省及浙江省經營製造鋼簾線、銅與黃銅材料加工及貿易。本年度集團攤佔其淨虧損為港幣300萬元，去年則為攤佔淨虧損港幣0.24億元。

隨著本集團向停車資產經營管理業務以及城市更新方向的私募基金管理業務的轉型，從未來發展策略角度考慮，首長寶佳之現有業務與本集團的業務發展並非互補，為充分利用資源優化主營業務結構，本集團已於2018年11月21日與首鋼控股訂立買賣協議出售持有的首長寶佳35.71%的股權，交易代價為港幣205,996,553.70元，代價反映按每股首長寶佳股份港幣0.30元轉讓首長寶佳686,655,179股股份。本公司將於股東大會上由獨立股東就此重組事項進行審議。於重組事項完成後，本集團將不再持有首長寶佳任何股權。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2018, the aggregate sales attributable to the Group's five largest customers represented approximately 53.2% of the Group's total sales, of which the sales attributable to the largest customer accounted for approximately 14.5% of the Group's total sales.

For the year ended 31 December 2018, the aggregate amount of purchase attributable to the Group's five largest suppliers represented approximately 91.6% of the Group's total purchases, while the purchases attributable to the largest supplier for the Group accounted for approximately 71.3% of the Group's total purchases.

For the year ended 31 December 2018, none of the Directors, their close associates or any shareholder of the Company (which, to the knowledge of the Directors, owns more than 5% of the issued shares of the Company) had any beneficial interest in these major customers and suppliers.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group is mainly engaged in the trading of iron ore, principally focusing on the trading of iron ore imported by the PRC. As a vital raw material for the manufacturing of steel, demand for iron ore depends on the demand for steel in the PRC. Over the years, demand for imported iron ore in the PRC maintains upward trend, but any adverse change will affect the amount of imported iron ore and thereby make the Group unable to maintain its trading volume of iron ore. Further, profit from this segment will be decreased, resulting in an unsatisfactory performance of the Group.

主要客戶及供應商

截至2018年12月31日止年度，本集團對5大客戶的銷售額約佔本集團總銷售額53.2%，其中最大客戶的銷售額約佔本集團總銷售額的14.5%。

截至2018年12月31日止年度，本集團向5大供應商購貨的總購貨額約佔本集團總購貨額的91.6%，而本集團於最大供應商的購貨額約佔本集團總購貨額的71.3%。

截至2018年12月31日止年度，董事、彼等的緊密聯繫人或任何本公司股東（就董事所知擁有本公司已發行股份5%以上人士）概無持有該等主要客戶及供應商任何實益權益。

主要風險及不確定性

本集團主要之經營業務為鐵礦石貿易，該業務主要是經營進口中國之鐵礦石。鐵礦石是製造鋼鐵最主要的原材料，因此其需求會受到中國對鋼鐵的需求而出現變化。雖然過去多年，中國對進口鐵礦石之需求有增無減，但假若情況突然逆轉，有可能影響到進口鐵礦石的數量，使本集團無法維持對鐵礦石的貿易量，從而減少從該業務獲得的利潤，影響集團業績表現。

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For the purpose to hedge the purchase and sales price risk of the iron ore trading business, the Group started to adopt iron ore futures/swap instruments in 2017, which are derivative financial instruments traded in leveraged way where there is a chance that the actual losses would exceed the margin deposits paid for iron ore futures/swaps, and is accordingly of a high risk profile.

Since 2018, the Group has strictly controlled the iron ore trading volume, and plans to further reduce the iron ore trading size in 2019 and focus on the car parking assets operation and management and urban renewal-oriented fund management business, which is expected to reduce the impact of the abovementioned risks and uncertainties on the Group.

At late 2017, the Group has acquired the private fund management business. In most of the cases, the Group acts as the general partner of funds or partnerships. According to relevant agreements, if the realized amount of the assets of the fund or partnership is insufficient to cover their respective liabilities, the general partner of the fund or partnership shall bear unlimited liabilities of the fund or partnership. In China, it is a customary practice that a general partner bears unlimited liabilities of the fund or partnership under its management in case of a net deficit position of the fund or partnership.

為了對沖鐵礦石貿易業務的買賣價格風險，本集團於2017年開始採用鐵礦石期貨／掉期等工具。鐵礦石期貨／掉期乃金融衍生工具，以槓桿形式操作，實際虧損有機會大於已付之鐵礦石期貨／掉期保證金，因此風險較高。

於2018年度起，集團已嚴控鐵礦石貿易量，並計畫於2019年度繼續縮減鐵礦石貿易規模，專注於停車資產經營管理及以城市更新為方向的私募基金管理業務，預計將削減以上風險及不確定性對於本集團之影響。

集團在2017年底收購了私募基金管理業務。於大部分情況下，本集團作為基金或合夥企業之普通合夥人。根據相關協議，倘變現基金或合夥企業資產金額不足以償還彼等各自之負債，基金或合夥企業之普通合夥人要承擔基金或合夥企業之無限責任。在中國，普通合夥人在彼所管理之基金或合夥企業出現淨虧絀狀況時要承擔基金或合夥企業之無限責任乃屬行業慣例。

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The Group is also engaged in mining and sale of hard coking coal as well as the manufacture and sale of steel cord for radial tyres and sawing wires; processing and trading of copper and brass products in China by holding interests in the Hong Kong listed associate, Shougang Resources. As a vital raw material for steel refining, the sale of coking coal of Shougang Resources has close connection with the steel demand. Weak demand on steel will directly dampen the results of Shougang Resources. With significant proportion of investments in these associates, the results of which will to a certain extent affect the overall performance of the Group.

Save for the abovementioned risks and uncertainties, the analysis on market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk of the Group are detailed in the note related to financial instruments to the financial statements.

COMPLIANCE WITH LAWS AND REGULATIONS

Details of the Group's compliance with laws and regulations are disclosed in the environmental, social and governance report on pages 149 to 199 of this annual report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

Details of the Group's environmental policy and performance are disclosed in the environmental, social and governance report on pages 149 to 199 of this annual report.

本集團亦通過持有香港上市之聯營公司首鋼資源經營國內硬焦煤開採及銷售業務。作為提煉鋼鐵其中一個重要原材料，首鋼資源之焦煤銷售與鋼鐵需求息息相關，若鋼鐵需求疲弱，會直接對首鋼資源之業績表現帶來影響。集團因很大比重投資在聯營公司，聯營公司的業績對集團整體業績也會產生一定影響。

除了上述之風險及不確定性外，本集團對市場風險（貨幣風險、利率風險及其它價格風險）、信貸風險及流動資金風險之分析，詳載於財務報表內有關金融工具之附註。

遵守法律及法規

有關集團遵守法律及法規的詳情披露於本年報第149頁至第199頁之環境、社會及管治報告。

環保政策及表現

有關集團的環保政策及表現的詳情披露於本年報第149頁至第199頁之環境、社會及管治報告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

LIQUIDITY, FINANCIAL RESOURCES AND FINANCING ACTIVITIES

The Group aims to diversify its funding sources through utilisation of both banking and capital markets. To the extent possible, financing is arranged to match business characteristics and cash flows.

1. Cash/Bank Balances and Loans

The cash and bank balances, and borrowings of the Group as at 31 December 2018 as compared to 31 December 2017 is summarised below:

		As at 31 December	
		於12月31日	
		2018	2017
		HK\$ Million	HK\$ Million
		港幣百萬元	港幣百萬元
Cash and bank deposits	現金及銀行存款	3,034	1,490
Borrowings	借款	103	–
Equity attributable to the owners of the Company	股東應佔權益	8,966	7,025

2. Currency Risk, Interest Rate Risk and Other Market Risk

The Company manages its financial risks in accordance with guidelines laid down by its Board of Directors. The treasury policy aims to manage the currency, and interest rate risk of the Group. Derivatives are mainly used for managing such risks. We also target to ensure that adequate financial resources are available for business growth.

流動資金、財務資源及融資活動

本集團致力透過銀行及資本市場分散其集資途徑。融資安排將盡可能配合業務特點及現金流量情況。

1. 現金／銀行存款及貸款

本集團於2018年12月31日，對比2017年12月31日的現金及銀行存款、貸款撮列如下：

2. 貨幣風險、利率風險及其他相關風險

本公司在董事會指示下管理財務風險。庫務政策目的在管理本集團外匯、利率、商品價格及買賣對手的信貸風險。衍生金融工具主要為對沖業務經營風險，我們亦致力確保具有足夠財務資源以配合業務發展之用。

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The Group conducts its businesses mainly in Hong Kong and the mainland China, it is subject to the foreign exchange fluctuations of HK dollars, US dollars and Renminbi. To minimise currency exposure, non-Hong Kong dollar assets are usually financed in the same currency as the asset or cash flow from it through borrowings. For the year ended 31 December 2018, approximately 89.5% of the Group's revenue for the continuing operations was denominated in US dollars and 10.3% in RMB.

The Group is mainly exposed to cash flow interest rate risk in relation to variable-rate bank balance and borrowings. As at 31 December 2018, if interest rates on bank borrowings was 25 basis points higher/lower with all other variables held constant, there would be no significant impact on the post tax profit of the Group.

The Group is exposed to foreign currency risk and commodity prices risk through its commodity contracts to purchase iron ore. The Group used iron ore future/swap to hedge for the price risks of the purchase cost and selling price arising from iron ore trading.

3. Financing Activities

As at 31 December 2018, the balance of the Group's term loan financing is HK\$35 million.

On 2 February 2018, the Group entered into a lease agreement with South China International Leasing Company Limited, where the leasing principal is RMB60 million, equivalent to approximately HK\$74 million with an annual interest rate of 5.5% and a lease term of one year.

本集團業務主要集中在中港兩地。因此，我們需承擔港元、美元及人民幣匯率波動風險。為了減低匯兌風險，非港元資產通常是以其資產或現金流的外幣作為借貸基礎。於截至2018年12月31日止年度，集團約89.5%之營業額是以美元進行，10.3%之營業額是以人民幣進行。

本集團主要面對浮動息率之銀行結餘及借款相關之現金流利率風險。於2018年12月31日，倘銀行借款的利率在所有其他變量保持不變的情況下上升／下跌25個基點，則將不會對本集團的除稅後溢利產生重大影響。

本集團透過購買鐵礦石之商品合約面臨外幣風險及商品價格風險。本集團採用鐵礦石期貨／掉期及遠期外匯合約，以對沖鐵礦石貿易採購及銷售之價格風險。

3. 融資活動

截止2018年12月31日，本集團銀行定期貸款融資餘額為港幣0.35億元。

本集團於2018年2月2日，與南方國際租賃有限公司簽署融資租賃合同，租賃本金人民幣0.6億元整，折合約港幣0.74億元，年利率5.5%，租期一年。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

USE OF PROCEEDS FROM SUBSCRIPTION OF NEW SHARES

On 16 November 2017, the Company completed an open offer of 8,957,896,227 shares with the net proceeds of approximately HK\$2,004 million, of which, approximately HK\$440 million was used to pay for the consideration and related expenses of the acquisition of Jingji Capital and Shouzhong Investment; approximately HK\$250 million was used to pay for the capital increase of Jingji Capital and Shouzhong Investment; approximately HK\$270 million was used to repay the bank loans of the Group; approximately HK\$490 million was used to support the existing operation of trading business; approximately HK\$410 million was used to expand the car parking and fund management businesses and to supplement general working capital. The proceeds from rights issue have almost been fully utilised based on their proposed use in 2017 and 2018.

On 19 September 2018, the Company completed the open offer of shares, and a total of 4,903,741,731 new shares were subscribed by Jingxi Holdings Limited, a wholly-owned subsidiary of Shougang Fund, Rocket Parade Limited, a wholly-owned subsidiary of NWS Holdings Limited and its subsidiaries (“NWS Group”) and ORIX Asia Capital Limited (“ORIX Asia”) with net proceeds of approximately HK\$1,219 million. Out of the net proceeds, approximately HK\$850 million was applied for the Shougang Park, and the remaining amount was invested in the car parking assets operation and management business. The net proceeds have not been utilised so far, and will be used in the abovementioned activities in the future, to cooperate closely with Shougang Group to participate in the development and management of Shougang Park as well as to further expand the car parking assets operation and management business. At present, the Group has reserved a number of quality car park projects with strong demand for liquidity. With adequate cash reserves, the Group is capable to capture the opportunity of the high-growth period of the car parking industry and deliver greater returns to its shareholders.

認購新股份之所得資金使用情況

於2017年11月16日，本公司完成公開發行8,957,896,227股股份，所得款項淨額約為港幣20.04億元，其中，約港幣4.4億元用於支付收購京冀資本、首中投資之代價及相關費用；約港幣2.5億元用於支付京冀資本、首中投資之增資款；約港幣2.7億元用於償還本集團之銀行貸款；約港幣4.9億元用於支持貿易業務現時營運；約港幣4.1億元用於拓展停車及基金管理業務及補充一般營運資金。供股所得款項已於2017及2018年度根據建議用途幾近悉數獲使用。

於2018年9月19日，本公司完成公開發售股份，由京西控股有限公司（首鋼基金之子公司）、Rocket Parade Limited（新創建集團有限公司及其附屬公司（「新創建集團」）之全資附屬公司）及歐力士亞洲資本有限公司（「歐力士亞洲」）認購合共4,903,741,731股新股，所得款項淨額約港幣12.19億元，所得款項中約港幣8.5億元將投資於首鋼園區，剩餘款項投資於停車場資產經營及管理業務。所得款項淨額目前尚未動用，未來將按照以上所述方式使用，與首鋼集團緊密合作，參與首鋼園區之發展及管理；同時，進一步拓展停車資產經營管理業務。目前本集團已儲備多個優質停車場項目，對流動資金需求強勁。充足的現金儲備可以確保本集團把握停車行業的高增長期，增加為股東帶來更大回報之可能性。

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管理層論述與分析

MATERIAL ACQUISITIONS & DISPOSALS

There were no material acquisitions and disposals by the Group during this year.

SUBSEQUENT EVENT

On 19 March 2019, the Company entered into the subscription agreements with Soteria Financial Investment Company Limited (“HOPU”), Red Avenue Investment Group Limited (“Red Avenue”) and Matrix Partners China V Hong Kong Limited (“Matrix Partners”), pursuant to which the subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, a total of 3,384,043,134 subscription shares at the subscription price of HK\$0.25 per subscription share. Upon the completion of the subscription, HOPU, Red Avenue, and Matrix Partners will hold approximately 9.9%, 0.438% and 2% of the Company’s equity interest. The net proceeds from the issue of the subscription shares are estimated to be approximately HK\$845 million. The Company intends to use the net proceeds for general working capital, further financing the Group’s businesses in management and operation of car parking assets and urban renewal-oriented fund management, as well as for funding other potential investments by the Group in the future.

CAPITAL STRUCTURE

The Company issued 6,129,098,315 new shares during this year.

The issued share capital of the Company was HK\$8,830,429,429 (represented by 24,044,890,769 issued ordinary shares).

重大收購與處置出售

在本年度，本集團沒有任何重大收購與處置出售。

報告期後事項

於2019年3月19日，本公司與Soteria Financial Investment Company Limited（「厚樸」）、彤程投資集團有限公司（「彤程」）及經緯中國第五香港有限公司（「經緯」）訂立認購協議，以上認購人有條件同意認購而本公司有條件同意配發及發行合共3,384,043,134股股份，認購價為每股認購股份港幣0.25元。於認購事項完成後，厚樸、彤程、經緯將分別持有本公司9.9%、0.438%及2%的股份。估計認購股份之所得款項淨額約為港幣8.45億元，將用作一般營運資金，以進一步拓展停車資產經營管理及以城市更新為方向的基金管理業務，以及為本集團未來其他潛在投資提供資金。

資本結構

在本年度，本公司發行6,129,098,315股新股。

公司的已發行股本為港幣8,830,429,429元（代表已發行24,044,890,769股普通股）。

MANAGEMENT DISCUSSION AND ANALYSIS

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EMPLOYEES AND REMUNERATION POLICIES

The Group has a total of 413 employees as at 31 December 2018.

The remuneration policies of the Group are to ensure fairness and competitiveness of total remuneration in order to motivate and retain current employees as well as to attract potential ones. Remuneration packages are carefully structured to take into account local practices under various geographical locations in which the Group operates.

The remuneration packages of employees in Hong Kong include salary, discretionary bonuses, medical subsidies and hospitalisation scheme. All of the subsidiaries of the Group in Hong Kong provide pension schemes to the employees as part of their staff benefits. The remuneration packages of employees in the PRC include salary, discretionary bonuses, medical subsidies and welfare fund contribution as part of their staff benefits.

PROSPECTS

In 2019, the Group will further reduce and control the scale of the non-core businesses such as iron ore trading, and focus more on the car parking assets operation and management and urban renewal-oriented fund management business.

As of 2018, the car ownership in China has exceeded 240 million, while the gap between the demand for and the actual number of car parking lots has exceeded 80 million. We anticipated that the demand for car parking lots in car parks would remain double-digit growth. The car parking industry currently has problems including low management efficiency, excessive market dispersion, and lack of leading enterprise in the industry, which represented a huge space for integration and market expansion for Shougang Concord International. As the only one listed company in China that focuses on the investment and operation of car parking assets, the Group is committed to becoming a pioneer and promoter of the car parking industry. The Group will not only focus on the domestic market, but also the overseas. It is expected that the Group will achieve extremely fast development in respect of car parking operation in the future.

僱員及酬金政策

本集團於2018年12月31日合共有僱員413名。

本集團的酬金政策是要確保僱員的整體酬金公平及具競爭力，從而推動及挽留現有僱員，同時亦吸引人才加入。酬金組合是根據本集團各自業務所在地的慣例設計。

香港僱員之酬金組合包括薪金、酌情花紅、醫療津貼及住院計劃。本集團在香港之所有附屬公司均為香港僱員提供退休金計劃，作為員工福利之部份。若干在中國僱員之酬金組合包括薪金、酌情花紅、醫療津貼及福利基金，作為員工福利之部份。

展望

2019年，集團將進一步壓縮控制鐵礦石貿易等非核心業務的規模，更加聚焦於停車資產經營管理與以城市更新為方向的基金管理業務。

截止2018年中國的汽車保有量已經超過2.4億輛，而停車場缺口則超過8,000萬，我們預計未來5年中國停車場車位需求量仍將保持雙位元數字增長。停車行業目前存在管理效率低、市場過於分散等問題，缺乏行業龍頭企業，對於首長國際而言具有巨大的整合和市場開拓的空間。作為國內目前唯一以停車場設施投資及運營為主的上市公司，本集團致力於成為停車行業的先行者和推動者，本集團不只會著眼於國內，也會放眼世界，預期本集團未來在停車場經營業務方面，將會有極其迅速之發展。

MANAGEMENT DISCUSSION AND ANALYSIS

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While creating long-term and stable profits for the Company, the private fund management business also contributed to the growth of the Company's urban renewal and car parking business. A unique development model of "funds + bases + industries" was formed, providing a solid foundation for the robust growth in the future.

In addition, in view of the strong fund-raising capability and tremendous investors base (international large-scale financial institutions and provincial and municipal government invested fund), it is expected that fund management income and the investment return will continue to rise as the fund size increases.

However, the original business of trading of imported iron ore was inconsistent with the strategy of the Group to develop the car parking assets operation and management and urban renewal-oriented fund management business. The Group will further reduce the sales volume of iron ore trading and dispose the business in a timely manner depending on market conditions.

In order to support the business transformation, the Group has successively introduced new strategic shareholders, namely Shougang Fund, CIMC Group, NWS Group, ORIX Asia, HOPU, Matrix Partners and Red Avenue, which form synergy with the business of the Group. Through diversified structure of shareholders, the Group seeks longer-term and broader development for the new principal business in the future.

The introduction of strategic shareholders will greatly help the Company's business development, improvement of governance, and optimisation of risk management. The Group will be more proactive in seeking projects to expand the existing business, with the aim of supporting the rapid development of the Group.

私募基金管理業務在為公司創造長期穩定利潤的同時，助力公司城市更新業務及停車業務的發展，形成了「基金+基地+產業」的獨特發展模式，為本集團之未來強勢發展奠下堅實基礎。

此外鑒於公司強大的募集資金能力和雄厚的投資者基礎（國際大型金融機構和省市政府投資基金），預計未來私募基金業務的管理服務收入以及投資退出的淨利貢獻都會隨著基金規模的增加而繼續上漲。

而原來之進口鐵礦石貿易業務，與集團致力於發展停車資產經營管理業務以及以城市更新為方向的基金管理業務的戰略不符。集團將進一步壓縮鐵礦石貿易的銷量，視市場情況適時出售該業務。

為支持業務轉型，本集團引進新的戰略股東，相繼引入首鋼基金、中集集團、新創建集團、歐力士亞洲、厚樸、彤程及經緯，與公司的業務形成協同效應。透過多元化的股東架構，在新主業未來的發展上謀求更長遠和更寬廣的發展。

戰略股東的進入，對公司業務發展、治理水準的提升及風險管理的優化都有巨大的幫助。本集團將更積極尋找開拓現有業務之項目以支持本集團之迅速發展。

DIRECTORS' BIOGRAPHIES

董事簡介

EXECUTIVE DIRECTORS

Mr. Zhao Tianyang, aged 38, was appointed an Executive Director and the Chairman of the Board of Directors of the Company on 6 January 2018 and is also a member and the chairman of each of the Executive Committee and the Nomination Committee of the Company. He holds a Bachelor degree in science, a Master degree in economics from Peking University and an Executive Master of Business Administration degree from Cheung Kong Graduate School of Business. Mr. Zhao joined 首鋼集團有限公司 (Shougang Group Co., Ltd., "Shougang Group") in December 2011. He is the assistant to general manager of Shougang Group, a director of Shougang Holding (Hong Kong) Limited ("Shougang Holding") and, a director and the general manager of 北京首鋼基金有限公司 (Beijing Shougang Fund Co., Ltd., "Shougang Fund"). Both Shougang Holding and Shougang Fund are wholly-owned subsidiaries of Shougang Group. Both Shougang Group and Shougang Holding are controlling shareholders of the Company as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Each of Shougang Group, Shougang Holding and Shougang Fund is a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Zhao worked in The China Securities Regulatory Commission, Beijing Municipal Commission of Development and Reform and in Peking University. He has extensive experience in company operation and management, investment and capital operation.

執行董事

趙天陽先生，38歲，於2018年1月6日獲委任為本公司執行董事兼董事會主席，並為本公司執行委員會及提名委員會成員兼主席。彼持有北京大學理學學士及經濟學碩士學位，以及長江商學院高級工商管理碩士(EMBA)學位。趙先生於2011年12月加入首鋼集團有限公司(「首鋼集團」)。彼現擔任首鋼集團總經理助理、首鋼控股(香港)有限公司(「首鋼控股」)董事及北京首鋼基金有限公司(「首鋼基金」)董事兼總經理。首鋼控股及首鋼基金均為首鋼集團之全資附屬公司，首鋼集團及首鋼控股均為本公司控股股東(根據香港聯合交易所有限公司(「聯交所」)證券上市規則之涵義)，而首鋼集團、首鋼控股及首鋼基金均為本公司主要股東(根據證券及期貨條例第XV部賦予之涵義)。趙先生曾任職於中國證券監督管理委員會、北京市發展和改革委員會及北京大學。彼在公司經營與管理、投資及資本運作等方面具有豐富的經驗。

DIRECTORS' BIOGRAPHIES

董事簡介

Mr. Li Shaofeng, aged 52, was appointed as an Executive Director and the Managing Director of the Company in May 2010 and was re-designated from the Managing Director to the Vice Chairman of the Board of Directors of the Company on 6 January 2018 and is also a member of each of the Executive Committee and the Remuneration Committee of the Company. He holds a Bachelor degree in Automation from University of Science and Technology Beijing. Mr. Li joined Shougang Group in 1989 and held many senior positions in the group companies of Shougang Group. He is also an executive director and the managing director of Shougang Fushan Resources Group Limited ("**Shougang Resources**", an associate of the Company), and an executive director of BeijingWest Industries International Limited ("**BeijingWest International**"). Mr. Li is also a non-executive director of Mount Gibson Iron Limited, a company listed on the Australian Securities Exchange. He was the chairman of Shougang Resources (resigned on 18 January 2018), an executive director and the chairman of Shougang Concord Century Holdings Limited ("**Shougang Century**", an associate of the Company) (resigned on 18 January 2018) and an executive director and the chairman of each of Shougang Concord Grand (Group) Limited ("**Shougang Grand**") and Global Digital Creations Holdings Limited ("**GDC**") (both resigned on 14 June 2017). All of Shougang Resources, BeijingWest International, Shougang Century, Shougang Grand and GDC are listed on the Stock Exchange. Mr. Li has extensive experience in management of listed companies, investments and capital operation.

Mr. Xu Liang, aged 53, was appointed as an Executive Director of the Company on 21 May 2018 and is also a member of the Executive Committee of the Company. He graduated from Fudan University with a Bachelor degree in Statistics and obtained a Master degree in Business Administration from Tsinghua University and is a senior accountant. Mr. Xu joined the group of Shougang Group in 1988 and held various senior positions. He is also the managing director of Shougang Holding. Mr. Xu is also an executive director and the chairman of Shougang Grand, an executive director of GDC and was the chairman of GDC (resigned on 21 July 2018). He has extensive experience in management.

李少峰先生，52歲，於2010年5月獲委任為本公司執行董事兼董事總經理，並於2018年1月6日由本公司董事總經理調任為董事會副主席，並為本公司執行委員會及薪酬委員會成員。彼持有北京科技大學自動化學士學位。李先生於1989年加入首鋼集團，並曾擔任首鋼集團的集團公司多個高級職位。彼亦出任首鋼福山資源集團有限公司（「**首鋼資源**」，本公司聯營公司）執行董事兼董事總經理，並出任京西重工國際有限公司（「**京西國際**」）執行董事。李先生亦出任於澳洲證券交易所上市之Mount Gibson Iron Limited非執行董事。彼曾出任首鋼資源主席（於2018年1月18日辭任）、首長寶佳集團有限公司（「**首長寶佳**」，本公司聯營公司）執行董事兼董事長（於2018年1月18日辭任）、並曾分別出任首長四方（集團）有限公司（「**首長四方**」）及環球數碼創意控股有限公司（「**環球數碼**」）執行董事兼主席（均於2017年6月14日辭任）。首鋼資源、首長寶佳、首長四方及環球數碼均於聯交所上市。李先生在上市公司管理、投資和資本運作等方面均具有非常豐富之經驗。

徐量先生，53歲，於2018年5月21日獲委任為本公司執行董事，並為本公司執行委員會成員。彼畢業於復旦大學並取得數理統計學士學位，其後取得清華大學工商管理碩士學位，並為高級會計師。徐先生於1988年加入首鋼集團，並曾擔任多個高級職位。彼亦擔任首鋼控股董事總經理。徐先生亦出任首長四方執行董事兼主席、環球數碼執行董事及曾出任環球數碼主席（於2018年7月21日辭任）。彼於管理方面具有豐富經驗。

DIRECTORS' BIOGRAPHIES

董事簡介

Mr. Liang Hengyi, aged 45, was appointed as an Executive Director and the Managing Director of the Company on 6 January 2018 and is also a member of each of the Executive Committee and the Nomination Committee of the Company. He holds a Master degree in Economics and a Doctor of Philosophy degree in Management and is a senior economist. Mr. Liang was the managing director of Shougang Fund. He also served as the general manager of non-fare business unit of Beijing Infrastructure Investment Co., Ltd., the general manager of Beijing Capital Investment Rail Transit Assets Management Company and the president of Beijing Urban Underground Space Development and Construction Co., Ltd.

NON-EXECUTIVE DIRECTORS

Dr. Li Yinhui, aged 51, was appointed as a Non-executive Director of the Company on 6 January 2018 and is a member of each of the Audit Committee and the Remuneration Committee of the Company. He obtained a Bachelor degree in Arts (History) and a Doctorate degree in World Economy from the Jilin University in 1991 and 2001 respectively, and a Master degree in Business Administration from the Nanjing University in 1997. Dr. Li completed his Postdoctoral research in China Centre for International Economic Exchanges in 2016. He is also a non-executive director and the chairman of CIMC-TianDa Holdings Company Limited (formerly known as China Fire Safety Enterprise Group Limited), a company listed on the Stock Exchange and a vice-president of China International Marine Containers (Group) Co., Ltd., a company listed on both Shenzhen Stock Exchange and the Stock Exchange. Dr. Li has extensive experience in managing large-scale enterprises.

梁衡義先生，45歲，於年2018年1月6日獲委任為本公司執行董事兼董事總經理，並為本公司執行委員會及提名委員會成員。彼持有經濟學碩士及管理學博士學位，並為高級經濟師。梁先生曾擔任首鋼基金董事總經理。彼亦曾任職北京市基礎設施投資有限公司多種經營事業部總經理、北京京投軌道交通資產經營管理有限公司總經理及北京城投地下空間開發建設有限公司董事長等職務。

非執行董事

李胤輝博士，51歲，於2018年1月6日獲委任為本公司非執行董事，並為本公司審核委員會及薪酬委員會成員。彼於1991年及2001年獲吉林大學分別頒發文學士（歷史）學位及世界經濟博士學位，並於1997年獲南京大學頒發工商管理碩士學位。李博士於2016年在中國國際經濟交流中心完成博士後研究。彼亦出任於聯交所上市之中集天達控股有限公司（前稱中國消防企業集團有限公司）非執行董事兼主席，並出任於深圳證券交易所及聯交所上市之中國國際海運集裝箱（集團）股份有限公司副總裁。李博士在大型企業管理方面擁有豐富的經驗。

DIRECTORS' BIOGRAPHIES

董事簡介

Mr. Liu Jingwei, aged 51, was appointed as a Non-executive Director of the Company on 6 January 2018 and is also a member of the Audit Committee of the Company. He graduated from the School of Economics of Beijing Forestry University in 1989 and from Shanghai Advanced Institute of Finance with a Master degree in 2016. Mr. Liu is a PRC Certified Public Accountant. He currently serves as a senior partner of Shinewing Certified Public Accountants and is an external director of Shougang Group. Mr. Liu is also an independent non-executive director of China Nonferrous Mining Corporation Limited, a company listed on the Stock Exchange, an independent director of Shanghai Yaohua Pilkington Glass Group Co., Ltd., a company listed on Shanghai Stock Exchange, and an independent director of each of Guiyang Longmaster Information & Technology Co., Ltd. and BeiJing StarNeto Technology Co., Ltd. (appointed on 16 May 2018), both are listed on Shenzhen Stock Exchange. He was an independent director of Jinxi Axle Company Limited (resigned on 8 March 2017), a company listed on Shanghai Stock Exchange, and Xuzhou Kerong Environmental Resources Co., Ltd. (resigned on 2 June 2017), a company listed on Shenzhen Stock Exchange.

Mr. Ho Gilbert Chi Hang, aged 42, was appointed as a Non-executive Director of the Company on 21 May 2018 and is also a member of the Audit Committee of the Company. He holds a Bachelor of Commerce degree and a Bachelor of Laws degree from University of Sydney, Australia and was admitted as a solicitor in New South Wales, Australia and England and Wales and as a solicitor and barrister in the High Court of Australia. Mr. Ho is also a fellow member of CPA Australia. He is a committee member of the Chinese People's Political Consultative Conference of Shenyang, a standing committee member of the Youth Federation of Inner Mongolia and a vice chairman of Inner Mongolia & Hong Kong Youth Exchange Association. Mr. Ho is an executive director of NWS Holdings Limited (appointed on 9 July 2018), a substantial shareholder of the Company, a non-executive director of Wai Kee Holdings Limited (appointed on 31 December 2018) and an independent non-executive director of each of Kam Hing International Holdings Limited, Hailiang International Holdings Limited and Asia Allied Infrastructure Holdings Limited, all being listed on

劉景偉先生，51歲，於2018年1月6日獲委任為本公司非執行董事，並為本公司審核委員會成員。彼於1989年畢業於北京林業大學經濟管理學院，並於2016年畢業於上海高級金融學院，取得碩士學位。劉先生現為中國註冊會計師。彼現擔任信永中和會計師事務所高級合夥人，亦擔任首鋼集團之外部董事。劉先生亦出任於聯交所上市之中國有色礦業有限公司獨立非執行董事、於上海證券交易所上市之上海耀皮玻璃集團股份有限公司獨立董事，以及於深圳證券交易所上市之貴陽朗瑪信息技術股份有限公司及北京星網宇達科技股份有限公司（於2018年5月16日獲委任）獨立董事。彼曾出任於上海證券交易所上市之晉西車軸股份有限公司（於2017年3月8日辭任）及於深圳證券交易所上市之徐州科融環境資源股份有限公司（於2017年6月2日辭任）獨立董事。

何智恒先生，42歲，於2018年5月21日獲委任為本公司非執行董事，並為本公司審核委員會成員。彼持有澳洲悉尼大學商業學士及法律學士學位，並為澳洲新南威爾斯省、英格蘭及威爾斯認可的律師以及澳洲高等法院認可的律師及大律師。何先生亦為澳洲會計師公會資深會員。彼現擔任中國人民政治協商會議瀋陽市委員會會員、內蒙古自治區青年聯合會常務委員及內蒙古香港青年交流促進會副主席。何先生現出任新創建集團有限公司（本公司主要股東）執行董事（於2018年7月9日獲委任），惠記集團有限公司非執行董事（於2018年12月31日獲委任）以及錦興國際控股有限公司、海亮國際控股有限公司及亞洲聯合基建控股有限公司獨立非執行董事，該等公司均於聯交所上市。彼曾出任於聯交所上市之新世界發展有限公司（本公司主要股東）高級投資總監，以及新世界策略投資有限公司執行董事。何先生亦曾擔任一家國際律師事務所法朗克律師行(Fried,

DIRECTORS' BIOGRAPHIES

董事簡介

the Stock Exchange. He was the senior investment director of New World Development Company Limited, a substantial shareholder of the Company and a company listed on the Stock Exchange, and an executive director of New World Strategic Investment Limited. Mr. Ho was also a partner of an international law firm Fried, Frank, Harris, Shriver & Jacobson LLP. He was an executive director of HVM Digital China Group Limited (resigned on 28 June 2017) and an executive director and the chief executive officer of AID Partners Technology Holdings Limited (now known as AID Life Science Holdings Limited) (resigned on 1 January 2018), both are listed on the Stock Exchange. Mr. Ho has extensive experience in the area of corporate management, investments, corporate finance, merger and acquisition transactions and international brand and retail management.

Mr. Li Hao, aged 37, was appointed as a Non-executive Director of the Company on 27 September 2018. He holds a Bachelor degree from Dalian University of Technology and a Master of Business Administration degree in Finance from Waseda University, Japan. Mr. LI has been with ORIX Corporation ("ORIX") since October 2007. He is currently the managing director of Greater China Division, East Asia Business Headquarters at ORIX, a diversified financial services company and whose shares are listed on both Tokyo Stock Exchange and New York Stock Exchange. Mr. Li also serves as the director and president of each of ORIX (China) Investment Company Limited and ORIX Asia Capital Limited, both of which are wholly-owned subsidiaries of ORIX. He is also a non-executive director of each of Panda Green Energy Group Limited (appointed on 20 March 2017) and Haichang Ocean Park Holdings Ltd. (appointed on 27 August 2018), both are listed on the Stock Exchange.

Frank, Harris, Shriver & Jacobson LLP)合夥人。彼曾出任HVM數碼中國集團有限公司執行董事(於2017年6月28日辭任)及滙有科技控股有限公司(現稱滙友生命科學控股有限公司)執行董事兼首席執行官(於2018年1月1日辭任)，該兩家公司均於聯交所上市。何先生於企業管理、投資、企業融資、併購交易及國際品牌及零售管理範疇擁有豐富經驗。

李浩先生，37歲，於2018年9月27日獲委任為本公司非執行董事。彼持有大連理工大學學士學位及日本早稻田大學工商管理(金融學)碩士學位。李先生於2007年10月加入歐力士股份有限公司(「歐力士」)。彼現擔任歐力士東亞事業本部大中華區董事總經理，歐力士是一間提供多元化金融服務的公司，其股份分別於東京證券交易所及於紐約交易所上市。李先生亦分別擔任歐力士(中國)投資有限公司及歐力士亞洲資本有限公司董事兼總裁(上述兩間公司均為歐力士的全資附屬公司)。彼亦出任於聯交所上市之熊貓綠色能源集團有限公司(於2017年3月20日獲委任)及海昌海洋公園控股有限公司(於2018年8月27日獲委任)非執行董事。

DIRECTORS' BIOGRAPHIES 董事簡介

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Wang Xin, aged 41, was appointed as an Independent Non-executive Director of the Company on 18 May 2018 and, is also a member and the chairman of the Audit Committee of the Company and a member of each of the Nomination Committee and the Remuneration Committee of the Company. He received his Ph.D. degree in Accounting from Duke University in 2006 and obtained a Bachelor degree and a Master degree in Accounting from Tsinghua University in 1999 and 2001 respectively. Dr. Wang is an associate professor of accounting at the Faculty of Business and Economics, The University of Hong Kong ("HKU"). He joined HKU in 2011 and was awarded a tenured position by HKU for his excellent academic performance in 2014. Before he joined HKU, Dr. Wang worked at The Chinese University of Hong Kong from 2006 to 2011. Dr. Wang has research interests in the fields of executive compensation, financial disclosure quality, corporate governance and insider trading. His papers were published on various world leading academic journals, such as Journal of Accounting and Economics, The Accounting Review, Contemporary Accounting Research and Review of Accounting Studies. Dr. Wang teaches the course of Management Accounting for the IMBA program at HKU. He has teaching experience in several accounting courses, including Introductory Financial Accounting, and Intermediate Financial Accounting I and II. Dr. Wang also teaches (as one of co-instructors) the Ph.D. course of Research Methods for Business Studies. He was an independent non-executive director of China First Chemical Holdings Limited (resigned on 15 August 2018), a company listed on the Stock Exchange.

獨立非執行董事

王鑫博士，41歲，於2018年5月18日獲委任為本公司獨立非執行董事，並為本公司審核委員會成員兼主席，以及本公司提名委員會及薪酬委員會成員。彼於2006年自杜克大學取得其會計學博士學位，並於1999年及2001年自清華大學分別取得會計學學士學位及碩士學位。王博士現時擔任香港大學經濟及工商管理學院會計學副教授。彼自2011年於香港大學任教，並於2014年憑藉其優異的學術研究而被香港大學授予終身教職。於加入香港大學前，王博士自2006年至2011年於香港中文大學任教。王博士的學術研究領域主要包括管理層薪酬、財務披露品質、公司治理及內幕交易。彼的研究曾於多家國際頂級學術期刊發表，包括Journal of Accounting and Economics、The Accounting Review、Contemporary Accounting Research及Review of Accounting Studies等。王博士目前於香港大學教授國際MBA項目的管理會計課程。彼具有多個會計課程的教學經驗，包括初級財務會計、中級財務會計（一階及二階）。王博士亦負責博士學位課程並教授（作為聯席講師之一）商學研究方法。彼曾出任於聯交所上市之一化控股（中國）有限公司獨立非執行董事（於2018年8月15日辭任）。

DIRECTORS' BIOGRAPHIES

董事簡介

Mr. Choi Fan Keung Vic, aged 54, was appointed as an Independent Non-executive Director of the Company on 18 May 2018 and is also a member of each of the Audit Committee and the Remuneration Committee of the Company. He obtained a Bachelor degree, Postgraduate Certificate in Laws and a Master degree from HKU in 1997, 1998 and 2001 respectively. Mr. Choi is a solicitor of the High Court of Hong Kong. He also serves as a consultant of Howse Williams (formerly known as Howse Williams Bowers) and a managing director of Mainland Financial Holdings Limited. Mr. Choi served as deputy head of compliance, area compliance officer in China and head of compliance with HSBC Bank (China) Co. Ltd., where he managed over 160 compliance officers and was responsible for regulatory compliance and prevention and control of financial crime in over 60 cities in China. He worked at Clifford Chance and Herbert Smith and was specialized in compliance, anti-money laundering, anti-fraud and corporate finance and other advisory work. Mr. Choi served in the Hong Kong Police Force and was a senior inspector. He has over 30 years of experience in compliance management, prevention and control of commercial crime and investigation, and has extensive experience in legal practice and, crime investigation and prosecution.

蔡奮強先生，54歲，於2018年5月18日獲委任為本公司獨立非執行董事，並為本公司審核委員會及薪酬委員會成員。彼分別於1997年、1998年及2001年取得香港大學學士學位、法學專業證書及法律碩士學位。蔡先生現為香港高等法院律師。彼亦擔任何韋律師行（前稱何韋鮑律師行）法務顧問及美聯金融控股有限公司董事總經理。蔡先生曾於匯豐銀行（中國）有限公司先後出任合規副總監、中國區合規官及合規總監等職位，管理逾160名合規人員，負責中國區逾60個城市的監管合規及金融犯罪防控工作。彼曾於高偉紳律師事務所及史密夫律師事務所工作，專職合規、反洗黑錢、反舞弊和企業融資等諮詢事務。蔡先生曾於香港警務處任職並擔任高級督察。彼擁有超過30年的合規管理、商業犯罪防控及調查經驗；以及擁有豐富的法務工作經驗及罪案調查和檢控經驗。

DIRECTORS' BIOGRAPHIES

董事簡介

Mr. Deng Yougao, aged 52, was appointed as an Independent Non-executive Director of the Company on 18 May 2018 and is also a member of each of the Audit Committee and the Nomination Committee of the Company. He obtained a Master degree in Business Economics from 江西財經學院 (Institute of Finance and Economics of Jiangxi, now known as Jiangxi University of Finance and Economics) in 1994 and a Bachelor degree in Shipbuilding Engineering from 哈爾濱船舶工程學院 (Harbin Shipbuilding Engineering Institute, now known as Harbin Engineering University) in 1988. Mr. Deng is a director of 深圳恆固防腐納米科技有限公司 (Shenzhen Henggu Anti-corrosion Nano Technology Co., Ltd.), the chairman of the board and the general manager of 深圳市唯實成長投資管理有限公司 (Shenzhen City Weishi Chengzhang Investment Management Co., Ltd.) and a supervisor of each of 上海市心意答融訊電子股份有限公司 (Shanghai Xinyi Darongxun Electronic Shares Co., Ltd., which had been listed on the National Equities Exchange and Quotations System till 8 July 2018) and 深圳市前海識心科技有限公司 (Shenzhen Qianhai Shi Xin Technology Co., Ltd.). He is also an independent non-executive director of Success Dragon International Holdings Limited (appointed on 29 March 2018), a company listed on the Stock Exchange. Mr. Deng has numerous experiences in different roles in various companies in different industries.

Ms. Zhang Quanling, aged 45, was appointed as an Independent Non-executive Director of the Company on 6 January 2018 and is also a member and the chairlady of the Remuneration Committee of the Company and a member of each of the Audit Committee and the Nomination Committee of the Company. She holds a Bachelor degree in Arts. Ms. Zhang joined China Central Television in 1997 and has hosted the famous programmes such as "Oriental Horizon" and "Focus Interview". She participated in numerous news live coverage and was awarded the Golden Microphone Awards, the Golden Eagle Awards, the Fan Changjiang Journalism Award, the most prestigious journalism award in China, and the 19th top ten Outstanding Chinese Youths. Ms. Zhang currently is the founding partner of Ziniu Fund. She has extensive experience in news media, brand building and strategic planning.

鄧有高先生，52歲，於2018年5月18日獲委任為本公司獨立非執行董事，並為本公司審核委員會及提名委員會成員。彼於1994年自江西財經學院（現稱江西財經大學）取得商業經濟專業經濟學碩士學位，並於1988年自哈爾濱船舶工程學院（現稱哈爾濱工程大學）取得船舶工程專業工學學士學位。鄧先生現擔任深圳恆固防腐納米科技有限公司董事、深圳市唯實成長投資管理有限公司董事長兼總經理、以及上海市心意答融訊電子股份有限公司（該公司曾於中國新三板掛牌，直至2018年7月8日止）及深圳市前海識心科技有限公司監事。彼亦出任於聯交所上市之勝龍國際控股有限公司（於2018年3月29日獲委任）獨立非執行董事。鄧先生擁有於不同行業多間公司擔任各類職位的豐富經驗。

張泉靈女士，45歲，於2018年1月6日獲委任為本公司獨立非執行董事，並為本公司薪酬委員會成員兼主席，以及本公司審核委員會及提名委員會成員。彼持有文學士學位。張女士於1997年加入中央電視台，曾主持知名欄目《東方時空》及《焦點訪談》等。彼參與了大量新聞現場直播報道，曾獲得金話筒獎、金鷹獎及中國新聞界的最高獎項範長江獎及第19屆中國十大傑出青年。張女士現為紫牛基金創始合伙人。彼在新聞媒體、品牌建設、戰略規劃等方面具有豐富經驗。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to maintaining good corporate governance standards and procedures to safeguard the interests of all shareholders and to enhance accountability and transparency.

CORPORATE GOVERNANCE PRACTICES

The Company has complied with all the code provisions, and where applicable, met the recommended best practices in the Corporate Governance Code and Corporate Governance Report (the “**CG Code**”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”) during the financial year ended 31 December 2018.

BOARD OF DIRECTORS

Composition

The Board currently comprises a total of twelve Directors, being four Executive Directors, four Non-executive Directors and four Independent Non-executive Directors. The list of Directors is set out in the section headed “Report of the Directors” of this annual report. In addition, an updated list of the Directors and their roles and functions is published on the websites of the Stock Exchange and the Company respectively.

The Board is characterised by wide diversity and has a balance of skills and experience appropriate for the requirements of the business of the Company. The Directors’ biographical information is set out in the section headed “Directors’ Biographies” of this annual report.

The Directors give sufficient time and attention to the affairs of the Company and its subsidiaries (the “**Group**”). All Directors are required to disclose to the Company at the time of their appointment and annually the number and the nature of offices held in public companies or organizations and other significant commitments with an indication of the time involved.

本公司致力維持良好企業管治準則及程序，以維護全體股東利益，提高問責性及透明度。

企業管治常規

本公司於截至2018年12月31日止財政年度內已遵守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14所載的企業管治守則及企業管治報告（「**企業管治守則**」）的所有守則條文及（如適用）符合建議最佳常規。

董事會

組成

董事會現時共有12名董事，由4名執行董事、4名非執行董事及4名獨立非執行董事組成。董事名單載列於本年報「董事會報告書」一節。此外，最新的董事名單及其角色與職能分別登載於聯交所及本公司網站。

董事會成員具有廣泛的多元化特點，並具備本公司業務所需的適當技能和經驗。董事的履歷載列於本年報「董事簡介」一節。

董事均付出足夠時間及精神來處理本公司及其附屬公司（「**本集團**」）的事務。所有董事須於接受委任時及每年向本公司披露其於公眾公司或組織擔任職位的數目及性質，以及其他重大承擔，並提供其擔任有關職務所涉及的時間。

CORPORATE GOVERNANCE REPORT 企業管治報告

Save for those as disclosed in the section headed “Directors’ Biographies” as set out on pages 62 to 69 of this annual report, the Board members have no other financial, business, family or other material/relevant relationships with each other.

除於本年報第62至第69頁之「董事簡介」一節內所披露者外，董事會成員之間概無其他財務、業務、家族或其他重大／相關關係。

The Board includes a balanced composition of Executive and Non-executive Directors (including Independent Non-executive Directors) so that there is a sufficient independent element on the Board, which can effectively exercise independent judgement.

董事會中執行董事與非執行董事（包括獨立非執行董事）的組合均衡，使董事會具備足夠的獨立元素，能有效地作出獨立判斷。

The Non-executive Directors are of sufficient number and calibre for their views to carry weight. The functions of Non-executive Directors include:

非執行董事具有足夠人數和才幹，其意見具有影響力。非執行董事的職能包括：

- bringing an independent judgement at Board meetings;
- taking the lead where potential conflicts of interests arise;
- serving on Board committees if invited; and
- scrutinising the Company’s performance and monitoring performance reporting.
- 於董事會會議上提供獨立的意見；
- 在出現潛在利益衝突時發揮牽頭引導作用；
- 應邀出任董事會轄下委員會成員；及
- 仔細檢查本公司的表現，並監察匯報公司表現的事宜。

The Non-executive Directors (including Independent Non-executive Directors) have made a positive contribution to the development of the Company’s strategy and policies through independent, constructive and informed comments. They give the Board and the committees on which they serve the benefit of their skills, expertise, varied backgrounds and qualifications through regular attendance and active participation.

非執行董事（包括獨立非執行董事）亦通過提供獨立、富建設性及有根據的意見，對制定本公司策略及政策作出正面貢獻。彼等通過定期出席董事會及董事會轄下委員會的會議，並積極參與會務，以其技能、專業知識、不同的背景及資格作出貢獻。

Composition of the Board is disclosed, and the Independent Non-executive Directors are identified, in all corporate communications to shareholders.

董事會的組成及獨立非執行董事的身份於所有致股東的公司通訊文件內披露。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board diversity

The Company adopted a board diversity policy (the “**Board Diversity Policy**”) on 28 August 2013 which sets out its approach to achieve diversity on the Board with a view to achieving a sustainable and balanced development of the Company.

The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Company will also take into account factors based on its own business model and specific needs from time to time. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The Board Diversity Policy is posted on the website of the Company.

Role and function of the Board and the management

The Board is responsible for overall strategic formulation and performance monitoring of the Group. It delegates day-to-day operations of the Company to the Executive Committee and senior management within the control and authority framework set by the Board. In addition, the Board has also delegated various responsibilities to the Audit Committee, the Remuneration Committee and the Nomination Committee. Further details of these committees are set out in this report.

董事會成員多元化

本公司於2013年8月28日採納董事會成員多元化政策（「**董事會成員多元化政策**」），當中載列本公司為達致董事會成員多元化而採取之方針，以達致本公司可持續及均衡發展。

本公司為尋求達致董事會成員多元化會考慮眾多因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。本公司亦將根據本身的業務模式及不時的特定需要去考慮各種因素。最終將按候選人的長處及可為董事會作出的貢獻而作決定。

董事會成員多元化政策登載於本公司網站上。

董事會及管理層的角色及職能

董事會負責制訂本集團的整體策略性方向及監管其表現。董事會授權執行委員會及高級管理人員在董事會設定的監控及授權框架內處理日常營運事宜。另外，董事會亦授權審核委員會、薪酬委員會及提名委員會執行不同職責。該等委員會的進一步詳情載於本報告。

CORPORATE GOVERNANCE REPORT 企業管治報告

Board meetings

The Board meets regularly and endeavors to hold at least four Board meetings a year. Additional meetings will be arranged, if and when required. The Directors can attend meetings in person or through electronic means of communication in accordance with the articles of association of the Company (the "Articles").

The Company Secretary assists the Chairman in drawing up the agenda of each Board meeting. A draft agenda of each regular Board meeting will be sent to all Directors for review before the agenda is issued and all Directors may request for inclusion of other matters in the agenda. The Chairman will take into account the matters proposed by the Directors and where appropriate, approve the inclusion of such matters in the agenda of the Board meeting. Generally, at least 14 days' notice of a regular Board meeting is given and the Company aims at giving reasonable notice for all other Board meetings. The Company also aims at sending the agenda and the accompanying board papers, which are prepared in a form and quality sufficient to enable the Board to make informed decisions on matters placed before it, to all Directors 5 days, but at least 3 days, before the intended date of a Board meeting. Where queries are raised by Directors, prompt and full responses will be given if possible.

The Board has procedures in place to enable Directors to seek independent professional advice in appropriate circumstances at the Company's expenses. The Board shall resolve to, upon reasonable request, provide separate independent professional advice to Directors to assist them in performing their duties to the Company.

董事會會議

董事會定期開會，並盡力每年召開至少4次會議。於有需要時亦會另行安排會議。董事可親身出席或透過本公司的組織章程細則（「章程細則」）規定的電子通訊形式參與會議。

公司秘書協助主席起草每次董事會會議的議程，每次發出董事會定期會議的議程前，會先把初稿發給各董事審閱，各董事可要求於議程上加入其他事項。主席會考慮董事提議加入議程的事項，並在適當情況下批准把該等事項加入董事會會議的議程。董事會的定期會議一般發出至少14天通知，本公司亦致力就一切其他董事會會議發出合理通知。本公司會盡力將議程及相關會議檔在擬定舉行的董事會會議日期5天（但至少3天）前送交全體董事，而其形式及素質亦足以讓董事會就供彼等商議的事項作出有根據的決定。若有董事提出問題，本公司必定盡力作出迅速及全面的回應。

董事會已有既定的程序，讓董事可在適當的情況下尋求獨立專業意見，費用由本公司支付。董事會須應合理要求議決為董事提供個別獨立專業意見，以協助彼等履行其對本公司的責任。

CORPORATE GOVERNANCE REPORT

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The Company Secretary is responsible for taking minutes of Board meetings and Board committee meetings, draft and final versions of which would be sent to Directors for comments and records respectively, within a reasonable time after each meeting. Minutes are recorded in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views (if any) expressed. Minutes of Board meetings and Board committees meetings are kept by the Company Secretary and are open for inspection by any Director/committee member.

If a substantial shareholder or a Director has a conflict of interest in a matter (including material transaction with connected persons) which the Board has determined to be material, the matter will be dealt with by a physical Board meeting, rather than a written resolution. Independent Non-executive Directors who, and whose close associates, have no material interest in the transaction should be present at that Board meeting.

Except for those circumstances permitted by the Articles and all applicable laws, rules and regulations, a Director shall not vote on any Board resolution approving any contract or arrangement or any other proposal in which he or any of his close associates (or associates where the transaction or arrangement is a connected transaction under Chapter 14A of the Listing Rules) has a material interest nor shall he be counted in the quorum present at the meeting.

公司秘書負責撰寫董事會及其轄下委員會的會議記錄。在每次會議結束後，會議記錄的初稿及最終定稿於合理時間內先後送交董事，初稿供董事表達意見，最終定稿則作記錄之用。會議記錄對會議上所考慮事項及達致的決定有足夠詳細的記錄，其中包括董事提出的任何疑慮或表達的反對意見（如有）。董事會及其轄下委員會的會議記錄由公司秘書備存，並供任何董事／委員會成員查閱。

若有主要股東或董事在董事會將予考慮的事項中存有董事會認為重大的利益衝突（包括與關連人士進行的重大交易），該事項將以舉行董事會會議的形式處理，而不會以書面決議的形式處理。在交易中本身及其緊密聯繫人均沒有重大利益的獨立非執行董事須出席有關的董事會會議。

除在章程細則及所有適用法律、規則及規例允許之情況下以外，若董事或其任何緊密聯繫人（若下文所述有關交易或安排屬於上市規則第14A章所指的關連交易，則指聯繫人）於任何合約、安排或任何其他建議中佔有重大利益，有關董事不得就通過該合約、安排或建議的董事會決議案進行表決，亦不會被計入該次會議出席的法定人數。

CORPORATE GOVERNANCE REPORT

企業管治報告

Attendance records

During the financial year ended 31 December 2018, the Directors have made active contribution to the affairs of the Group and 16 physical Board meetings were held to consider, among other things, various projects contemplated by the Group and to review and approve the interim results and annual results of the Group.

The attendance records of Directors at Board meetings and other committees meetings as well as general meetings during the year ended 31 December 2018 are set out in the table below:

出席記錄

於截至2018年12月31日止財政年度內，董事積極參與本集團的事務，並曾舉行16次董事會會議，以考慮（其中包括）本集團擬進行的各種項目，以及審議和批准本集團的中期業績及全年業績。

截至2018年12月31日止財政年度內，董事於董事會、其他委員會及股東大會之出席記錄載列如下：

Director	董事	Board 董事會	Number of meetings attended/held 出席／舉行會議次數				Number of general meetings attended/held 出席／舉行股東大會次數		Note 附註	
			Executive Committee 執行委員會	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Annual General Meeting 股東周年大會	General Meetings 股東大會		
Executive Directors		執行董事								
Zhao Tianyang	(Chairmen of the Board, Executive and Nomination Committees)	趙天賜 (董事會、執行委員會及提名委員會主席)	11/15	9/9	-	5/6	-	1/1	0/3	1
Li Shaofeng	(Vice Chairman of the Board)	李少峰 (董事會副主席)	16/16	10/10	-	-	8/8	1/1	3/3	
Xu Liang		徐量	9/9	5/5	-	-	-	-	1/3	2
Liang Hengyi	(Managing Director)	梁衡義 (董事總經理)	15/15	9/9	-	6/6	-	1/1	0/3	1
Ding Rucai		丁汝才	0/1	1/1	-	-	-	-	-	1
Shu Hong		舒洪	7/7	5/5	-	-	-	1/1	-	2
Non-executive Directors		非執行董事								
Li Yinhui		李胤輝	13/15	-	1/3	-	7/7	0/1	0/3	1
Liu Jingwei		劉景偉	15/15	-	3/3	-	-	1/1	0/3	1
Ho Gilbert Chi Hang		何智恒	8/9	-	1/2	-	-	-	0/3	2
Li Hao		李浩	3/3	-	-	-	-	-	0/1	3
Zhang Bingcheng		張炳成	0/1	-	-	1/1	-	-	-	1
Leung Shun Sang Tony		梁順生	6/6	-	-	2/2	2/2	1/1	-	4
Independent Non-executive Directors		獨立非執行董事								
Wang Xin	(Chairman of Audit Committee)	王鑫 (審核委員會主席)	10/10	-	2/2	5/5	6/6	-	0/3	4
Choi Fan Keung Vic		蔡奮強	10/10	-	2/2	-	6/6	-	3/3	4
Deng Yougao		鄧有高	10/10	-	2/2	5/5	-	-	3/3	4
Zhang Quanling	(Chairlady of Remuneration Committee)	張泉靈 (薪酬委員會主席)	11/15	-	1/3	6/6	7/7	1/1	0/3	1
Kan Lai Kuen Alice		簡麗娟	4/6	-	1/1	1/2	1/2	0/1	-	4
Wong Kun Kim		黃鈞黔	5/6	-	1/1	2/2	2/2	1/1	-	4
Leung Kai Cheung		梁繼昌	6/6	-	1/1	2/2	2/2	1/1	-	4

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Notes:

1. Mr. Zhao Tianyang, Mr. Liang Hengyi, Dr. Li Yinhui, Mr. Liu Jingwei and Ms. Zhang Quanling were appointed, and Mr. Ding Rucai and Mr. Zhang Bingcheng resigned, as Directors with effect from 6 January 2018.
2. Mr. Xu Liang and Mr. Ho Gilbert Chi Hang were appointed, and Mr. Shu Hung resigned, as Directors with effect from 21 May 2018.
3. Mr. Li Hao was appointed as a Director with effect from 27 September 2018.
4. Mr. Leung Shun Sang Tony and Ms. Kan Lai Kuen Alice retired, Mr. Wong Kun Kim and Mr. Leung Kai Cheung resigned, and Dr. Wang Xin, Mr. Choi Fan Keung Vic and Mr. Deng Yougao were appointed, as Directors with effect from the conclusion of the 2018 annual general meeting held on 18 May 2018.

Access to information

The Board is supplied with sufficient explanation and information by the management to enable the Board to make an informed assessment of financial and other information put before it for approval. The management provides all Board members with monthly updates which give a balanced and understandable assessment of the Company's performance, position and prospects in sufficient details to enable the Board as a whole and each Director to discharge their duties. Where any Director requires more information than is volunteered by the management, each Director has the right to separately and independently access to the Company's senior management to make further enquiries if necessary.

附註：

1. 趙天陽先生、梁衡義先生、李胤輝博士、劉景偉先生及張泉靈女士獲委任為董事，以及丁汝才先生及張炳成先生辭任董事，自2018年1月6日起生效。
2. 徐量先生及何智恒先生獲委任為董事，以及舒洪先生辭任董事，自2018年5月21日起生效。
3. 李浩先生獲委任為董事，自2018年9月27日起生效。
4. 梁順生先生及簡麗娟女士退任董事，黃鈞黔先生及梁繼昌先生辭任董事，及王鑫博士、蔡奮強先生及鄧有高先生獲委任為董事，自2018年5月18日舉行之股東周年大會結束後生效。

資料之使用

管理層應向董事會提供充分的解釋及資料，讓董事會可以就提交給彼等批准的財務及其他資料，作出有根據的評審。管理層每月向董事會全體成員提供更新的資料，讓董事會整體及各董事獲得充足資料使彼等可對本公司的表現、狀況及前景有公正及易於理解的評估，以便履行職務。倘任何董事需要管理層主動提供的資料以外的額外資料，各董事均有權於有需要時自行接觸本公司高級管理人員作進一步查詢。

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Appointment and re-election of Directors

Appointment of new Directors is a matter for consideration by the Nomination Committee. The Nomination Committee will give adequate consideration to the Board Diversity Policy and review the profiles of the candidates and make recommendations to the Board on the appointment, re-appointment and nomination of Directors.

According to the Articles, any Director so appointed by the Board shall hold office, in the case of filling a casual vacancy, only until the next following general meeting of the Company or, in the case of an addition to their number, until the next following annual general meeting of the Company who shall then be eligible for re-election at such general meeting. Every Director is subject to retirement by rotation at least once every 3 years. The Directors who are subject to retirement and re-election at the forthcoming annual general meeting of the Company are set out on page 107 of this annual report.

All Directors (including all Non-executive Directors) have entered into service agreements or letters of engagement with the Company for a term of not more than 3 years.

The Company has adopted a nomination policy (the “**Nomination Policy**”) effective on 1 January 2019 which sets out the nomination procedures and criteria for the Nomination Committee to select and recommend candidates to the Board for consideration of appointment as Directors or for recommendations to shareholders for election as Directors at general meetings.

委任及重選董事

委任新董事的事宜由提名委員會審議。提名委員會將充分考慮董事會成員多元化政策，以及審查候選人的簡歷，並就董事的委任、重新委任及提名向董事會提出建議。

根據章程細則，任何為填補臨時空缺而獲董事會委任的董事，其任期至本公司下一次股東大會終止；若為增加董事會成員數目而獲委任的董事，其任期至本公司下屆股東周年大會終止，並有資格於該股東大會上膺選連任。每名董事須至少每3年輪值退任一次。須於本公司即將舉行之股東周年大會上退任及重選之董事載列於本年報第107頁。

本公司與所有董事（包括所有非執行董事）均已簽訂任期不多於3年之服務協議或委聘書。

本公司已採納自2019年1月1日起生效之提名政策（「**提名政策**」），當中載列了提名委員會甄選及推薦人選至董事會以供考慮董事之任命或向股東推薦於股東大會上選任董事之提名程序及準則。

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Pursuant to the Nomination Policy, prior to a meeting of the Nomination Committee called for considering candidates for directorship, the Nomination Committee will invite nominations of candidates from the Board members or put forward candidates. The Nomination Committee will consider the nominated candidates at such committee meeting according to the criteria of: reputation for integrity; accomplishment and experience; compliance with legal and regulatory requirements; commitment in respect of available time and relevant interest; and board diversity in all its aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. A selected candidate will then be recommended by the Nomination Committee to the Board for consideration and approval.

A shareholder of the Company may propose a person for election as a Director in a general meeting pursuant to procedures set out in the Articles.

Independent Non-executive Directors

Pursuant to Rules 3.10(1) and 3.10(2) of the Listing Rules, the Company has appointed 4 Independent Non-executive Directors and one of them has appropriate professional qualifications or accounting or related financial management expertise.

Pursuant to Rule 3.10A of the Listing Rules, the number of Independent Non-executive Directors of the Company represents one-third of the Board.

The Company has received from each of its Independent Non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and the Company considers that all of the Independent Non-executive Directors are independent.

根據提名政策，提名委員會召開以考慮董事人選之會議前，提名委員會將邀請董事會成員提名人選或自行提名人選。提名委員會將於此委員會會議上，以及根據以下準則考慮被提名的人選：誠信聲譽；成就與經驗；遵守法律和法規要求；可投入的時間及代表的相關利益；董事會各方面的多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識和服務任期等方面。獲提名人選將由提名委員會推薦至董事會以供董事會考慮及批准。

公司股東可根據章程細則中所載程序建議董事人選於股東大會上選舉。

獨立非執行董事

根據上市規則第3.10(1)及3.10(2)條，本公司委任了4名獨立非執行董事，其中一名獨立非執行董事具備適當的專業資格或在會計或相關財務管理方面的專長。

根據上市規則第3.10A條，本公司獨立非執行董事的人數佔董事會人數三分之一。

本公司已接獲各獨立非執行董事根據上市規則第3.13條規定就其獨立性提交的周年確認書，本公司認為全體獨立非執行董事均屬獨立人士。

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Any re-election of an independent non-executive director who has served the board for more than 9 years, his/her further appointment should be subject to a separate resolution to be approved by shareholders.

Mr. Choi Fan Keung Vic, an Independent Non-executive Director of the Company, will retire and, being eligible, offer himself for re-election at the forthcoming annual general meeting of the Company. The Company will state in a circular which will contain, among other things, the notice convening the forthcoming annual general meeting of the Company the reasons why the Nomination Committee and the Board considers Mr. Choi is independent which will include the number of listed company directorship he is holding, the perspectives, skills and experience that he can bring to the Board and how he contributes to diversity of the Board; and the recommendation to shareholders to vote in favor of the re-election of Mr. Choi as a Director.

Insurance for directors' and officers' liability

Appropriate insurance cover on directors' and officers' liabilities has been in force to protect the Directors and officers of the Group from their risk exposure arising from the businesses of the Group.

Directors' training and professional development

Every newly appointed Director will be given an introduction of regulatory requirements. Directors are continually updated on the latest development of the Listing Rules, legal and other regulatory requirements to ensure compliance and upkeep of good corporate governance practice. Directors are also encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company Secretary facilitates induction and professional development of Directors and the Company is responsible for arranging and funding suitable training for the Directors.

凡重選服務董事會超過9年的獨立非執行董事，須獲股東以獨立決議案批准方可續任。

本公司獨立非執行董事蔡奮強先生將於本公司即將舉行的股東周年大會上任滿告退，彼符合資格並願意膺選連任。本公司將於一份載有（其中包括）召開即將舉行的股東周年大會的通告之通函中，向股東陳述提名委員會及董事會認為蔡先生屬獨立人士的原因，其中將包括他所擔任上市公司董事職位之數目，其所能為董事會帶來的觀點與角度、技能及經驗，以及其加入如何促進董事會的成員多元化；並向股東提議就蔡先生之重選董事投贊成票。

董事及高級職員之責任保險

本公司已為董事及高級職員購買合適的責任保險，就彼等因本集團業務承擔的風險提供保障。

董事培訓及專業發展

每名新委任的董事均獲提供相關法規要求的簡介。本公司亦會不斷向董事更新上市規則、法律及其他監管規定要求的最新發展，以確保彼等遵守及維持良好的企業管治常規。本公司亦鼓勵董事參與持續專業發展，以發展並更新彼等的知識及技能。公司秘書協助安排董事的就任須知及專業發展，而本公司負責為董事安排合適的培訓並提供經費。

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During the year, the Directors were provided with presentation by qualified professionals, training materials from regulatory authority and site visits by management team on the latest developments in the Listing Rules, other applicable laws, rules and regulations relating to Directors' duties and responsibilities and the Group's business and operations.

All Directors have provided to the Company their records of training received during the financial year ended 31 December 2018, a summary of which is as follows:

於本年度內，本公司就上市規則的最新發展、有關董事職務與責任的其他適用法律、規則及規例以及本集團的業務及營運，向董事提供專業簡介會、監管機構的培訓資料以及管理團隊安排的現場考察。

所有董事已向本公司提供彼等於截至2018年12月31日止財政年度內接受培訓的記錄，概要如下：

Name of Director	董事	Type of continuous professional development programmes			Note
		Reading materials and updates 閱讀及更新資料	Attending briefing sessions/seminars 出席簡介／研討會	Site visits on Group's Business and Operations 對本集團業務及營運作現場考察	
Executive Directors		執行董事			
Zhao Tianyang	趙天暘	✓	-	✓	
Li Shaofeng	李少峰	✓	-	✓	
Xu Liang	徐量	✓	✓	✓	
Liang Hengyi	梁衡義	✓	-	✓	
Ding Rucai	丁汝才	-	-	-	1
Shu Hong	舒洪	✓	-	✓	2
Non-executive Directors		非執行董事			
Li Yinhui	李胤輝	✓	-	✓	
Liu Jingwei	劉景偉	✓	✓	✓	
Ho Gilbert Chi Hang	何智恒	✓	✓	✓	
Li Hao	李浩	✓	-	✓	
Zhang Bingcheng	張炳成	-	-	-	1
Leung Shun Sang Tony	梁順生	✓	-	-	3
Independent Non-executive Directors		獨立非執行董事			
Wang Xin	王鑫	✓	✓	✓	
Choi Fan Keung Vic	蔡奮強	✓	✓	✓	
Deng Yougao	鄧有高	✓	-	✓	
Zhang Quanling	張泉靈	✓	-	✓	
Kan Lai Kuen Alice	簡麗娟	✓	-	-	3
Wong Kun Kim	黃鈞黔	✓	-	-	2
Leung Kai Cheung	梁繼昌	✓	-	-	2

Notes:

- 1 resigned as Director in January 2018
2 resigned as Director in May 2018
3 retired as Director in May 2018

附註：

- 1 於2018年1月辭任董事
2 於2018年5月辭任董事
3 於2018年5月退任董事

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CHAIRMAN AND MANAGING DIRECTOR

The roles of Chairman and Managing Director are separate and exercised by different individuals to reinforce their independence and accountability. Currently, Mr. Zhao Tianyang is the Chairman and Mr. Liang Hengyi serves as the Managing Director. The Chairman provides leadership for the Board and ensures that the Board works effectively and performs its responsibilities. The Managing Director has overall chief executive responsibility for the Group's business development and day-to-day management generally. The division of responsibilities between the Chairman and the Managing Director is clearly established and set out in writing.

The responsibilities of the Chairman include, amongst other things:

- taking primary responsibility for ensuring that good corporate governance practices and procedures are established;
- ensuring that all Directors are properly briefed on issues arising at Board meetings, and ensuring that Directors receive, in a timely manner, adequate information which must be accurate, clear, complete and reliable;
- encouraging all Directors to make a full and active contribution to the Board's affairs and taking the lead to ensure that the Board acts in the best interest of the Company;
- encouraging Directors with different views to voice their concerns, allowing sufficient time for discussion of issues and ensuring that Board decisions fairly reflect Board consensus;

主席及董事總經理

為加強主席與董事總經理的獨立性及問責性，彼等的角色已予區分，並由不同人士擔任。現時，趙天陽先生擔任主席，梁衡義先生則為董事總經理。主席負責領導董事會，確保董事會有效地運作，且履行其職責；董事總經理則肩負行政總裁整體的職務，負責本集團整體的業務發展及日常管理。主席與董事總經理之間的職責分工已明確界定並以書面載列。

主席的職責（其中）包括：

- 主要負責確保公司制定良好的企業管治常規及程序；
- 確保董事會會議上所有董事均適當知悉當前的事項，以及確保董事適時收到充分的資訊，而有關資訊亦必須準確清晰及完備可靠；
- 鼓勵所有董事全力投入董事會事務，並以身作則，確保董事會行事符合本公司最佳利益；
- 鼓勵持不同意見的董事表達本身關注的事宜、給予這些事宜充足時間討論，以及確保董事會的決定能公正反映董事會的共識；

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- ensuring that appropriate steps are taken to provide effective communications with shareholders and that their views are communicated to the Board as a whole; and
- promoting 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.
- 確保採取適當步驟保持與股東有效溝通，以確保股東意見可傳達到整個董事會；及
- 提倡公開、積極討論的文化，促進董事（特別是非執行董事）對董事會作出有效貢獻，並確保執行董事與非執行董事之間維持建設性的關係。

BOARD COMMITTEES

The Board has established the following committees to oversee particular aspects of the Company's affairs and to assist in the execution of the Board's responsibilities. All committees have their own terms of reference. All resolutions passed by the committees will be reported to the Board at the next Board meeting.

Executive Committee

An Executive Committee of the Board was established in February 2005 with specific written terms of reference which deal clearly with its authorities and duties.

The Executive Committee has been conferred with the general powers of the Board (except those matters specifically reserved for the Board) to manage and oversee the operations of the Group and has been assigned with the responsibilities to perform the corporate governance duties as follows:

- to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- to review and monitor the training and continuous professional development of Directors and senior management;
- 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- 檢討及監察董事及高級管理人員的培訓及持續專業發展；

董事會轄下委員會

董事會已成立下列委員會，以監察本公司特定範疇的事務及協助董事會執行其職務。全部委員會均有其職權範圍。委員會通過的所有決議案均須於下次董事會會議上向董事會匯報。

執行委員會

董事會轄下的執行委員會於2005年2月成立，委員會具書面訂明的職權範圍，清楚說明其權力及職責。

執行委員會獲授予董事會的一般權力（惟特別保留予董事會的事項除外）以管理及監督本集團的營運，以及負責履行下列企業管治職責：

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- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Group's employees and Directors;
- to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report; and
- to conform to any requirement, direction, regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by legislation.
- 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- 制定、檢討及監察適用於本集團僱員及董事的操守準則及合規手冊（如有）；
- 檢討本公司遵守企業管治守則的情況及企業管治報告內的披露；及
- 遵守董事會不時規定或本公司組織章程所載或法例規定的任何規定、指引或規則。

The Executive Committee comprises all the Executive Directors, namely Mr. Zhao Tianyang, Mr. Li Shaofeng, Mr. Xu Liang and Mr. Liang Hengyi.

執行委員會由全體執行董事組成，即趙天陽先生、李少峰先生、徐量先生及梁衡義先生。

During the year, 10 physical meetings of the Executive Committee were held. Amongst those meetings, one meeting was held for the purpose of performing the corporate governance duties. The attendance of each member at these meetings is set out in the table above under subsection "Attendance records" of the section headed "BOARD OF DIRECTORS".

於本年度內，執行委員會曾舉行10次會議，當中一次會議為履行企業管治職責而召開。執行委員會各成員於該等會議的出席記錄載列於上述「董事會」一節「出席記錄」部分的出席表內。

The major work in relation to the corporate governance of the Group performed by the Executive Committee during the year included, amongst other things, reviewing the Company's compliance with the CG Code and disclosure in the corporate governance report of the Company for the year ended 31 December 2017.

執行委員會於本年度內履行有關本集團企業管治的主要工作，其中包括檢討並審閱本公司截至2017年12月31日止年度遵守企業管治守則的情況及企業管治報告內的披露。

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Audit Committee

An Audit Committee of the Board was established in December 1998 with specific written terms of reference which deal clearly with its authorities and duties. The terms of reference of the Audit Committee are posted on the websites of the Stock Exchange and the Company respectively.

The principal duties of the Audit Committee include, amongst other things:

- overseeing the relationship with and engagement of the Company's auditor;
- reviewing the interim and annual financial statements of the Group;
- reviewing the Group's financial and accounting policies and practices;
- reviewing the Company's financial reporting system, risk management and internal control systems; and
- reviewing the arrangements that employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters.

The Audit Committee has explicit authority to investigate any activity within its terms of reference and the authority to obtain outside legal or other independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary. It is given access to and assistance from the employees and reasonable resources to perform its duties properly.

審核委員會

董事會轄下的審核委員會於1998年12月成立，委員會具書面訂明的職權範圍，清楚說明其職權及責任。審核委員會的職權範圍分別登載於聯交所及本公司網站上。

審核委員會的主要職責（其中包括）：

- 監察與本公司核數師之間的關係及核數師的委聘；
- 審閱本集團中期及年度財務報表；
- 審閱本集團財務及會計政策及實務；
- 審查本公司的財務申報程序、風險管理及內部監控系統；及
- 檢討本公司僱員可在保密的情況下就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注之有關安排。

審核委員會具有明確權力，可按其職權範圍調查任何事宜，並有權在有需要時獲取外來法律或其他獨立專業意見，以履行其職責，費用由本公司支付。審核委員會亦可獲僱員提供支援及協助，取得合理的資源以妥善履行其職務。

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The chairman of the Audit Committee is Dr. Wang Xin, an Independent Non-executive Director and the members of the Audit Committee are Non-executive Directors and Independent Non-executive Directors, namely Dr. Li Yinhui, Mr. Liu Jingwei, Mr. Ho Gilbert Chi Hang, Mr. Choi Fan Keung Vic, Mr. Deng Yougao and Ms. Zhang Quanling. None of the members of the Audit Committee are former partners of the auditor of the Company.

During the year, 3 physical meetings of the Audit Committee were held and the attendance of each member is set out in the table above under subsection "Attendance records" of the section headed "BOARD OF DIRECTORS".

The major work performed by the Audit Committee during the year included, amongst other things, the following:

- reviewed the final results of the Group for the financial year ended 31 December 2017;
- reviewed the interim results of the Group for the 6 months ended 30 June 2018;
- reviewed the reports on the risk management and internal control systems of the Group prepared by an independent advisory firm; and
- considered the change of auditor of the Company and the engagement letter of the new auditor; and recommended the same to the Board for approval.

During the year, the Board had no disagreement with the Audit Committee's view on the selection, appointment, resignation or dismissal of the external auditor.

審核委員會主席由一名獨立非執行董事王鑫博士擔任，審核委員會成員為非執行董事及獨立非執行董事，即李胤輝博士、劉景偉先生、何智恒先生、蔡奮強先生、鄧有高先生及張泉靈女士。概無審核委員會成員為本公司核數師的前任合夥人。

於本年度內，審核委員會曾舉行3次會議，審核委員會各成員的出席記錄載於上述「董事會」一節「出席記錄」部分的出席表內。

審核委員會於本年度內履行的主要工作（其中包括）如下：

- 審閱本集團截至2017年12月31日止財政年度的全年業績；
- 審閱本集團截至2018年6月30日止6個月的中期業績；
- 審閱獨立顧問公司就本集團的風險管理及內部監控系統編製的報告；及
- 考慮更換本公司核數師及新核數師之委聘書；並向董事會建議批准相關事宜。

董事會於本年度內概無不同意審核委員會對甄選、委任、辭任或罷免外聘核數師事宜的意見。

CORPORATE GOVERNANCE REPORT

企業管治報告

Nomination Committee

A Nomination Committee of the Board was established in February 2005 with specific written terms of reference which deal clearly with its authorities and duties. The terms of reference of the Nomination Committee are posted on the websites of the Stock Exchange and the Company respectively.

The principal duties of the Nomination Committee include:

- reviewing the structure, size and composition of the Board and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- identifying individuals suitably qualified to become Board members and selecting or making recommendations to the Board;
- making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors;
- assessing the independence of Independent Non-executive Directors;
- determining suitably qualified individual(s) to become deputy general manager(s) of the Company; and
- reviewing the Board Diversity Policy, as appropriate; and reviewing the measurable objectives that have been set for implementing the Board Diversity Policy, and reviewing the progress on achieving the objectives.

提名委員會

董事會轄下的提名委員會於2005年2月成立，委員會具書面訂明的職權範圍，清楚說明其職權及責任。提名委員會的職權範圍分別登載於聯交所及本公司網站上。

提名委員會的主要職責包括：

- 檢討董事會的架構、人數及組成，並就任何為配合本公司策略而擬對董事會作出的變動提出建議；
- 物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供建議；
- 就董事委任或重新委任以及董事繼任計劃向董事會提出建議；
- 評核獨立非執行董事的獨立性；
- 決定具備合適資格可擔任本公司副總經理的人士；及
- 在適當情況下檢討董事會成員多元化政策；以及檢討董事會為執行董事會成員多元化政策而制定的可計量目標和檢討達標進度。

CORPORATE GOVERNANCE REPORT

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Where vacancies exist at the Board, candidates are proposed and put forward to the Nomination Committee for consideration. The recommendations of the Nomination Committee will then be tendered to the Board for approval. In considering the nomination of a new Director, the Nomination Committee will give adequate consideration to the Board Diversity Policy and take into account the qualification, ability, working experience, leadership and professional ethics of the candidates. In determining the independence of Directors, the Board follows the requirements set out in the Listing Rules.

Following the Company's approval of the adoption of the Nomination Policy during the year as disclosed above, the Nomination Committee will follow the nomination procedures and criteria set out thereunder in selecting and recommending candidates for directorship to the Board for consideration.

The Nomination Committee has explicit authority to seek any necessary information from the employees within its scope of duties and the authority to obtain outside independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary.

The chairman of the Nomination Committee is Mr. Zhao Tianyang who is also the Chairman of the Board and members of the Nomination Committee include Mr. Liang Hengyi, an Executive Director and Dr. Wang Xin, Mr. Deng Yougao and Ms. Zhang Quanling, all of whom are Independent Non-executive Directors.

During the year, 7 physical meetings of the Nomination Committee were held and the attendance of each member is set out in the table above under subsection "Attendance records" of the section headed "BOARD OF DIRECTORS".

董事會出現空缺時，候選人將被提名並提交提名委員會審議。提名委員會的建議其後會提交董事會審批。提名委員會於考慮提名新董事時，會充分考慮董事會成員多元化政策，並考慮該候選人的資格、能力、工作經驗、領導才能及專業操守。董事會在決定董事的獨立性時會遵循上市規則所載的規定。

在本公司於本年度內批准採納提名政策後（如上文所披露），提名委員會將根據提名政策所載之提名程序及準則挑選及推薦董事人選供董事會考慮。

提名委員會具有明確權力，可按其職權範圍向僱員徵求任何所需資料，並有權在有需要時獲取外來獨立專業意見，以履行其職責，費用由本公司支付。

提名委員會主席為趙天陽先生，彼亦為董事會主席。提名委員會成員包括執行董事梁衡義先生及獨立非執行董事王鑫博士、鄧有高先生及張泉靈女士。

於本年度內，提名委員會曾舉行7次會議，提名委員會各成員的出席記錄載於上述「董事會」一節「出席記錄」部分的出席表內。

CORPORATE GOVERNANCE REPORT

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The major work performed by the Nomination Committee during the year included, amongst other things, the following:

- considered and made recommendations to the Board on the appointment and re-designation of Directors and committees members;
- reviewed the structure, size and composition of the Board and made recommendations on proposed changes of Directors and committees members to the Board;
- assessed the independence of the Independent Non-executive Directors;
- considered and made recommendations to the Board on the re-election of Directors at the annual general meeting;
- considered and approved the appointments of deputy general managers of the Company; and
- considered and recommended the Nomination Policy to the Board for adoption.

提名委員會於本年度內履行的主要職責(其中包括)如下:

- 就董事及委員會成員之委任或轉任向董事會提出建議;
- 檢討董事會的架構、規模及組成,並就擬對董事會及委員會成員作出的變動提出建議;
- 評核獨立非執行董事的獨立性;
- 考慮並就於股東周年大會上重選董事向董事會提出建議;
- 考慮並批准本公司副總經理的委任;及
- 考慮並建議董事會採納提名政策。

CORPORATE GOVERNANCE REPORT

企業管治報告

Remuneration Committee

A Remuneration Committee of the Board was established in February 2005 with specific written terms of reference which deal clearly with its authorities and duties. The terms of reference of the Remuneration Committee are posted on the websites of the Stock Exchange and the Company respectively.

The principal duties of the Remuneration Committee include:

- making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management of the Group;
- reviewing and approving the management's remuneration proposals with reference to the Company's goals and objectives;
- determining, with delegated responsibility, the remuneration packages of individual Executive Directors and senior management and making recommendations to the Board on the remuneration of Non-executive Directors;
- reviewing and approving compensation payable to Executive Directors and senior management and compensation arrangements relating to dismissal or removal of Directors for misconduct; and
- ensuring that no Director or any of his/her associates is involved in deciding his/her own remuneration.

薪酬委員會

董事會轄下的薪酬委員會於2005年2月成立，委員會具書面訂明的職權範圍，清楚說明其職權及責任。薪酬委員會的職權範圍分別登載於聯交所及本公司網站上。

薪酬委員會的主要職責包括：

- 就本公司對本集團董事及高級管理人員的全體薪酬政策及架構，向董事會提出建議；
- 因應本公司方針及目標而檢討及審批管理層的薪酬建議；
- 獲董事會轉授責任，釐定個別執行董事及高級管理人員的薪酬待遇，並就非執行董事的酬金向董事會提出建議；
- 檢討及審批應付予執行董事及高級管理人員的賠償，以及董事因行為不當而被辭退或免職時的賠償安排；及
- 確保任何董事或其任何聯繫人不得自行釐訂薪酬。

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The Remuneration Committee may consult the Chairman of the Board and/or the Managing Director of the Company about their remuneration proposals for other Executive Directors. It has explicit authority to seek any necessary information from the employees within its scope of duties and the authority to obtain outside independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary.

The remuneration policies for the Company as well as the Directors are based on market alignment and reward for performance. The Company reviews the remuneration package annually taking into consideration of the market practice, competitive market position and individual performance.

The chairlady of the Remuneration Committee is Ms. Zhang Quanling, an Independent Non-executive Director and members of the Remuneration Committee include Mr. Li Shaofeng, an Executive Director, Dr. Li Yinhui, a Non-executive Director, and Dr. Wang Xin and Mr. Choi Fan Keung Vic who are Independent Non-executive Directors.

Details of remuneration paid to Directors and the chief executive of the Company for the year are set out in note 37 to the consolidated financial statements.

During the year, 8 physical meetings of the Remuneration Committee were held and the attendance of each member is set out in the table above under subsection "Attendance records" of the section headed "BOARD OF DIRECTORS".

薪酬委員會可就其他執行董事的薪酬建議諮詢董事會主席及／或本公司董事總經理的意見。薪酬委員會具有明確權力，可按其職權範圍向僱員徵求任何所需資料，並有權在有需要時獲取外來獨立專業意見，以履行其職責，費用由本公司支付。

本公司及董事的薪酬政策均與市場水準及工作表現掛鉤。本公司會考慮市場慣例、市場上的競爭狀況及個人表現，按年檢討薪酬組合。

薪酬委員會主席由獨立非執行董事張泉靈女士擔任，薪酬委員會成員包括執行董事李少峰先生、非執行董事李胤輝博士、以及獨立非執行董事王鑫博士及蔡奮強先生。

年內向董事及本公司行政總裁支付薪酬之詳情載於綜合財務報表附註37。

於本年度內，薪酬委員會曾舉行8次會議，薪酬委員會各成員的出席記錄載於上述「董事會」一節「出席記錄」部分的出席表內。

CORPORATE GOVERNANCE REPORT 企業管治報告

The major work performed by the Remuneration Committee during the year included, amongst other things, the following:

- reviewed and approved the terms of the service agreements of the Executive Directors and management of the Company;
- considered, reviewed and determined the remuneration of the Executive Directors of the Company for the year 2018;
- considered the bonuses of the Executive Directors of the Company for the year 2017;
- made recommendations to the Board on the terms of the engagement letters of the Non-executive Directors of the Company;
- considered the bonuses of the management of the Company and recommended the relevant bonus proposal to the Board for consideration; and
- made recommendations to the Board on the directors' fee of the Non-executive Directors for the years 2018 and 2019.

薪酬委員會於本年度內履行的主要職責(其中包括)如下:

- 檢討及批准本公司執行董事及管理層服務合約之條款;
- 考慮、檢討及決定本公司執行董事2018年年度薪酬;
- 考慮本公司執行董事2017年年度花紅;
- 就本公司非執行董事委聘書條款向董事會提出建議;
- 考慮本公司管理層之花紅並向董事會建議相關的花紅方案以供考慮;及
- 就非執行董事2018年及2019年年度袍金向董事會提出建議。

COMPANY SECRETARY

The Company Secretary supports the Board by ensuring good information flow within the Board and that board policy and procedures are followed. The Company Secretary is also responsible for advising the Board through the Chairman and/or the Managing Director on corporate governance and the implementation of the CG Code. The Company Secretary is an employee of the Company and has day-to-day knowledge of the Group's affairs.

公司秘書

公司秘書支援董事會，確保董事會成員之間資訊交流良好，以及董事會政策及程序得以遵循。公司秘書亦負責透過主席及／或董事總經理向董事會就企業管治情況及企業管治守則之施行事宜提供意見。公司秘書為本公司的僱員，對本集團的日常事務甚有認識。

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The Company Secretary reports to the Chairman and the Managing Director. All Directors also have access to the advice and services of the Company Secretary to ensure that board procedures, and all applicable laws, rules and regulations, are followed. The selection, appointment and dismissal of the Company Secretary are subject to the Board approval.

The Company Secretary has confirmed that she has taken no less than 15 hours of relevant professional training during the year.

RISK MANAGEMENT AND INTERNAL CONTROL

Management is responsible for the design, implementation and monitoring of the Group's risk management and internal control systems, while the Board is responsible for overseeing management in performing its duties on an ongoing basis. A review of the effectiveness of risk management and internal control system has been conducted annually to cover all material controls, including financial, operational and compliance controls. Main features of the risk management and internal control systems are described in the sections below:

Risk Management System

The Group adopts a risk management system which manages the risk associated with its business and operations. The system comprises the following phases:

- *Identification:* Identify type of significant risks, business objectives and risks that could affect the achievement of objectives.
- *Evaluation:* Analyze the likelihood and impact of risks and evaluate the risk portfolio accordingly.
- *Management:* Consider the risk responses, ensure effective communication to the Board and on-going monitor the residual risks.

Based on the risk assessments conducted in 2018, no significant weakness was identified.

公司秘書向主席及董事總經理匯報。所有董事亦可取得公司秘書的意見及服務，以確保董事會程序及所有適用法律、規則及規例得以遵守。公司秘書的遴選、委任與撤職須經董事會批准。

公司秘書確認其於本年度內接受不少於15小時的相關專業培訓。

風險管理及內部監控

管理層負責本集團風險管理及內部監控系統之設計、實施及監察工作；而董事會則按持續基準負責監督管理層履行職務的情況。董事會每年檢討風險管理及內部監控系統是否行之有效，務求令其涵蓋一切重要的監控範疇，包括財務、營運及合規方面的監控。以下章節概述風險管理及內部監控系統的主要特點：

風險管理系統

本集團採納一套風險管理系統，以管理與業務營運有關的風險。該系統涵蓋下列階段：

- *辨識：*辨識重大風險類別、業務目標及可能影響目標達成的風險。
- *評估：*分析形成風險的可能性及其影響，並據此評估風險組合。
- *管理：*考慮如何回應風險、確保與董事會有效溝通，及持續監察尚餘風險。

依據2018年進行的風險評估，並無發現任何重大不足。

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Internal Control System

The Company has in place an internal control system which is compatible with the Committee of Sponsoring Organizations of the Treadway Commission 2013 framework. The framework enables the Group to achieve objectives regarding effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The components of the framework are shown as follows:

- *Control Environment:* A set of standards, processes and structures that provide the basis for carrying out internal control across the Group.
- *Risk Assessment:* A dynamic and iterative process for identifying and analyzing risks to achieve the Group's objectives, forming a basis for determining how risks should be managed.
- *Control Activities:* Action established by policies and procedures to help ensure that management directives to mitigate risks to the achievement of objectives are carried out.
- *Information and Communication:* Internal and external communication to provide the Group with the information needed to carry out day-to-day controls.
- *Monitoring:* Ongoing and separate evaluations to ascertain whether each component of internal control is present and functioning.

內部監控系統

本公司定有內部監控系統，與Committee of Sponsoring Organizations of the Treadway Commission於2013年發表的框架相輔相成。該框架讓本集團得以實現目標，達致高效率且高效益的營運、可靠的財務報告以及遵守適用法例及規例。該框架的組成部分載列如下：

- *監控環境：*是一套標準、程序及架構，為於整個集團進行內部監控提供基準。
- *風險評估：*為一套動態及重複的流程，可辨識及分析各種風險，從而實現本集團的目標，同時制定基準，以決定如何管理風險。
- *監控活動：*藉由政策及程序採取行動，以助確保管理層實施舒緩風險以達成目標的方針。
- *資訊與溝通：*進行內部及外部溝通，為本集團提供所需資料，以進行日常監控工作。
- *監管：*進行持續及個別評估，以確保內部監控的各個組成部分存在且運作正常。

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Internal Auditor

The Group outsources the internal audit work to BDO Financial Services Limited, which is one of the professional internal audit services providers in Hong Kong. Internal audit function carries out the analysis and independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems. The internal audit function is independent of the Group's daily operation and carries out appraisal of the risk management and internal control systems by conducting interviews, walkthroughs and tests of operating effectiveness.

An internal audit plan has been reviewed by the Board. According to the established plan, review of the risk management and internal control systems is conducted annually and the results are reviewed by the Audit Committee and reported to the Board.

Effectiveness of the Risk Management and Internal Control Systems

The Board is responsible for the risk management and internal control systems of the Group and ensuring review of the effectiveness of these systems has been conducted annually according to the requirements of the CG Code.

The Board, through its review and the review made by internal audit function and Audit Committee, concluded that the risk management and internal control systems were effective and adequate. Such systems, however, are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. It is also considered that the resources, staff qualifications and experience of relevant staff were adequate and the training programs and budget provided were sufficient.

內部核數師

本集團已將內部審核工作外判予德豪財務顧問有限公司負責，德豪財務顧問有限公司為香港專業內部審核服務提供者之一。內部審核職能對本集團風險管理及內部監控系統的充分性及有效性進行分析及獨立評估，且獨立於本集團的日常營運，透過訪談、視察及營運效率測試，對風險管理及內部監控系統進行評估工作。

董事會已審閱內部審核計劃。根據既定的計劃，將每年檢討風險管理及內部監控系統，審核委員會審閱風險管理及內部監控結果，並向董事會報告。

風險管理及內部監控系統之成效

董事會根據企業管治守則之要求，對本集團的風險管理及內部監控系統負責，並確保每年檢討系統是否行之有效。

董事會通過其審閱及內部審核職能和審核委員會進行的檢討工作得出結論，風險管理及內部監控系統是有效及充分。然而，此等系統旨為管理風險而設，而非為消除未能達成業務目標的風險，且在重大錯誤陳述或資料遺漏方面只能提供合理而非絕對的保證。另外，在資源、員工資歷及相關員工的經驗方面亦應為合適，所提供的培訓計劃及預算亦充足。

CORPORATE GOVERNANCE REPORT 企業管治報告

INSIDE INFORMATION DISCLOSURE POLICY

The Company adopted an inside information disclosure policy (the “**Inside Information Disclosure Policy**”) on 21 December 2015 which sets out the procedures for the handling and dissemination of inside information with a view to preventing uneven, inadvertent or selective dissemination of inside information and ensuring shareholders and the public are provided with full, accurate and timely information about the activities and the financial condition of the Group. The Inside Information Disclosure Policy covers the following:

- setting out the processes for identifying, assessing and escalating potential inside information to the Board;
- setting out the responsibilities of officers in preserving the confidentiality of inside information, escalating upwards any such potential information and cascading down the message and responsibilities to relevant staff; and
- identifying who the Company’s authorized spokespersons are and their responsibilities for communications with stakeholders of the Company.

In addition, the Company has communicated to all relevant staff regarding the implementation of the Inside Information Disclosure Policy.

The Board considers that the Company’s existing measures are effective and appropriate compliance mechanisms to safeguard the Company and its officers in discharging their disclosure obligations in respect of inside information.

The Inside Information Disclosure Policy is posted on the website of the Company.

內幕消息披露政策

本公司於2015年12月21日採納內幕消息披露政策（「**內幕消息披露政策**」），當中載列處理及發佈內幕消息的程序，旨在避免不公平、不慎或選擇性發佈內幕消息，以及確保股東及公眾獲得有關本集團的業務及財務狀況的全面、準確及適時消息或資料。內幕消息披露政策涵蓋以下內容：

- 說明識別、評估及向董事會提交潛在的內幕消息之程序；
- 說明高級職員的責任，要對內幕消息保密，向上級提交潛在的內幕消息及向相關員工傳達訊息及其責任；及
- 識別本公司授權的發言人及列明其與本公司利益相關者溝通的責任。

此外，本公司已向所有相關員工傳達有關實施內幕消息披露政策。

董事會認為本公司現有措施屬有效及合適的合規機制，足以保障本公司及其高級職員履行內幕消息的披露責任。

內幕消息披露政策登載於本公司網站上。

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MODEL CODE FOR SECURITIES TRANSACTIONS

The Company 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 a code of conduct regarding Directors’ securities transactions. A reminder is served by the Company to each Director twice annually of the black-out period that Director cannot deal in the securities and derivatives (if any) of the Company.

Directors are required to notify the chairlady of the Remuneration Committee and to receive a dated written acknowledgement before dealing in the securities and derivatives (if any) of the Company. In the case of the chairman of the Remuneration Committee herself, she must notify the Managing Director and receive a dated written acknowledgement before any dealing.

Having made specific enquiry of all Directors, the Directors have complied with the required standard set out in the Model Code and the Company’s code of conduct regarding Directors’ securities transactions throughout the year ended 31 December 2018.

The Company has also established a written guideline no less exacting than the Model Code for securities transactions by relevant employees (including any employee of the Company or director or employee of a subsidiary who, because of his office or employment in the Company or a subsidiary, is likely to possess inside information in relation to the securities of the Company). No incidence of non-compliance was noted by the Company.

進行證券交易的標準守則

本公司已採納載於上市規則附錄10的《上市發行人董事進行證券交易的標準守則》(「**標準守則**」)作為董事進行證券交易的行為守則。本公司每年就禁止買賣期發出兩次通知提醒每位董事不可買賣本公司之證券及衍生工具(如有)。

董事進行本公司之證券及衍生工具(如有)買賣前,必須先知會薪酬委員會主席,並待收到註明日期之書面確認才可進行買賣。倘為薪酬委員會主席本人,則須先知會董事總經理,並待收到註明日期之書面確認才可進行買賣。

在向所有董事作出特定查詢後,所有董事於截至2018年12月31日止年度內已遵守標準守則及本公司有關董事進行證券交易的行為守則所規定的標準。

本公司已制定一份不遜於標準守則的有關僱員(包括本公司任何僱員、或附屬公司的任何董事或僱員,不會利用他們因在該公司或該附屬公司的職務或工作而可能管有與本公司證券有關的內幕消息)進行證券交易的書面指引。本公司並無知悉任何違規事件。

CORPORATE GOVERNANCE REPORT 企業管治報告

AUDITOR'S REMUNERATION

During the year, the remuneration paid/payable to the Company's auditor, PricewaterhouseCoopers, is set out as follows:

核數師酬金

於本年度內已支付／應付予本公司核數師羅兵咸永道會計師事務所的酬金載列如下：

Services rendered	所提供服務	HK\$'000 港幣千元
Audit services	審計服務	2,820
Non-audit services	非審計服務：	
Interim review	中期審閱	370
Tax services	稅務服務	264
Others	其他	644
		<hr/>
		4,098

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing financial statements of the Group which give a true and fair view of the state of affairs of the Group on a going concern basis and in presenting the annual and interim reports and other financial disclosures required under the Listing Rules, the Directors aim to present a balanced, clear and understandable assessment of the Group's position and prospects.

The statement of the auditor of the Company, PricewaterhouseCoopers, about its reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditor's Report on pages 200 to 213 of this annual report.

董事於財務報表的責任

董事確認彼等有責任編製本集團財務報表，以持續經營基準真實及公平地呈列本集團的事務。另於呈列年度報告及中期報告及上市規則所要求的其他財務披露時，董事須致力平衡、清晰及明白地評估本集團的狀況及前景。

本公司的核數師羅兵咸永道會計師事務所已在本年報第200頁至第213頁的獨立核數師報告中就彼於本集團綜合財務報表的申報責任作出聲明。

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COMMUNICATION WITH SHAREHOLDERS

On 22 March 2012, the Board adopted a Shareholders' Communication Policy reflecting the current practices of the Company for communication with its shareholders. Such policy aims at ensuring the shareholders of the Company are provided with ready, equal and timely access to balanced and understandable information about the Company, in order to enable shareholders to exercise their rights in an informed manner, and to allow shareholders to engage actively with the Company.

To foster effective communications with the shareholders, the Company provides extensive information in its annual and interim reports and announcements. All shareholders' communications are also available on the Company's website at www.shougang-intl.com.hk.

The annual general meeting of the Company provides a useful forum for shareholders to exchange views with the Board. All Directors will make an effort to attend. The external auditor is also available at the annual general meeting to address shareholders' queries. In case of any general meeting to approve a connected transaction or any other transaction that is subject to independent shareholders' approval, members of the independent Board committee will also make an effort to attend to address shareholders' queries.

During the year, 4 general meetings were held. One of the general meetings was the annual general meeting held on 18 May 2018 (the "2018 AGM") and the others were the general meetings held on 13 September 2018 and 20 December 2018 (the "GMs") for approving the followings:

- the subscription agreement dated 24 July 2018 entered into between the Company and Jingxi Holdings Limited in relation to the subscription of 2,800,000,000 new ordinary shares of the Company (the "Jingxi Subscription Shares") by Jingxi Holdings Limited at the subscription price of HK\$0.25 per Jingxi Subscription Share and the transactions contemplated thereunder; and the granting of a specific mandate to the Directors to allot and issue the Jingxi Subscription Shares;

與股東的溝通

於2012年3月22日，董事會採納一項股東通訊政策以反映本公司與股東溝通之現行常規。該政策旨在確保本公司股東均可適時取得全面、相同及容易理解的本公司資料，一方面使股東可在知情情況下行使其權力，另一方面也讓股東可與本公司積極交流。

為促進與股東之間的有效溝通，本公司於年報、中期報告及公告上提供全面資料。所有股東通訊資料均可於本公司網站索閱，網址為 www.shougang-intl.com.hk。

本公司的股東周年大會為股東提供與董事會交流意見的有用平台。全體董事均會盡可能抽空出席，外聘核數師亦出席股東周年大會回答股東的提問。在任何批准關連交易或任何其他須經獨立股東批准之交易的股東大會上，獨立董事委員會成員亦會盡可能抽空出席回答股東的提問。

於本年度內，本公司曾舉行4次股東大會，其中一次股東大會為於2018年5月18日舉行之股東周年大會（「2018股東周年大會」），而其他則為本公司分別於2018年9月13日及2018年12月20日就批准以下事項而舉行的股東大會（「股東大會」）：

- 本公司與京西控股有限公司訂立日期為2018年7月24日之認購協議，內容有關京西控股有限公司認購本公司2,800,000,000股新普通股（「京西認購股份」），認購價為每股京西認購股份港幣0.25元，以及其項下擬進行之交易；及向董事授出特定授權以配發及發行京西認購股份；

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2. the subscription agreement dated 24 July 2018 entered into between the Company and Rocket Parade Limited in relation to the subscription of 600,000,000 new ordinary shares of the Company (the “**Rocket Subscription Shares**”) by Rocket Parade Limited at the subscription price of HK\$0.25 per Rocket Subscription Share and the transactions contemplated thereunder; and the granting of a specific mandate to the Directors to allot and issue the Rocket Subscription Shares;
2. 本公司與Rocket Parade Limited訂立日期為2018年7月24日之認購協議，內容有關Rocket Parade Limited認購本公司600,000,000股新普通股（「**Rocket認購股份**」），認購價為每股Rocket認購股份港幣0.25元，以及其項下擬進行之交易；及向董事授出特定授權以配發及發行Rocket認購股份；
3. the subscription agreement dated 24 July 2018 entered into between the Company and ORIX Asia Capital Limited in relation to the subscription of 1,503,741,731 new ordinary shares of the Company (the “**Subscription Shares**”) by ORIX Asia Capital Limited at the subscription price of HK\$0.25 per Subscription Share and the transactions contemplated thereunder; and the granting of a specific mandate to the Directors to allot and issue the Subscription Shares;
3. 本公司與歐力士亞洲資本有限公司訂立日期為2018年7月24日之認購協議，內容有關歐力士亞洲資本有限公司認購本公司1,503,741,731股新普通股（「**認購股份**」），認購價為每股認購股份港幣0.25元，以及其項下擬進行之交易；及向董事授出特定授權以配發及發行認購股份；
4. the fund subscription agreement (the “**Fund Subscription Agreement**”) dated 24 July 2018 between the Company and 北京首獅管理諮詢有限公司(Beijing Shoushi Management Advisory Co., Ltd., “**Shoushi Company**”) in relation to the Company’s participation in 北京首獅銘智瑾信經濟諮詢企業(有限合夥)(Beijing Shoushi Ming Zhi Jin Xin Economic Consulting Firm (Limited Partnership), the “**Partnership**”) as a limited partner for a capital commitment of RMB135 million; and the partnership agreement proposed to be entered into among the Company (or its designated subsidiary), Shoushi Company and any other limited partner(s) of the Partnership in relation to the transactions contemplated under the Fund Subscription Agreement;
4. 本公司與北京首獅管理諮詢有限公司（「**首獅公司**」）訂立日期為2018年7月24日之基金認購協議（「**基金認購協議**」），內容有關本公司作為有限合夥人出資人民幣1.35億元參與北京首獅銘智瑾信經濟諮詢企業（有限合夥）（「**合夥企業**」）；以及本公司、首獅公司與合夥企業任何其他有限合夥人擬訂立之合夥協議，內容有關基金認購協議項下擬進行之交易；

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5. the framework agreement dated 12 August 2018 entered into amongst the Company, 京冀協同發展展示範區(唐山)基金管理有限公司(Beijing-Hebei Co-development Exhibition Zone (Tangshan) Fund Management Co., Ltd.) and 北京首鋼基金有限公司(Beijing Shougang Fund Co., Ltd.) in relation to the formation of the funds and the transactions contemplated thereunder; and
6. the granting of a specific mandate to the Directors to allot and issue an aggregate of 177,425,528 shares of the Company to Urban Parking Limited at HK\$0.25 each in accordance with the terms of the conditional sale and purchase agreement dated 1 November 2018 entered into among the Company, 首中投資管理有限公司(Shouzhong Investment Management Co., Ltd.), Urban Parking Limited and 富城(北京)停車管理有限公司(Urban Parking (Beijing) Limited).

The former auditor of the Company, Deloitte Touche Tohmatsu, attended the 2018 AGM. Details of the attendance of each Director at the general meetings of the Company held during the year are set out in the table above under subsection "Attendance records" of the section headed "BOARD OF DIRECTORS".

During the year, all notices of general meetings despatched by the Company to its shareholders for meetings held were sent for annual general meeting at least 20 clear business days before the meeting and at least 10 clear business days for all other general meetings. Separate resolutions were proposed at general meetings on each substantially separate issue, including the election of individual Directors, and all resolutions put to the vote of a general meeting were taken by way of a poll. At the general meetings, the chairman of the meetings explained the procedures for conducting a poll and answered questions from shareholders on voting by poll, if any. The results of the poll were published on the websites of the Stock Exchange and the Company respectively.

5. 本公司與京冀協同發展展示範區(唐山)基金管理有限公司及北京首鋼基金有限公司訂立日期為2018年8月12日之框架協議,內容有關成立該等基金及其項下擬進行之交易;及
6. 向董事授出特定授權以根據本公司、首中投資管理有限公司、富城停車場管理有限公司及富城(北京)停車管理有限公司訂立日期為2018年11月1日之買賣協議,按每股港幣0.25元配發及發行予富城停車場管理有限公司合共177,425,528股本公司股份。

本公司前核數師德勤•關黃陳方會計師行出席了2018股東周年大會。各位董事於本年度內舉行的本公司股東大會的出席詳情載於上述「董事會」一節「出席記錄」部分的出席表內。

本年度內,本公司就召開的股東大會,如屬股東周年大會,已於大會舉行前至少20個營業日向股東發送通知,而就所有其他股東大會而言,則已在大會舉行前至少10個營業日發送通知。本公司就股東大會上每項實際獨立的事宜提出個別的決議案,包括選舉個別董事,而股東大會上提呈的所有議案均以投票方式表決。於股東大會上,大會主席已解釋以投票方式進行表決的程序,並回答股東有關以投票方式表決的提問(如有)。投票結果分別登載於聯交所及本公司網站上。

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SHAREHOLDERS' RIGHTS

Convene a general meeting

Shareholder(s) representing at least 5% of the total voting rights of all shareholders of the Company having a right to vote at general meetings can request the Directors to call a general meeting pursuant to Section 566 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). The request must state the general nature of the business to be dealt with at the meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. Such request must be authenticated by the shareholder(s) making it and sent to the Company in hard copy form or in electronic form for the attention of the Company Secretary.

Put forward proposals at shareholders' meetings

Shareholder(s) representing at least 2.5% of the total voting rights of all shareholders of the Company or at least 50 shareholders who have a relevant right to vote at a general meeting can request the Company to circulate to the shareholders of the Company a statement of not more than 1,000 words with respect to a matter mentioned in a proposed resolution or other business to be dealt with at that meeting pursuant to Section 580 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). The expenses shall be borne by the shareholder(s) making the request unless the meeting concerned is an annual general meeting and the statement is received by the Company in time for sending with the notice of the meeting. The request must identify the statement to be circulated, and must be authenticated by the shareholder(s) making it and sent to the Company in hard copy form or in electronic form for the attention of the Company Secretary at least 7 days before the meeting to which it relates.

股東權利

召開股東大會

根據香港法例第622章公司條例第566條，佔全體有權在股東大會上表決的本公司股東的總表決權最少5%的股東可要求董事召開股東大會。有關要求須述明有待在有關股東大會上處理的事務的一般性質及可包含可在股東大會上恰當地動議並擬在股東大會上動議的決議的文本。該要求須經提出要求的股東認證及以印本形式或電子形式送交本公司予公司秘書。

在股東大會提出建議

根據香港法例第622章公司條例第580條，佔全體在股東大會上有相關表決權利的本公司股東的總表決權最少2.5%的股東，或最少50名在股東大會上有相關表決權利的股東可以要求本公司向本公司股東傳閱有待在股東大會上處理的、某被提出的決議所述的事宜，或其他有待在股東大會上處理的事務而字數不多於1,000字的陳述書。除非有關會議是股東周年大會，而本公司及時收到股東的陳述書，使本公司在發出會議通知時可同時送交陳述書，否則費用概由提出要求的股東承擔。有關要求須指出將予傳閱的陳述書及須經所有提出該要求的股東認證，並須在該要求所關乎的股東大會前最少7日以印本形式或電子形式送交本公司予公司秘書。

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Shareholder(s) representing at least 2.5% of the total voting rights of all shareholders of the Company or at least 50 shareholders who have a right to vote on the resolution at an annual general meeting can request the Company to give to the shareholders of the Company notice of a resolution that may properly be moved and is intended to be moved at that meeting pursuant to Section 615 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). The request must identify the resolution of which notice is to be given, and must be authenticated by the shareholder(s) making it and sent to the Company in hard copy form or in electronic form for the attention of the Company Secretary no later than 6 weeks before the annual general meeting to which the requests relate, or if later, the time at which notice of the meeting is given.

Shareholders' enquiries

Specific enquiries or suggestions by shareholders can be sent in writing to the Board or the Company Secretary at our registered office or by email to our Company. In addition, shareholders can contact Tricor Tengis Limited, the share registrar of the Company, if they have any enquiries about their shareholdings and entitlement to dividend. Relevant contact details are set out on page 3 of this annual report.

CONSTITUTIONAL DOCUMENTS

There is no change in the Company's constitutional documents during the year.

根據香港法例第622章公司條例第615條，佔全體有權在股東周年大會上表決的本公司股東的總表決權最少2.5%的股東，或最少50名有權在股東周年大會就決議表決的股東可以要求本公司向本公司股東發出關於可在股東周年大會上恰當地動議並在該大會上動議的決議的通知。有關要求須指出有待發出通知所關乎的決議及須經所有提出該要求的股東認證，並須在該要求所關乎的股東周年大會舉行前6個星期之前或（如在前述時間之後送抵本公司的話）有關會議通知發出之時以印本形式或電子形式送交本公司予公司秘書。

股東查詢

倘股東有特別查詢或建議，可致函本公司的註冊辦事處予董事會或公司秘書或電郵至本公司。此外，股東如有任何有關其股份及股息之查詢，可聯絡本公司股份過戶登記處卓佳登捷時有限公司，有關聯絡詳情載於本年報第3頁。

組織章程文件

本公司的組織章程文件於本年度內並無變動。

REPORT OF THE DIRECTORS 董事會報告書

The Directors present their report and the audited financial statements of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities of its principal subsidiaries, associates and joint venture are set out in notes 17 and 18 to the consolidated financial statements.

RESULTS

The results of the Group for the year ended 31 December 2018 and the state of affairs of the Group at that date are set out in the audited consolidated financial statements on pages 214 to 378 of this annual report.

FINAL DIVIDEND

The Board considers sustainable returns to shareholders whilst retaining adequate reserves for the Group’s future development to be an objective. Under the dividend policy adopted by the Company, dividends may be recommended, declared and paid to shareholders from time to time. In summary, the declaration of dividend is subject to the discretion of the Board, taking into consideration of, among others, the following factors:

- financial results;
- shareholders’ interests;
- general business conditions and strategies;
- capital requirements;
- taxation considerations;
- contractual, statutory and regulatory restriction, if any; and
- any other factors that the Board may deem relevant.

董事會謹此提呈董事會報告書及本公司及其附屬公司（「本集團」）截至2018年12月31日止年度之經審核財務報表，以供省覽。

主要業務

本公司之主要業務為投資控股。各主要附屬公司、聯營公司及合營公司之業務載列於綜合財務報表附註17及18。

業績

本集團截至2018年12月31日止年度之業績及本集團於該日之財務狀況載列於本年報第214頁至第378頁之經審核綜合財務報表。

末期股息

董事會的目標是為股東帶來持續回報同時為本集團的未來發展保留充足儲備。根據本公司採納的股息政策，本公司或會不時向股東建議宣派及派發股息。總括而言，股息宣派須經董事會考慮（其中包括）以下因素後酌情釐定：

- 財務業績；
- 股東權益；
- 整體業務狀況及策略；
- 資金需求；
- 稅務考慮因素；
- 合約、法定及規管限制（如有）；及
- 董事會可能視為相關的任何其它因素。

REPORT OF THE DIRECTORS 董事會報告書

Where a dividend is being declared in any particular financial year, the total amount of payment shall not exceed 50% of the accumulated profits available for distribution during such given financial year.

The Board has resolved to recommend a final dividend in the total amount of HK\$700 million for the year ended 31 December 2018 (2017: Nil), payable to shareholders whose names appear on the register of members of the Company at the close of business on Monday, 17 June 2019. Based on the enlarged total number of issued shares of 27,428,933,903 shares of the Company immediately following the completion of the subscriptions of shares pursuant to the subscription agreements announced by the Company on 19 March 2019, such a final dividend would amount to HK\$2.55 cents per share.

Subject to shareholders' approval of the proposed final dividend at the Company's annual general meeting to be held on Tuesday, 28 May 2019 (the "AGM"), the final dividend is expected to be paid on or about Thursday, 18 July 2019. In order to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Monday, 17 June 2019 for registration.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 23 May 2019 to Tuesday, 28 May 2019 (both days inclusive) to determine the shareholders' entitlement to attend and vote at the AGM. During such period, no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 22 May 2019 for registration.

在任何特定財政年度宣派股息時，在特定財政年度內支付總額不得超過50%的累積未分配利潤。

董事會決議建議派發截至2018年12月31日止年度之末期股息合共港幣7億元（2017年：無）予於2019年6月17日（星期一）營業時間結束時名列本公司股東名冊內之股東。根據本公司於2019年3月19日公告的認購協議，按緊隨認購股份完成後本公司經擴大已發行股份總數27,428,933,903股，該末期股息將為每股2.55港仙。

待股東於2019年5月28日（星期二）舉行之本公司股東周年大會（「股東周年大會」）上批准擬派發之末期股息後，預期末期股息將於2019年7月18日（星期四）派發。為符合資格獲派建議之末期股息，所有過戶文件連同相關股票必須於2019年6月17日（星期一）下午4時30分前，交回本公司之股份過戶登記處卓佳登捷時有限公司，地址為香港皇后大道東183號合和中心22樓，以辦理股份過戶登記。

暫停辦理股份過戶登記

本公司將於2019年5月23日（星期四）至2019年5月28日（星期二）（包括首尾兩日）暫停辦理股份過戶登記，以確定股東出席於股東周年大會並於會上投票之資格，期間將不會辦理本公司股份登記事宜。為合資格出席股東周年大會並於會上投票，所有過戶文件連同相關股票必須於2019年5月22日（星期三）下午4時30分前，交回本公司之股份過戶登記處卓佳登捷時有限公司，地址為香港皇后大道東183號合和中心22樓，以辦理股份過戶登記。

REPORT OF THE DIRECTORS 董事會報告書

BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2018 is set out in the sections headed “Chairman’s Statement” and “Management Discussion and Analysis” on pages 9 to 35 and pages 36 to 61 of this annual report respectively.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the last five financial years is set out on page 379 of this annual report.

SHARE CAPITAL

During the year, the Company issued an aggregate of 6,129,098,315 new ordinary shares, details of which are set out in the section headed “SHARES ISSUED” below.

Details of movements in the Company’s share capital during the year are set out in note 25 to the consolidated financial statements.

DONATIONS

No charitable donation was made by the Group during the year (2017: Nil).

業務回顧

本集團截至2018年12月31日止年度之業務回顧分別載於本年報第9頁至第35頁之「主席報告書」及第36頁至第61頁之「管理層論述與分析」。

五年財務摘要

本集團過去五個財政年度之已公佈業績及資產與負債摘要載列於本年報第379頁。

股本

本年度內，本公司發行了合共6,129,098,315股新普通股，有關詳情載於下文「已發行股份」一節。

本年度內，本公司股本變動之詳情載列於綜合財務報表附註25。

捐款

本年度內，本集團並無作出慈善捐款（2017年：無）。

REPORT OF THE DIRECTORS

董事會報告書

DIRECTORS

The Directors during the year and up to the date of this report are:

Executive Directors

Zhao Tianyang (*appointed with effect from 6 January 2018*)

Li Shaofeng

Xu Liang (*appointed with effect from 21 May 2018*)

Liang Hengyi (*appointed with effect from 6 January 2018*)

Shu Hong (*resigned with effect from 21 May 2018*)

Ding Rucai (*resigned with effect from 6 January 2018*)

Non-executive Directors

Li Yinhui (*appointed with effect from 6 January 2018*)

Liu Jingwei (*appointed with effect from 6 January 2018*)

Ho Gilbert Chi Hang (*appointed with effect from 21 May 2018*)

Li Hao (*appointed with effect from 27 September 2018*)

Leung Shun Sang Tony (*retired with effect from the conclusion of the annual general meeting held on 18 May 2018*)

Zhang Bingcheng (*resigned with effect from 6 January 2018*)

Independent Non-executive Directors

Wang Xin (*appointed with effect from the conclusion of the annual general meeting held on 18 May 2018*)

Choi Fan Keung Vic (*appointed with effect from the conclusion of the annual general meeting held on 18 May 2018*)

Deng Yougao (*appointed with effect from the conclusion of the annual general meeting held on 18 May 2018*)

Zhang Quanling (*appointed with effect from 6 January 2018*)

Kan Lai Kuen Alice (*retired with effect from the conclusion of the annual general meeting held on 18 May 2018*)

Wong Kun Kim (*resigned with effect from the conclusion of the annual general meeting held on 18 May 2018*)

Leung Kai Cheung (*resigned with effect from the conclusion of the annual general meeting held on 18 May 2018*)

董事

於本年度內及截至本報告日期的董事為：

執行董事

趙天暘 (*自2018年1月6日起獲委任*)

李少峰

徐量 (*自2018年5月21日起獲委任*)

梁衡義 (*自2018年1月6日起獲委任*)

舒洪 (*自2018年5月21日起辭任*)

丁汝才 (*自2018年1月6日起辭任*)

非執行董事

李胤輝 (*自2018年1月6日起獲委任*)

劉景偉 (*自2018年1月6日起獲委任*)

何智恒 (*自2018年5月21日起獲委任*)

李浩 (*自2018年9月27日起獲委任*)

梁順生 (*自2018年5月18日舉行的股東周年大會結束後退任*)

張炳成 (*自2018年1月6日起辭任*)

獨立非執行董事

王鑫 (*自2018年5月18日舉行的股東周年大會結束後獲委任*)

蔡奮強 (*自2018年5月18日舉行的股東周年大會結束後獲委任*)

鄧有高 (*自2018年5月18日舉行的股東周年大會結束後獲委任*)

張泉靈 (*自2018年1月6日起獲委任*)

簡麗娟 (*自2018年5月18日舉行的股東周年大會結束後退任*)

黃鈞黔 (*自2018年5月18日舉行的股東周年大會結束後辭任*)

梁繼昌 (*自2018年5月18日舉行的股東周年大會結束後辭任*)

REPORT OF THE DIRECTORS 董事會報告書

In accordance with articles 93 and 102(A) of the Company's articles of association, Mr. Xu Liang, Mr. Ho Gilbert Chi Hang, Mr. Li Hao, Mr. Li Shaofeng, Mr. Liu Jingwei and Mr. Choi Fan Keung Vic will retire and being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

DIRECTORS OF SUBSIDIARIES

During the year and up to the date of this report, directors of the subsidiaries of the Company include Zhao Tianyang, Li Shaofeng, Liang Hengyi, Ding Rucai*, Shu Hong, Leung Shun Sang, Tony*, Bao Linsheng, Chang Yingxin, Chen Yu*, Chen Zhichao, Chen Zhong, Ching Chien Wei*, Fu Qiang, Hao Bolin, Ho Gilbert Chi Hang*, Ji Weizheng, Jia Tinting, Jiang Molin*, Li Chensong, Li Na, Li Qingyang, Li Yinhuai, Lin Yan, Liu Hongyi, Liu Wenbin, Liu Ying*, Ma Jian*, Meng Yue, Meng Ziyang, Ng Tik Hong*, Qin Gang, Ryan Reed Botjer, Shen Zhuolin, Shi Xiaodong, Song Qingqiu*, Sui Changzheng, Tan Long, Tian Aibin, Wang Hongpeng, Wang Jinyong*, Wang Lei*, Wu Jing, Xia Xiaohong, Xie Peng, Xu Huajie, Xu Ke, Yang Junlin*, Yu Haiyang, Yu Yuqun*, Zhang Beicen*, Zhang Chunping, Zhang Jun, Zhang Lan, Zhang Meng, Zhao Xiaotong, Zhao Yongshi* and Zou Derong*.

* Ceased to be directors of relevant subsidiaries of the Company as at the date of this report.

DIRECTORS' INDEMNITIES AND INSURANCE

As permitted by the articles of association of the Company, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto.

The Company has arranged appropriate directors' and officer's liability coverage for the Directors and officers of the Company.

根據本公司組織章程細則第93條及102(A)條，徐量先生、何智恒先生、李浩先生、李少峰先生、劉景偉先生及蔡奮強先生將於本公司即將舉行之股東周年大會上任滿告退，而彼等均符合資格並願意膺選連任。

附屬公司董事

本年度內及截至本報告日期，本公司附屬公司的董事包括趙天暘、李少峰、梁衡義、丁汝才*、舒洪、梁順生*、包林生、常迎新、陳宇*、陳志超、陳重、莊劍偉*、傅強、郝柏林、何智恒*、吉維崢、賈婷婷、姜墨林*、李晨松、李娜、李青陽、李胤輝、林燕、劉宏軼、劉文彬、劉穎*、馬劍*、孟月、孟子揚、吳迪康*、秦鋼、包志遠、沈灼林、史效東、宋清秋*、隋長征、譚龍、田愛斌、王宏鵬、王晉勇*、王雷*、吳靖、夏曉虹、謝鵬、許華杰、許可、楊俊林*、于海洋、于玉群*、張北岑*、張春平、張軍、張嵐、張檬、趙曉桐、趙詠詩*及鄒德榮*。

* 於本報告日期已不再擔任本公司相關附屬公司的董事。

董事的彌償保險

本公司組織章程細則允許本公司各董事或其他高級職員有權就履行其職責或其他與此有關方面蒙受或產生的所有虧損或債務自本公司的資產中獲得賠償。

公司已為董事及本公司高級職員購買適當的董事及高級職員責任保險作為保障。

REPORT OF THE DIRECTORS 董事會報告書

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

MANAGEMENT CONTRACTS

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

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

As at 31 December 2018, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

董事之服務合約

擬於即將舉行之股東周年大會上膺選連任之董事，概無與本公司訂立任何由本公司於一年內終止而須支付賠償（法定賠償除外）之服務合約。

管理合約

本年度內，本公司並無簽訂或存在有關管理或經營本公司全部或任何主要部份業務之合約。

董事及最高行政人員於股份、相關股份 及債權證之權益及淡倉

於2018年12月31日，董事及本公司最高行政人員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、相關股份及債權證中擁有，已在本公司根據證券及期貨條例第352條規定須備存之登記冊中記錄之權益及淡倉；或根據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10的上市發行人董事進行證券交易的標準守則（「標準守則」）所載須另行知會本公司及聯交所之權益及淡倉如下：

REPORT OF THE DIRECTORS
董事會報告書

(a) Long positions in the shares and underlying shares of the Company

(a) 於本公司股份及相關股份之好倉

Name of Director 董事姓名	Capacity in which interests were held 持有權益之身份	Number of shares held 持有股份數目	% of the total number of shares of the Company in issue as at 31.12.2018 佔本公司於2018年12月31日已發行股份總數之百分比
Liang Hengyi 梁衡義	Beneficial owner 實益擁有人	3,880,000	0.0161
Liu Jingwei 劉景偉	Beneficial owner 實益擁有人	1,380,000	0.0057
	Interest of controlled corporation (Note) 受控法團之權益 (附註)	300,000	0.0012
Wang Xin 王鑫	Beneficial owner 實益擁有人	200,000	0.0008
	Interest of spouse 配偶權益	1,000,000	0.0042

Note:

These shares were held by Sunshine Express International Consulting Company Limited, which was 100% controlled by Mr. Liu Jingwei.

附註:

該等股份由劉景偉先生100%控制的陽光運通投資諮詢有限公司持有。

(b) Long positions in the shares of associated corporation of the Company

(b) 於本公司相聯法團之股份之好倉

Name of Director 董事姓名	Name of associated corporation 相聯法團名稱	Capacity in which interests were held 持有權益之身份	Number of shares in the associated corporation held 持有相聯法團股份數目	% of the total number of shares of the associated corporation in issue as at 31.12.2018 佔相聯法團於2018年12月31日已發行股份總數之百分比
Li Shaofeng 李少峰	Shougang Concord Century Holdings Limited 首長寶佳集團有限公司	Beneficial owner 實益擁有人	1,652,000	0.0859

REPORT OF THE DIRECTORS 董事會報告書

Save as disclosed above, as at 31 December 2018, none of the Directors or chief executive of the Company or their respective associates had registered any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed in the section headed "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES" herein, at no time during the year was the Company or any of its subsidiaries, its parent company or any subsidiary of its parent company a party to any arrangement to enable the Directors or their respective spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transactions, arrangements or contracts that is significant in relation to the Group's business to which the Company or any of its subsidiaries, its parent company or any subsidiary of its parent company was a party and in which a Director or his/her connected entities had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

除上文所披露者外，於2018年12月31日，董事或本公司最高行政人員或彼等各自之聯繫人概無於本公司或其任何相聯法團股份、相關股份或債權證中擁有，已在本公司根據證券及期貨條例第352條規定須備存之登記冊中記錄之任何權益或淡倉；或根據標準守則須另行知會本公司及聯交所之任何權益或淡倉。

董事購買股份或債權證之權利

除本年報「董事及最高行政人員於股份、相關股份及債權證之權益及淡倉」一節所披露者外，於本年度內任何時間，本公司或其任何附屬公司、其母公司或其母公司的任何附屬公司概無參與訂立任何安排，使董事或彼等各自之配偶或未滿十八歲的子女可藉購買本公司或任何其他法人團體之股份或債權證而獲得利益。

董事於交易、安排或合約之權益

本公司或其任何附屬公司、其母公司或其母公司的任何附屬公司在本年度結束時或本年度任何時間內，概無簽訂任何與本集團業務有關之任何重要交易、安排或合約，導致董事或其關連實體直接或間接獲得重大利益。

REPORT OF THE DIRECTORS 董事會報告書

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

Pursuant to Rule 8.10 of the Listing Rules, the following Directors have declared interests in the following businesses (other than those businesses where the Directors were appointed as directors to represent the interests of the Company and/or any member of the Group) which are considered to compete or are likely to compete, either directly or indirectly, with the businesses of the Group during the year:

董事於競爭業務之權益

根據上市規則第8.10條，以下董事已宣告彼等於以下業務持有權益（並不包括董事獲委任為有關公司之董事以代表本公司及／或本集團任何成員公司權益之業務），而該等業務被視為於本年度內與本集團業務構成直接或間接競爭或可能構成競爭：

Name of Director 董事姓名	Name of entity whose businesses are considered to compete or likely to compete with the businesses of the Group 業務被視為與本集團 業務構成競爭或可能 構成競爭之實體之名稱	Description of businesses of the entity which are considered to compete or likely to compete with the businesses of the Group 業務被視為 與本集團業務 構成競爭或可能構成 競爭之實體之資料	Nature of interest of the Director in the entity 董事於實體持有 之權益之性質
Zhao Tianyang 趙天暘	Shougang Holding (Hong Kong) Limited ("Shougang Holding") [#] 首鋼控股(香港)有限公司 [#] (「首鋼控股」)	Trading of iron ore and steel products 鐵礦石及鋼材產品貿易	Director 董事
	北京首鋼基金有限公司 [#] (Beijing Shougang Fund Co., Ltd.) [#]	Fund management 基金管理	Director and General Manager 董事兼總經理
Xu Liang 徐量	Shougang Holding [#] 首鋼控股 [#]	Trading of iron ore and steel products 鐵礦石及鋼材產品貿易	Director 董事
Ho Gilbert Chi Hang 何智恒	Urban Parking Limited [#] 富城停車場管理有限公司 [#]	Car park management 停車場管理	Director 董事
Li Shaofeng* 李少峰*	Shougang Holding [#] 首鋼控股 [#]	Trading of iron ore and steel products 鐵礦石及鋼材產品貿易	Director 董事
Zhang Bingcheng [^] 張炳成 [^]	Shougang Holding [#] 首鋼控股 [#]	Trading of iron ore and steel products 鐵礦石及鋼材產品貿易	Director 董事
Ding Rucai [^] 丁汝才 [^]	Shougang Holding [#] 首鋼控股 [#]	Trading of iron ore and steel products 鐵礦石及鋼材產品貿易	Director 董事

[#] Such businesses may be carried out through the subsidiaries or associates of the entity concerned or by way of other forms of investments.

* Mr. Li Shaofeng resigned as a director of Shougang Holding with effect from 3 January 2018.

[^] Mr. Zhang Bing Cheng and Mr. Ding Rucai resigned as Directors with effect from 6 January 2018.

[#] 該等業務可能是透過有關實體之附屬公司或聯營公司或其他投資方式進行。

* 李少峰先生自2018年1月3日起辭任為首鋼控股董事。

[^] 張炳成先生和丁汝才先生自2018年1月6日起辭任董事。

REPORT OF THE DIRECTORS 董事會報告書

The Board is independent from the boards of the above-mentioned entities and is accountable to the Company's shareholders. Coupled with the diligence of its Independent Non-executive Directors whose views carry significant weight in the Board's decisions, the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of these entities.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS UNDER THE SFO

So far as is known to the Directors and chief executive of the Company, as at 31 December 2018, the following persons (other than a Director or chief executive of the Company) had or deemed to have interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in the shares/underlying shares of the Company

董事會獨立於上述實體之董事會，並須向本公司股東負責。本集團之獨立非執行董事克盡己職，對董事會之決策提供舉足輕重之意見，因此本集團能夠按公平原則與該等實體各自經營本身之業務。

根據證券及期貨條例主要股東權益及淡倉

就本公司董事及最高行政人員所知，於2018年12月31日，下列人士（除董事或本公司最高行政人員外）於本公司股份或相關股份中擁有或被視為擁有，已在本公司根據證券及期貨條例第336條規定須備存之登記冊中記錄之權益或淡倉：

於本公司股份／相關股份之好倉

Name of shareholder 股東名稱	Capacity in which interests were held 持有權益之身份	Number of shares/ underlying shares 股份／相關股份數目	% of the total number of shares of the Company in issue as at 31.12.2018 佔本公司 於2018年12月31日 已發行股份總數 之百分比	Note 附註
Shougang Group Co., Ltd. ("Shougang Group") 首鋼集團有限公司(「首鋼集團」)	Interests of controlled corporations 受控法團之權益	12,633,903,865	52.54	1
Cheng Yu Tung Family (Holdings II) Limited	Interests of controlled corporations 受控法團之權益	2,677,425,528	11.14	2
Cheng Yu Tung Family (Holdings) Limited	Interests of controlled corporations 受控法團之權益	2,677,425,528	11.14	2
Rocket Parade Limited	Beneficial owner 實益擁有人	2,677,425,528	11.14	2
ORIX Corporation 歐力士集團	Interests of controlled corporation 受控法團之權益	1,503,741,731	6.25	3
ORIX Asia Capital Limited 歐力士亞洲資本有限公司	Beneficial owner 實益擁有人	1,503,741,731	6.25	3

REPORT OF THE DIRECTORS 董事會報告書

Notes:

1. *Shougang Group is interested in all the shares held by its direct and indirect subsidiaries, namely, Shougang Holding (holding 360,601,160 shares), China Gate Investments Limited (holding 2,757,829,774 shares), Grand Invest International Limited (holding 768,340,765 shares), Wide Success Holdings Limited (holding 4,106,748,921 shares), Prime Success Investments Limited (holding 48,574,000 shares), Lyre Terrace Management Limited (holding 230,000 shares) and Jingxi Holdings Limited (holding 4,591,579,245 shares).*
2. *Rocket Parade Limited is wholly-owned by NWS FM Limited which is a wholly-owned subsidiary of NWS FM Holdings Limited. NWS FM Holdings Limited is wholly-owned by NWS Service Management Limited (incorporated in the British Virgin Islands) which is a wholly-owned subsidiary of NWS Service Management Limited (incorporated in the Cayman Islands) ("NWS Service"). NWS Service is wholly-owned by NWS Holdings Limited which is held as to 60.99% by New World Development Company Limited, which is in turn held as to 44.46% by Chow Tai Fook Enterprises Limited ("Chow Tai Fook Enterprises"). Chow Tai Fook Enterprises is wholly-owned by Chow Tai Fook (Holding) Limited, which is held as to 81.03% by Chow Tai Fook Capital Limited, which is in turn held as to 48.98% by Cheng Yu Tung Family (Holdings) Limited and as to 46.65% by Cheng Yu Tung Family (Holdings II) Limited respectively.*
3. *ORIX Corporation is interested in all the shares held by its wholly-owned subsidiary, ORIX Asia Capital Limited.*

Save as disclosed above, as at 31 December 2018, the Company had not been notified of any person (other than a Director or chief executive of the Company), who had any interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

附註:

1. 首鋼集團於其直接或間接附屬公司所持有的所有股份中擁有權益。該等附屬公司為首鋼控股（持有360,601,160股股份）、China Gate Investments Limited（持有2,757,829,774股股份）、Grand Invest International Limited（持有768,340,765股股份）、Wide Success Holdings Limited（持有4,106,748,921股股份）、Prime Success Investments Limited（持有48,574,000股股份）、琴台管理有限公司（持有230,000股股份）及京西控股有限公司（持有4,591,579,245股股份）。
2. Rocket Parade Limited由NWS FM Limited全資擁有，而NWS FM Limited為NWS FM Holdings Limited的全資附屬公司。NWS FM Holdings Limited由新創建服務管理有限公司（於英屬處女群島註冊成立）全資擁有，而新創建服務管理有限公司為新創建服務管理有限公司（於開曼群島註冊成立）（「新創建服務」）的全資附屬公司。新創建服務由新創建集團有限公司全資擁有，而新創建集團有限公司由新世界發展有限公司持有60.99%股權，新世界發展有限公司由周大福企業有限公司（「周大福企業」）持有44.46%股權。周大福企業由周大福（控股）有限公司全資擁有，而周大福（控股）有限公司由Chow Tai Fook Capital Limited持有81.03%股權。Chow Tai Fook Capital Limited由Cheng Yu Tung Family (Holdings) Limited及Cheng Yu Tung Family (Holdings II) Limited分別持有48.98%及46.65%股權。
3. 歐力士集團於其全資附屬公司歐力士亞洲資本有限公司所持有的所有股份中擁有權益。

除上文所披露者外，於2018年12月31日，概無任何人士（董事及本公司最高行政人員除外）已知會本公司其於本公司股份或相關股份中，擁有已在本公司根據證券及期貨條例第336條規定須備存之登記冊中記錄之權益或淡倉。

REPORT OF THE DIRECTORS 董事會報告書

CONTROLLING SHAREHOLDERS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS" below, at no time during the year had the Company or any of its subsidiaries, and the controlling shareholders (as defined under the Listing Rules) or any of their subsidiaries entered into any contract of significance or any contract of significance for the provision of services to the Company or any of its subsidiaries by the controlling shareholders or any of their subsidiaries.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, there is a sufficiency of public float of the Company's securities as required under the Listing Rules as at the date of this annual report.

SHARES ISSUED

(a) Issued 1,047,931,056 shares on 26 March 2018

On 12 March 2018, the Company and its wholly-owned subsidiary, Shouzhong (Hong Kong) Limited, entered into an agreement (the "**Agreement**") with CIMC Transportation Equipment (International) Holdings Limited ("**CIMC Transportation**") to acquire 44.94382% in the registered capital of Shouzhong Investment Management Co., Ltd. (首中投資管理有限公司, "**Shouzhong Investment**") (the "**Acquisition**") from CIMC Transportation at a consideration of RMB209,884,269 to be settled by the Company issuing to CIMC Transportation or its designated person(s) an aggregate of 1,047,931,056 new ordinary shares of the Company at the issue price of HK\$0.2475 per share (the "**Consideration Shares**"), equivalent to an aggregate amount of approximately HK\$259,362,936.36. The issue price of HK\$0.2475 per Consideration Share represented a premium of approximately 2.27% to the closing price of HK\$0.242 per ordinary share of the Company as at the date of entering into the Agreement. The Consideration Shares were allotted and issued to CIMC Transportation upon completion of the Acquisition on 26 March 2018 under the general mandate to issue and deal in the ordinary shares of the Company granted by the shareholders to the Directors at the annual general meeting of the Company held on 26 May 2017.

控股股東於重要交易之權益

除下文「關連交易及持續關連交易」一節所披露者外，本公司或其任何附屬公司在本年度任何時間內，概無與控股股東（定義見上市規則）或其附屬公司之間訂立任何重要合約或有關控股股東或其附屬公司向本公司或其附屬公司提供服務的重要合約。

公眾持股量

根據本公司所獲得之公開資料及就董事所知，於本年報刊發日期，本公司之證券符合上市規則所規定之足夠公眾持股量規定。

已發行股份

(a) 於2018年3月26日發行1,047,931,056股股份

於2018年3月12日，本公司及其全資附屬公司首中（香港）有限公司與中集交通運輸裝備（國際）控股有限公司（「**中集交通**」）訂立協議（「**該協議**」），據此，本公司向中集交通收購首中投資管理有限公司（「**首中投資**」）註冊資本之44.94382%權益（「**收購事項**」），代價為人民幣209,884,269元，以本公司按發行價每股港幣0.2475元向中集交通或其指定人士發行合共1,047,931,056股本公司新普通股（「**代價股份**」）之方式支付，相當於總金額約為港幣259,362,936.36元。每股代價股份之發行價為港幣0.2475元較該協議日期之收市價每股普通股份港幣0.242元溢價約2.27%。代價股份已於2018年3月26日收購事項完成後，根據股東於2017年5月26日舉行之本公司股東周年大會上授予董事以發行及處理股份之一般授權，配發及發行予中集交通。

REPORT OF THE DIRECTORS 董事會報告書

(b) Issued 4,903,741,731 shares on 19 September 2018

In response to the funding needs of the Group, the Company entered into the following agreements on 24 July 2018:

- (i) a subscription agreement (the “**Jingxi Subscription Agreement**”) with Jingxi Holdings Limited (“**Jingxi Holdings**”), an indirect wholly-owned subsidiary of Shougang Group, and a subscription agreement (the “**Rocket Subscription Agreement**”) with Rocket Parade Limited (“**Rocket Parade**”), a substantial shareholder of the Company (Jingxi Subscription Agreement and Rocket Subscription Agreement together, the “**Connected Subscription Agreements**”). Pursuant to the Connected Subscription Agreements, the Company has conditionally agreed to allot and issue, and Jingxi Holdings and Rocket Parade have conditionally agreed to subscribe for an aggregate of 3,400,000,000 new ordinary shares of the Company (the “**Connected Subscription Shares**”) at a subscription price of HK\$0.25 per Connected Subscription Share, equivalent to an aggregate amount of approximately HK\$850,000,000.
- (ii) a subscription agreement (the “**Subscription Agreement**”) with ORIX Asia Capital Limited (“**ORIX Asia**”), pursuant to which the Company has conditionally agreed to allot and issue and ORIX Asia has conditionally agreed to subscribe for an aggregate of 1,503,741,731 new ordinary shares of the Company (the “**Subscription Shares**”) at a subscription price of HK\$0.25 per Subscription Share, equivalent to an aggregate amount of approximately HK\$375,935,433.

(b) 於2018年9月19日發行4,903,741,731股股份

應本集團融資需求，本公司於2018年7月24日簽訂了下列協議：

- (i) 與首鋼集團之間接全資附屬公司京西控股有限公司（「京西控股」）訂立認購協議（「京西認購協議」）；及與本公司主要股東Rocket Parade Limited（「Rocket Parade」）訂立認購協議（「Rocket認購協議」）（京西認購協議與Rocket認購協議統稱「**關連認購協議**」）。據此，本公司有條件同意配發及發行，京西控股及Rocket Parade有條件同意認購，本公司合共3,400,000,000股新普通股份（「**關連認購股份**」），認購價為每股關連認購股份港幣0.25元，相當於總金額約為港幣850,000,000元。
- (ii) 與歐力士亞洲資本有限公司（「歐力士亞洲」）訂立認購協議（「**認購協議**」），據此，本公司有條件同意配發與發行，歐力士亞洲有條件同意認購本公司合共1,503,741,731股新普通股份（「**認購股份**」），認購價為每股認購股份港幣0.25元，相當於總金額約為港幣375,935,433元。

REPORT OF THE DIRECTORS

董事會報告書

The subscription price of HK\$0.25 per Connected Subscription Share and Subscription Share represented a premium of approximately 28.8660% over the closing price of HK\$0.1940 per ordinary share of the Company as at the date of entering into the Connected Subscription Agreements and Subscription Agreement. Completion of the Connected Subscription Agreements and the Subscription Agreement took place on 19 September 2018. The Connected Subscription Shares and Subscription Shares were allotted and issued on 19 September 2018 under the specific mandate to issue and deal in the ordinary shares of the Company granted by the shareholders to the Directors at the general meeting of the Company held on 13 September 2018.

Details of the total funds raised from the issue of the Connected Subscription Shares and the Subscription Shares and the use of proceeds are set out under the section headed "USE OF PROCEEDS FROM SUBSCRIPTION OF NEW SHARES" in the "Management Discussion and Analysis" of this annual report.

每股關連認購股份及認購股份港幣0.25元之認購價較於關連認購協議及認購協議日期本公司每股普通股份港幣0.1940元之收市價溢價約28.8660%。關連認購協議及認購協議於2018年9月19日完成。關連認購股份及認購股份已於2018年9月19日，根據股東於2018年9月13日舉行之本公司股東大會上授予董事以發行及處理股份之特定授權配發及發行。

透過發行關連認購股份及認購股份所得總金額及所得款項之用途之詳情載列於本年報之「管理層論述與分析」之「認購新股份之所得資金使用情況」一節內。

REPORT OF THE DIRECTORS 董事會報告書

(c) Issued 177,425,528 shares on 28 December 2018

On 1 November 2018, the Company, Shouzhong Investment, a wholly-owned subsidiary of the Company as the purchaser, Urban Parking Limited (“Urban Parking”) as the vendor and Urban Parking (Beijing) Limited (富城(北京)停車管理有限公司 “Urban Parking Beijing”) as the target company entered into a conditional sale and purchase agreement (the “Sale and Purchase Agreement”) pursuant to which Shouzhong Investment conditionally agreed to acquire and Urban Parking conditionally agreed to sell the entire equity interest in Urban Parking Beijing (the “Sale Shares”) at a total consideration of RMB49,380,000 (equivalent to approximately HK\$55,591,831), of which RMB9,980,000 (equivalent to approximately HK\$11,235,449) shall be settled by cash and RMB39,400,000 (equivalent to approximately HK\$44,356,382) shall be settled by an aggregate of 177,425,528 new ordinary shares of the Company (the “Consideration Shares”) to be allotted and issued by the Company to Urban Parking at HK\$0.25 per Consideration Share (the “Acquisition”). The issue price of HK\$0.25 per Consideration Share represented a premium of approximately 42.045% to the closing price of HK\$0.176 per ordinary share of the Company as at the date of entering into the Sale and Purchase Agreement.

The Consideration Shares were allotted and issued upon completion of the Acquisition on 28 December 2018 under the specific mandate to issue and deal in the ordinary shares of the Company granted by the independent shareholders to the Directors at the general meeting of the Company held on 20 December 2018.

Further details of the transactions contemplated under the Agreement, Connected Subscription Agreements, Subscription Agreement and Sale and Purchase Agreement are set out in note 25 to the consolidated financial statements and also in the Company’s announcements dated 12 March 2018, 24 July 2018 and 1 November 2018 and circulars dated 27 August 2018 and 28 November 2018.

(c) 於2018年12月28日發行177,425,528股股份

於2018年11月1日，本公司與本公司之全資附屬公司首中投資（買方），富城停車場管理有限公司（「富城停車」，賣方）及富城（北京）停車管理有限公司（「富城停車北京」，目標公司）訂立有條件買賣協議（「買賣協議」）。據此首中投資有條件同意收購，富城停車有條件同意出售，富城停車北京之全部股權，總代價為人民幣49,380,000元（相當於約港幣55,591,831元），其中人民幣9,980,000元（相當於約港幣11,235,449元）將以現金支付，人民幣39,400,000元（相當於約港幣44,356,382元）將由本公司按每股代價股份港幣0.25元配發及發行177,425,528股新普通股份（「代價股份」）予富城停車之方式支付（「收購事項」）。每股代價股份港幣0.25元的發行價較買賣協議日期本公司每股普通股份港幣0.176元之收市價溢價約42.045%。

代價股份已於2018年12月28日收購事項完成後，根據獨立股東於2018年12月20日舉行之本公司股東大會上授予董事發行及處理本公司普通股份之特定授權配發及發行。

該協議、關連認購協議、認購協議及買賣協議項下擬進行之交易之詳情載列於綜合財務報表附註25，以及本公司日期為2018年3月12日、2018年7月24日、2018年11月1日之公告和日期為2018年8月27日及2018年11月28日之通函。

REPORT OF THE DIRECTORS 董事會報告書

EQUITY-LINKED AGREEMENTS

Save as disclosed in the section headed "SHARES ISSUED" above, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of the year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (whether on the Stock Exchange or otherwise) during the year.

DISTRIBUTION RESERVES

At the end of the reporting period, the Company has reserves available for distribution as calculated in accordance with the relevant provisions of the Companies Ordinance, details of which are set out in note 36 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2018, the aggregate sales attributable to the Group's five largest customers represented approximately 53.2% of the Group's total sales, of which the sales attributable to the largest customer accounted for approximately 14.5% of the Group's total sales; whereas the aggregate amount of purchase attributable to the Group's five largest suppliers represented approximately 91.6% of the Group's total purchases, of which the purchases attributable to the largest supplier for the Group accounted for approximately 71.3% of the Group's total purchases.

For the year ended 31 December 2018, none of the Directors, their close associates or any shareholder of the Company (which, to the knowledge of the Directors, owns more than 5% of the issued shares of the Company) had any beneficial interest in these major customers and suppliers.

股票掛鈎協議

除上述「已發行股份」一節所披露者外，於年內或年度結束時，本公司概無訂立或存在任何股票掛鈎協議將會或可導致本公司發行股份，或規定本公司訂立任何協議將會或可導致本公司發行股份。

購買、出售或贖回本公司之上市證券

於本年度內，本公司或其任何附屬公司概無在聯交所或任何其他證券交易所購買、出售或贖回本公司之任何上市證券。

可供分派儲備

於本報告期結束時，根據公司條例之相關規定計算，本公司有儲備可供分派，其詳情載列於綜合財務報表附註36。

主要客戶及供應商

截至2018年12月31日，本集團對5大客戶的銷售額約佔本集團總銷售額53.2%，其中最大客戶的銷售額約佔本集團總銷售額的14.5%；而本集團向5大供應商購貨的總購貨額約佔本集團總購貨額的91.6%，其中本集團於最大供應商的購貨額約佔本集團總購貨額的71.3%。

截至2018年12月31日，董事、彼等的緊密聯繫人或任何本公司股東（就董事所知擁有本公司已發行股份5%以上人士）概無持有該等客戶及供應商任何實益權益。

REPORT OF THE DIRECTORS 董事會報告書

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

The following connected transactions and continuing connected transactions were recorded during the year and up to the date of this annual report:

Connected Transactions

(a) Lease Agreement dated 2 February 2018

On 2 February 2018, Chengdu Shouzhong Easy Parking Management Ltd. (成都首中易泊停車場管理有限公司, “**Chengdu Shouzhong**”), an indirect non wholly-owned subsidiary of the Company, entered into a lease agreement (the “**Lease Agreement**”) with South China International Leasing Company Limited (“**South China Leasing**”), pursuant to which South China Leasing has agreed to provide finance lease to Chengdu Shouzhong by way of sale and leaseback the underground carpark (comprising 1,457 car parking spaces) located at no. 222 Ji Rui Wu Road, Gaoxin District, Chengdu, Sichuan Province, PRC, representing the state-owned construction land use rights/the property (building) ownership rights of a commercial land with shared parcel of land area of 20,551.37 square meters and property floor area of 46,870.09 square meters (the “**Leased Assets**”) to Chengdu Shouzhong for a term of one year, subject to an extension for another year upon mutual agreement at a fixed annual interest rate of 7.15%. The aggregate lease payments payable to South China Leasing under the Lease Agreement shall be approximately RMB63,345,833, comprising (i) principal amount of RMB60,000,000 (being the consideration for purchasing of the Leased Assets); and (ii) interest of approximately RMB3,345,833 calculated based on a fixed annual interest rate of 5.5%. South China Leasing is also entitled to a handling fee of RMB900,000, payable by Chengdu Shouzhong to South China Leasing prior to the commencement of the lease term. At the end of the term of the Lease Agreement, Chengdu Shouzhong will purchase the Leased Assets at a nominal purchase price of RMB1.

關連交易及持續關連交易

以下為本年度內及截至本報告日期所記錄之關連交易及持續關連交易：

關連交易

(a) 日期為2018年2月2日的租賃協議

於2018年2月2日，本公司之間接非全資附屬公司成都首中易泊停車場管理有限公司（「**成都首中**」）與南方國際租賃有限公司（「**南方租賃**」）訂立租賃協議（「**租賃協議**」），據此，南方租賃已同意把位於中國四川省成都市高新區吉瑞五路222號地下車庫（有1,457個車位），即一幅共用宗地面積20,551.37平方米及房屋建築面積46,870.09平方米的商業用地的國有建設用地使用權／房屋（構築物）所有權（「**租賃資產**」）透過售後回租的方式向成都首中提供融資租賃，為期一年，經相互協議租賃期可按固定年利率7.15%展期一年。根據租賃協議成都首中須支付予南方租賃之租賃款項總額為約人民幣63,345,833元，當中包括(i)本金額為人民幣60,000,000元（作為購買租賃資產的代價）；及(ii)按固定年利率5.5%計算的利息約人民幣3,345,833元。南方租賃亦有權於租賃期開始前向成都首中收取手續費人民幣900,000元。於租賃協議之租賃期結束時，成都首中將按名義購買價人民幣1元購買租賃資產。

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The entering into of the Lease Agreement will enable Chengdu Shouzhong to finance its investment.

Given that South China Leasing is an associate of Shougang Group, a controlling shareholder of the Company, and therefore is a connected person of the Company under the Listing Rules, the transaction contemplated under the Lease Agreement constituted a connected transaction for the Company under the Listing Rules. Details of the transaction and the connected relationship were disclosed in the announcement of the Company dated 2 February 2018.

(b) *Partnership Agreement dated 12 February 2018*

On 12 February 2018, Beijing-Hebei Co-development Exhibition Zone (Tangshan) Fund Management Co., Ltd. (京冀協同發展展示範區(唐山)基金管理有限公司, “**Jingji Capital**”), a wholly-owned subsidiary of the Company, entered into a partnership agreement (the “**Partnership Agreement**”) with Beijing Shougang Fund Co., Ltd. (北京首鋼基金有限公司, “**Shougang Fund**”), a subsidiary of Shougang Group, Caofeidian Financial Development Group Co., Ltd. (曹妃甸金融發展集團有限公司, “**Caofeidian Financial Development**”) and China Merchants Securities Assets Management Co., Ltd. (招商證券資產管理有限公司, “**China Merchants Assets Management**”) for the establishment of a partnership (the “**Partnership**”) for a term of eight years. The Partnership will engage in equity investments and other investments as permitted by law with a focus on investing in infrastructure development projects and related services in the Beijing-Hebei Caofeidian Co-development Exhibition Zone (京冀曹妃甸協同發展展示範區) and in industries relocating from Beijing in sectors encouraged by the PRC government and in line with the investment requirements of Shougang Fund. The total capital contribution to the Partnership will be RMB1,000 million of which 1%, 29%, 20% and 50% will be contributed by Jingji Capital, Shougang Fund, Caofeidian Financial Development and China Merchants Assets Management respectively. Jingji Capital will have the sole right to determine the introduction of new investors to the Partnership within 24 months from the date of the first capital contribution to the Partnership.

訂立租賃協議將令成都首中為其投資作融資。

南方租賃為本公司控股股東首鋼集團之聯繫人，因此，根據上市規則，南方租賃為本公司之關連人士，而於租賃協議項下之交易構成本公司之關連交易。有關交易及關連關係之詳情已於本公司日期為2018年2月2日之公告中披露。

(b) *日期為2018年2月12日的合夥協議*

於2018年2月12日，本公司之全資附屬公司京冀協同發展展示範區(唐山)基金管理有限公司(「**京冀資本**」)與首鋼集團之附屬公司北京首鋼基金有限公司(「**首鋼基金**」)、曹妃甸金融發展集團有限公司(「**曹妃甸金發**」)及招商證券資產管理有限公司(「**招商資管**」)訂立合夥協議(「**合夥協議**」)，以成立合夥企業(「**合夥企業**」)，為期8年。合夥企業將從事股本投資及法律許可之其他投資，致力投資於京冀曹妃甸協同發展展示範區之基礎設施發展項目及相關服務，以及中國政府鼓勵從北京轉移並符合首鋼基金投資規定之產業。合夥企業之認繳出資總額為人民幣10億元，當中1%、29%、20%及50%分別由京冀資本、首鋼基金、曹妃甸金發及招商資管認繳出資。京冀資本將於首次注資合夥企業日期起計24個月內擁有向合夥企業引進新投資者之獨家決定權。

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Jingji Capital will act as the general partner and fund manager of the Partnership and in return, the Partnership will pay Jingji Capital:

- (i) an annual management fee of 1.5% of the actual amount invested by each partner in the project from the date of investment in the project until the date of withdrawal from the project by the relevant partner; and
- (ii) thereafter, the annual management fee will be calculated at 1.5% of the difference between the actual investment made by a partner in the project and the distribution by the Partnership to the said partner.

Upon the investment project becoming profitable, the management fee will be paid to Jingji Capital prior to any distribution to the partners.

Since its establishment, Jingji Capital has actively implemented the strategy of coordinated development of the Beijing-Tianjin-Hebei area. Based on its rich experience in fund management, it has attracted Caofeidian Financial Development, representing the local state-owned enterprises, and China Merchants Assets Management, representing professional financial institutions, to co-sponsor the establishment of the Partnership. The establishment of the Partnership will play a positive role in furthering the fund management business of Jingji Capital and expanding its investment influence in Beijing, Tianjin and Hebei Province.

Among other things, Shougang Fund is a wholly-owned subsidiary of Shougang Group as at the date of the Partnership Agreement. Given that Shougang Fund is a connected person of the Company under the Listing Rules, the entering into of the Partnership Agreement constituted a connected transaction for the Company under the Listing Rules. Details of the transaction were disclosed in the announcement of the Company dated 12 February 2018.

京冀資本將出任合夥企業之普通合夥人及基金管理人，而合夥企業將向京冀資本支付：

- (i) 按由項目之投資日期起直至相關合夥人退出有關項目之日止，年度管理費應為各合夥人於項目已投資之實際金額之1.5%；及
- (ii) 其後，年度管理費將按合夥人於項目之實際投資額與合夥企業向該合夥人所分派之差額之1.5%計算。

管理費將在投資項目取得收益後，並在向合夥人分配收益前，支付予京冀資本。

京冀資本自設立以來，積極落實京津冀協同發展的戰略，在豐富的基金管理經驗的基礎上，吸引以曹妃甸金發為代表的曹妃甸當地國企及以招商資管為代表的專業金融機構，共同發起成立合夥企業。成立合夥企業，對京冀資本進一步做大基金管理規模、拓展在京津冀地區的投資影響力有積極促進作用。

除其他事項外，於合夥協議日期，首鋼基金為首鋼集團之全資附屬公司。根據上市規則，首鋼基金為本公司之關連人士，而訂立合夥協議構成本公司之關連交易。有關交易之詳情已於本公司日期為2018年2月12日之公告中披露。

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(c) *Partnership Agreement dated 28 March 2018*

On 28 March 2018, Heilongjiang Shouhe Venture Capital Limited Partnership (黑龍江首和創業投資管理企業(有限合夥), “**Shouhe**”), a non wholly-owned subsidiary of the Company, entered into a partnership agreement (as supplemented, the “**Partnership Agreement**”) with Shougang Fund, Heilongjiang Keli High Technology Industry Investment Co., Ltd. (黑龍江省科力高科技產業投資有限公司, “**Keli**”) and Harbin Venture Capital Group Co., Ltd. (哈爾濱創業投資集團有限公司, “**Harbin Venture Capital**”) in relation to the establishment of a partnership (the “**Partnership**”) for a term of eight years. The first five years of the term shall be the investment period (“**Investment Period**”), and the last three years of the term shall be the payback period (“**Payback Period**”), during which the Partnership shall not carry out any further investments. Subject to agreement at a meeting of the partners, the term of the Partnership may be extended to not more than ten years, and the Investment Period or Payback Period can be extended twice, for one year each time. The Partnership will engage in investment activities as permitted by law in the PRC, with a focus on investing in car parking infrastructure facilities, smart cities, ice sports entertainment, underground pipelines, healthcare and other city integrated services industry areas, as well as advanced manufacturing, robotics, technology, media and telecoms, new materials, cloud computing, comprehensive health and other new strategic industry areas.

(c) *日期為2018年3月28日的合夥協議*

於2018年3月28日，本公司之非全資附屬公司黑龍江首和創業投資管理企業(有限合夥)(「**首和**」)與首鋼基金、黑龍江省科力高科技產業投資有限公司(「**科力**」)及哈爾濱創業投資集團有限公司(「**哈爾濱創投**」)訂立合夥協議(經補充，「**合夥協議**」)，以成立有效期為8年的合夥企業(「**合夥企業**」)。有效期內首5年為投資期(「**投資期**」)，而有效期內最後3年為回收期(「**回收期**」)，合夥企業在回收期內不得再進行任何投資。經合夥人會議之協定合夥企業之有效期可延長至不多於10年，而投資期或回收期可展期兩次，每次為期1年。合夥企業將從事中國法律允許之投資活動，並集中投資於停車場基建設施、智慧城市、冰雪運動娛樂、地底綜合管線、醫療健康及其他城市綜合服務業領域，以及先進之製造、機械人、未來(互聯網)科技、媒體及通訊、新材料、雲計算、大健康及其他戰略性新興產業領域。

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The target total capital contribution to the Partnership is RMB600 million. Shouhe, Shougang Fund, Keli and Harbin Venture Capital shall be the founding partners and make capital contributions in the total amount of RMB406 million and hold as to 1.478%, 49.261%, 36.946% and 12.315% interests in the Partnership respectively. Shougang Dongbei Revitalization Industry Fund Management Co., Ltd. (首鋼東北振興產業基金管理有限公司, “**Fund Manager**”), a wholly-owned subsidiary of the Company, shall be responsible for raising contributions in the amount of RMB60 million and RMB134 million, respectively, from the Harbin Economic-Technological Development Zone Guidance Fund (Harbin Yuerong) and from social capital.

The Partnership shall pay the Fund Manager:

- (i) during the Investment Period, an annual management fee of 0.5% of the Partnership’s total subscribed capital contribution amount; and
- (ii) during the Payback Period as well as during extensions of the Investment Period or Payback Period, an annual management fee of 0.5% of the fund under the management of the Partnership.

The Partnership shall pay Shouhe as the general partner in its role as executive partner:

- (i) during the Investment Period, an annual executive compensation of 1% of the Partnership’s total subscribed capital contribution amount; and
- (ii) during the Payback Period as well as during extensions of the Investment Period or Payback Period, an annual executive compensation of 1% of the fund under the management of the Partnership.

合夥企業之目標認繳出資總額為人民幣6億元，首和、首鋼基金、科力及哈爾濱創投將於合夥企業成立後擔任創始合夥人及注資人民幣4.06億元，其於合夥企業之權益百分比分別為1.478%、49.261%、36.946%及12.315%。本公司之全資附屬公司首鋼東北振興產業基金管理有限公司（「**基金管理人**」）將負責分別向哈爾濱市經濟技術開發區引導基金（哈爾濱越榕）及社會資本籌集認繳資本人民幣6,000萬元及人民幣1.34億元。

合夥企業應向基金管理人支付：

- (i) 於投資期內，合夥企業之總認繳出資額0.5%之年度管理費；及
- (ii) 於回收期內，以及於投資期或回收期之延續期內，由合夥企業在管投資金額0.5%之年度管理費。

合夥企業應向首和作為普通合夥人以其作為執行事務合夥人之角色支付：

- (i) 於投資期內，合夥企業之總認繳出資額1%之年度執行事務報酬；及
- (ii) 於回收期內，以及於投資期或回收期之延續期內，由合夥企業在管投資金額1%之年度執行事務報酬。

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The Partnership is established along with the strategy of revitalization of Northeast China and will enhance the connection between the Group and the economic activities in Heilongjiang Province, which would lead to a priority of potential business in the future. The establishment of the Partnership will play a positive role in furthering the fund management business of the Group and exploiting potential market for its car parking facilities and investment operation business in Heilongjiang Province.

Given that Shougang Fund is a connected person of the Company under the Listing Rules, the entering into of the Partnership Agreement constituted a connected transaction of the Company under the Listing Rules. Details of the transaction were disclosed in the announcement of the Company dated 28 March 2018.

(d) Shareholders' Agreement (as amended and restated by the Amended and Restated Shareholders' Agreement) dated 8 May 2018

On 8 May 2018, Jingji Capital entered into a shareholders' agreement (the "**Shareholders' Agreement**") with Shougang Group for the establishment of a fund company (the "**Fund Company**") for a term of eight years. The first four years of the term shall be the investment period and the remaining years of the term shall be the exit period, during which the Fund Company shall not, aside from follow-on investments to existing investments, carry out any further investments. The term may be extended for two years subject to unanimous shareholders' agreement. The Fund Company is established to support the development of New Shougang High-end Industry Comprehensive Service Park (新首鋼高端產業綜合服務區, "**Shougang Park**").

合夥企業之成立依循振興東北戰略及將加強本集團與黑龍江省經濟活動之聯繫，並將引領優先參與未來之潛在業務。成立合夥企業在推進本集團基金管理業務方面將扮演正面角色，並就其停車場設施投資及營運業務於黑龍江省拓展潛在市場。

根據上市規則，首鋼基金為本公司之關連人士，而訂立合夥協議構成本公司之關連交易。有關交易之詳情已於本公司日期為2018年3月28日之公告中披露。

(d) 日期為2018年5月8日的股東協議（經修訂及重訂股東協議修訂及重述）

於2018年5月8日，京冀資本與首鋼集團訂立股東協議（「**股東協議**」）以成立基金公司（「**基金公司**」），存續期為8年。存續期內首4年將為投資期，而存續期內餘下最後4年期為退出期，於退出期間，除對現有投資的後續投資外，基金公司在該期間內不得再進行任何進一步投資。基金公司之存續期可根據股東一致同意續期2年。基金公司之成立是為了支持新首鋼高端產業綜合服務區（「**首鋼園區**」）的開發。

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The target total capital contribution to the Fund Company is RMB10,000 million. The initial registered capital of the Fund Company will be RMB3,100 million, of which 96.8% and 3.2% will be contributed by Shougang Group and Jingji Capital respectively. Jingji Capital will act as a fund manager (the “**Fund Manager**”) to the Fund Company and its responsibility for the Fund Company will include filings, promotion and fundraising, investment and daily operations and information disclosure obligations. The Fund Company shall pay the Fund Manager an annual management fee of 1.5% of the Fund Company’s subscribed registered capital.

On 28 December 2018, Jingji Capital, Shougang Group and Shougang Fund entered into an amended and restated shareholders’ agreement (the “**Amended and Restated Shareholders’ Agreement**”) to amend and restate certain terms of the Shareholders’ Agreement, of which (i) the provision relating to the option to extend the term of the Fund Company for another two years has been deleted; (ii) the registered capital of the Fund Company will be revised to RMB8,100 million and the total capital contribution of Jingji Capital has remained unchanged at RMB100 million, as a result of which, 37.04%, 61.73% and 1.23% will be contributed by Shougang Group, Shougang Fund and Jingji Capital respectively; and (iii) the Fund Company shall pay the Fund Manager an annual management fee of 1.5% of the Fund Company’s paid up registered capital, instead of subscribed registered capital.

基金公司之目標認繳註冊資本將為人民幣100億元。基金公司的首期註冊資本將為人民幣31億元，其中96.8%及3.2%將分別由首鋼集團和京冀資本認繳。京冀資本將擔任基金公司之基金管理人（「**基金管理人**」），其將向基金公司承擔的責任包括存檔、推介及籌集資金、投資和日常運營及信息披露等義務。基金公司應向基金管理人支付基金公司之認繳出資總額1.5%作為年度管理費。

於2018年12月28日，京冀資本、首鋼集團及首鋼基金訂立經修訂及重訂股東協議（「**經修訂及重訂股東協議**」），藉以修訂及重訂股東協議之若干條款，其中(i)有關可選擇將基金公司續期2年的條文已被刪除；(ii)基金公司之註冊資本將修改為人民幣81億元，京冀資本的認繳資金總額保持不變，仍為人民幣1億元，其中37.04%、61.73%及1.23%將分別由首鋼集團、首鋼基金和京冀資本出資；及(iii)基金公司應向基金管理人支付基金公司之已繳足註冊資本（而非認繳出資總額）的1.5%作為年度管理費。

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Given that Shougang Group and Shougang Fund are connected persons of the Company under the Listing Rules, the entering into of the Shareholders' Agreement and the Amended and Restated Shareholders' Agreement constituted connected transactions of the Company under the Listing Rules. Details of the transactions were disclosed in the announcements of the Company dated 8 May 2018, 10 May 2018 and 28 December 2018.

(e) *Loan Agreements dated 19 March 2018 and 20 June 2018*

On 20 June 2018, Shouzhong Investment, a non wholly-owned subsidiary of the Company, and Beijing Shouzhong Car Parking Management Company Limited (北京首中停車管理有限公司, "**Shouzhong Parking**") entered into a loan agreement (the "**Loan Agreement**") for the provision of a loan in the principal amount of RMB20 million (the "**Loan**") by Shouzhong Investment to Shouzhong Parking for a term of six months commencing from 20 June 2018 to 19 December 2018 at an interest rate of 6.5% per annum. The Loan helps to secure the normal and stable operation of Shouzhong Parking.

On 19 March 2018, Shouzhong Investment and Shouzhong Parking entered into a loan agreement (the "**Previous Loan Agreement**") for the provision of a loan in the principal amount of RMB1.55 million by Shouzhong Investment to Shouzhong Parking at an interest rate of 6.5% per annum.

Given that Shouzhong Parking was an associate of Shougang Group as at the date of the Loan Agreement, and therefore a connected person of the Company under the Listing Rules, the entering into of the Loan Agreement and the Previous Loan Agreement constituted connected transactions of the Company under the Listing Rules. Details of the transactions were disclosed in the announcement of the Company dated 20 June 2018.

根據上市規則，首鋼集團及首鋼基金為本公司的關連人士，而訂立股東協議及經修訂及重訂股東協議構成本公司的關連交易。有關交易之詳情已於本公司日期為2018年5月8日，2018年5月10日及2018年12月28日之公告中披露。

(e) *日期為2018年3月19日及2018年6月20日的貸款協議*

於2018年6月20日，本公司之非全資附屬公司首中投資與北京首中停車管理有限公司（「首中停車」）訂立貸款協議（「貸款協議」）由首中投資向首中停車提供本金為人民幣2,000萬元的貸款（「貸款」），由2018年6月20日起至2018年12月19日止，為期6個月，年息為6.5%。貸款有助於確保首中停車之正常及穩定營運。

於2018年3月19日，首中投資與首中停車訂立貸款協議（「前貸款協議」），以由首中投資向首中停車提供本金為人民幣155萬元的貸款，年息為6.5%。

於貸款協議日期，首中停車為首鋼集團之聯繫人，因此，根據上市規則，首中停車為本公司的關連人士，而訂立貸款協議及前貸款協議構成本公司的關連交易。有關交易之詳情已於本公司日期為2018年6月20日之公告中披露。

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**(f) Partnership Agreement dated 13 July 2018 ·
Fund Subscription Agreement dated 24 July 2018
and Restated Partnership Agreement dated 14
December 2018**

- (i) On 13 July 2018, Beijing Shoushi Management Advisory Co., Ltd. (北京首獅管理諮詢有限公司, “**Shoushi Company**”), a non wholly-owned subsidiary of the Company, as general partner, entered into a partnership agreement (the “**Partnership Agreement**”) with Shougang Fund as a limited partner for the establishment of a limited partnership (the “**Partnership**”) for a term of six years (the “**Partnership Term**”). Shoushi Company has the sole discretion to extend the Partnership Term twice, each time for one year. After which and subject to agreement at a meeting of the partners, the Partnership Term may be further extended for one year. The initial first year of the Partnership Term shall be the investment period, which shall be extended for one year for one time only at the sole discretion of Shoushi Company. The Partnership was established to support the development of Shougang Park.

The total committed capital contribution to the Partnership shall be RMB910 million, of which 98.90% and 1.10% will be contributed by Shougang Fund and Shoushi Company respectively.

**(f) 日期為2018年7月13日的合夥協議·日期
為2018年7月24日的基金認購協議及日期
為2018年12月14日的重訂合夥協議**

- (i) 於2018年7月13日，本公司之非全資附屬公司北京首獅管理諮詢有限公司(「**首獅公司**」)(作為普通合夥人)與首鋼基金(作為有限合夥人)訂立合夥協議(「**合夥協議**」)，成立有限合夥企業(「**合夥企業**」)，合夥期限為6年(「**合夥期限**」)。首獅公司有權自行決定將合夥期限延長2次，每次以延長1年為限。若合夥期限已經延長了2年，可通過合夥人會議協定將合夥期限再延長1年。合夥期限內首1年將為投資期，首獅公司可單方面決定將投資期延長1年，並以延長1次為限。合夥企業之成立是為了支持首鋼園區的開發。

合夥企業的認繳出資總額將為人民幣9.1億元，其中98.90%和1.10%將分別由首鋼基金和首獅公司出資。

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The Partnership, Shoushi Company and the joint fund managers, Jingji Capital and Shanghai Shiwei Investment Advisory Co., Ltd. (上海獅威投資諮詢有限公司, “**Shanghai Shiwei**”), shall enter into an entrusted management agreement, pursuant to which, the joint fund managers shall provide management services to the Partnership. The Partnership will pay Jingji Capital as the chief manager of the Partnership and Shanghai Shiwei as the associate manager of the Partnership a total of 1% of its total committed capital contribution as management fee yearly; and will pay Shoushi Company as general partner of the Partnership a fundraising service fee in a total amount not exceeding 1% of its total committed capital contribution.

- (ii) On 24 July 2018, the Company conditionally entered into a fund subscription agreement (the “**Fund Subscription Agreement**”) with Shoushi Company (as general partner of the Partnership). Pursuant to the Fund Subscription Agreement, the Company (or its designated subsidiary) conditionally agreed to participate in the Partnership as a limited partner for a capital commitment of RMB135 million and to enter into a partnership agreement (the “**Proposed Partnership Agreement**”) with Shoushi Company (as general partner), Shougang Fund and other limited partners (if any) upon approval by the independent shareholders of the Company, which was granted at the general meeting held on 13 September 2018, for investment in the Partnership and to support the development of Shougang Park.

合夥企業、首獅公司、京冀資本及上海獅威投資諮詢有限公司(「上海獅威」)(京冀資本及上海獅威共同作為基金管理人)將訂立委託管理協議，據此，共同基金管理人將為合夥企業提供管理服務。合夥企業應向京冀資本作為合夥企業的主管理人和上海獅威作為合夥企業的次管理人每年支付總額為合夥企業認繳出資總額的1%；及將向首獅公司(作為合夥企業之普通合夥人)支付總額不超過合夥企業認繳出資總額1%的募集服務費。

- (ii) 於2018年7月24日，本公司有條件地與首獅公司(作為合夥企業之普通合夥人)訂立基金認購協議(「**基金認購協議**」)。根據基金認購協議，為投資合夥企業及支持首鋼園區的開發，本公司(或其指定附屬公司)有條件地同意作為有限合夥人出資人民幣1.35億元參與合夥企業，並與首獅公司(作為普通合夥人)、首鋼基金及其他有限合夥人(如有)訂立合夥協議(「**建議合夥協議**」)，惟須待本公司獨立股東批准，而該批准已於2018年9月13日舉行之股東大會上獲取。

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The interest holding of the Partnership will be in the proportion of 86.12%, 0.96% and 12.92% by Shougang Fund, Shoushi Company and the Company (or its designated subsidiary) respectively upon investment by the Company.

- (iii) On 14 December 2018, Shoushi Company, Shougang Fund and Beijing Shouyuan Investment Limited (北京首源投資有限公司, “**Shouyuan**”), a wholly-owned subsidiary of the Company, entered into a restated partnership agreement (the “**Restated Partnership Agreement**”) in relation to the Partnership. Pursuant to the Restated Partnership Agreement, (i) Shoushi Company as the general partner has the sole discretion to extend the Partnership Term twice, each time for one year, subject to, among other things, the extended Partnership Term not being shorter than the Partnership’s term for holding the project company used to invest in the Shouao Industrial Park (首奧產業園區) (“**Project Holding Term**”), the Project Holding Term shall be five years from the closing date of the Partnership, or if the Partnership makes an early exit from the investment in Shouao Industrial Park, the Project Holding Term expires on completion of such exit; (ii) Shoushi Company’s committed capital contribution to the Partnership will increase from RMB10,000,000 to RMB70,000,000, as a result of which the total committed capital contribution to the Partnership shall be RMB1,105,000,000, of which 81.45%, 12.22% and 6.33% will be contributed by Shougang Fund, Shouyuan and Shoushi Company respectively; and (iii) Jingji Capital shall be the sole fund manager to the Partnership and the Partnership shall pay the sole fund manager a total of 1% of its total committed capital contribution as management fee.

於本公司投資後，首鋼基金、首獅公司及本公司（或其指定附屬公司）持有合夥企業權益的比例分別為86.12%、0.96%及12.92%。

- (iii) 於2018年12月14日，首獅公司、首鋼基金及本公司之全資附屬公司北京首源投資有限公司（「**首源**」）就合夥企業訂立重訂合夥協議（「**重訂合夥協議**」）。根據重訂合夥協議，(i)首獅公司作為普通合夥人有權自行決定將合夥期限延長2次，每次以延長1年為限，惟（其中包括）經延長之合夥期限不得短於合夥企業持有投資於首奧產業園區的項目公司的期限（「**持有項目期限**」），該持有項目期限將自合夥企業交割日起5年，或若合夥企業提前退出首奧產業園區的投資，持有項目期限將在完成退出時到期；(ii)首獅公司對合夥企業之認繳出資額將由人民幣10,000,000元增加至人民幣70,000,000元，因此，合夥企業的認繳出資總額為人民幣1,105,000,000元，其中81.45%、12.22%及6.33%將分別由首鋼基金、首源及首獅公司出資；及(iii)京冀資本將為合夥企業的唯一基金管理人，合夥企業每年應向唯一基金管理人支付總額為合夥企業認繳出資總額的1%作為管理費。

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Given that Shougang Fund is a connected person of the Company under the Listing Rules as at the date of the respective agreements, the entering into of the Partnership Agreement (as restated by the Restated Partnership Agreement), Fund Subscription Agreement and the Proposed Partnership Agreement constituted connected transactions of the Company under the Listing Rules.

Details of the transactions contemplated under the Partnership Agreement (as restated by the Restated Partnership Agreement) and the Fund Subscription Agreement have been disclosed in the announcements of the Company dated 13 July 2018, 24 July 2018 and 14 December 2018 and in the circular of the Company dated 27 August 2018.

(g) *Connected Subscription Agreements dated 24 July 2018*

On 24 July 2018, the Company entered into a subscription agreement with Jingxi Holdings and with Rocket Parade respectively (collectively, the “**Connected Subscription Agreements**”). Pursuant to the Connected Subscription Agreements, the Company has conditionally agreed to allot and issue, and Jingxi Holdings and Rocket Parade have conditionally agreed to subscribe for an aggregate of 3,400,000,000 new shares of the Company (the “**Connected Subscription Shares**”) under the specific mandate at a subscription price of HK\$0.25 per Connected Subscription Share.

The entering into of the Connected Subscription Agreements was in response to the funding needs of the Group for the further development of the car parking business and operations of the Group as well as the participation in development and management of Shougang Park, which in turn will strengthen the revenue base of the Group.

The completion of the subscriptions under the Connected Subscription Agreements took place on 19 September 2018.

根據上市規則，於有關協議日期，首鋼基金為本公司的關連人士，而訂立合夥協議（經重訂合夥協議修訂）、基金認購協議及建議合夥協議構成本公司的關連交易。

合夥協議（經重訂合夥協議修訂）及基金認購協議項下擬進行之交易之詳情已於本公司日期為2018年7月13日、2018年7月24日及2018年12月14日之公告及日期為2018年8月27日之通函中披露。

(g) *日期為2018年7月24日的關連認購協議*

於2018年7月24日，本公司分別與京西控股及與Rocket Parade訂立認購協議（統稱「**關連認購協議**」）。根據關連認購協議，本公司已有條件同意根據特定授權配發及發行，而京西控股及Rocket Parade已有條件同意認購合共3,400,000,000股本公司新股份（「**關連認購股份**」），按每股關連認購股份之認購價港幣0.25元發行。

訂立關連認購協議乃回應本集團的資金需求，以進一步發展本集團之停車場業務及營運，以及參與首鋼園區之發展及管理，從而加強本集團之收益基礎。

關連認購協議項下的認購事項已於2018年9月19日完成。

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Given that both Jingxi Holdings and Rocket Parade are connected persons of the Company under the Listing Rules as at the date of the Connected Subscription Agreements, the entering into of the Connected Subscription Agreements constituted connected transactions of the Company under the Listing Rules. Details of the transactions contemplated under the Connected Subscription Agreements have been disclosed in the announcement of the Company dated 24 July 2018 and in the circular of the Company dated 27 August 2018.

(h) *Framework Agreement in relation to formation of funds dated 12 August 2018*

On 12 August 2018, the Company, Jingji Capital and Shougang Fund entered into a framework agreement (the “**Framework Agreement**”) in relation to formation of funds not exceeding 15 to be established thereunder (the “**Funds**”). The term of each Fund shall be from five to ten years from the date of formation, of which the first three to six years of the term shall be the investment period (the “**Investment Period**”) and the remaining years of the term shall be the exit period (the “**Exit Period**”), during which the Funds shall not carry out further investments, subject to extension as agreed by the investors of the respective Fund. The Funds shall be established for the purpose of supporting the further expansion of the Company’s fund management business. The expected aggregate total size of the Funds shall not exceed RMB30 billion, of which Shougang Fund and its associates shall, in aggregate, contribute not more than RMB10 billion; and the Company and its subsidiaries shall, in aggregate, contribute not more than RMB500 million.

Jingji Capital or its subsidiary will have priority to be appointed as the fund manager of the Funds (the “**Fund Manager**”) and each Fund shall pay the Fund Manager a management fee as follows:

- (a) during the Investment Period, between 0.5% to 2% per annum on subscribed capital contribution or paid-in capital contribution, to be agreed amongst the Fund investors in due course; and

根據上市規則，於關連認購協議日期，京西控股及Rocket Parade均為本公司的關連人士，而訂立關連認購協議構成本公司的關連交易。有關認購協議項下擬進行交易之詳情已於本公司日期為2018年7月24日之公告及本公司日期為2018年8月27日之通函中披露。

(h) *日期為2018年8月12日有關成立基金的框架協議*

於2018年8月12日，本公司、京冀資本及首鋼基金就成立不超過15隻基金（「該等基金」）訂立框架協議（「**框架協議**」）。該等基金各自的期限應為自成立之日起5至10年，當中前3至6年應為投資期（「**投資期**」），期限內的餘下年份應為退出期（「**退出期**」），期間該等基金不得開展進一步投資，須經該等基金各自的投資者同意延期。該等基金的成立乃為支持本公司之基金管理業務的進一步擴展。預期該等基金總規模將不超過人民幣300億元，其中首鋼基金及其聯繫人將合共出資不超過人民幣100億元；及本公司及其附屬公司將合共出資不超過人民幣5億元。

京冀資本或其附屬公司將享有獲委任為該等基金的基金管理人（「**基金管理人**」）的優先權，及各基金應向基金管理人支付以下年度管理費：

- (a) 於投資期內，按認繳出資額或實繳出資額的0.5%至2%，待基金投資者適時協定；及

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- (b) during the Exit Period, between 0.5% to 2% per annum on subscribed capital contribution, paid-in capital contribution or remaining paid-in capital contribution, to be agreed amongst the Fund investors in due course.

Given that Shougang Fund is a connected person of the Company under the Listing Rules as at the date of the Framework Agreement, the entering into of the Framework Agreement constituted a connected transaction of the Company under the Listing Rules. Details of the transactions contemplated under the Framework Agreement have been disclosed in the announcement of the Company dated 12 August 2018 and in the circular of the Company dated 29 August 2018.

(i) *Sale and Purchase Agreement dated 1 November 2018*

On 1 November 2018, the Company, Shouzhong Investment as the purchaser, Urban Parking as the vendor and Urban Parking Beijing as the target company entered into a conditional sale and purchase agreement (the “**Sale and Purchase Agreement**”) pursuant to which Shouzhong Investment conditionally agreed to acquire and Urban Parking conditionally agreed to sell the entire equity interest in Urban Parking Beijing at a total consideration of RMB49,380,000, of which RMB9,980,000 shall be settled by cash and RMB39,400,000 shall be settled by an aggregate of 177,425,528 shares of the Company (the “**Consideration Shares**”) to be allotted and issued by the Company to Urban Parking at HK\$0.25 per Consideration Share (the “**Acquisition**”).

By the Acquisition, Urban Parking Beijing could contribute all its revenue and profit into the Group and the experienced team from Urban Parking Beijing will help the Group to expand the market share and therefore, the Acquisition represents a good opportunity for the Group to further engage in the car parking industry in the PRC.

- (b) 於退出期內，按認繳出資額、實繳出資額或餘下實繳出資額的0.5%至2%，待基金投資者適時協定。

根據上市規則，於框架協議日期，首鋼基金為本公司的關連人士，而訂立框架協議構成本公司的關連交易。有關框架協議項下擬進行交易之詳情已於本公司日期為2018年8月12日之公告及本公司日期為2018年8月29日之通函中披露。

(i) *日期為2018年11月1日的買賣協議*

於2018年11月1日，本公司、首中投資（作為買方）、富城停車（作為賣方）與富城停車北京（作為目標公司）訂立有條件買賣協議（「**買賣協議**」），據此，首中投資有條件地同意收購及富城停車有條件地同意出售富城停車北京之全部股權，總代價為人民幣49,380,000元，其中人民幣9,980,000元以現金支付，其餘人民幣39,400,000元將由本公司配發及發行177,425,528股本公司股份（「**代價股份**」）予富城停車，按每代價股份港幣0.25元之方式支付（「**收購事項**」）。

透過收購事項，富城停車北京可為本集團貢獻其所有收益及溢利，而富城停車北京之經驗豐富團隊將有助本集團擴大市場份額，因此，收購事項為本集團提供良機進一步進軍中國停車行業。

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The vendor Urban Parking, is an indirect wholly-owned subsidiary of NWS Holdings Limited, which is a substantial shareholder of the Company, and therefore a connected person of the Company under the Listing Rules at the date of the Sale and Purchase Agreement. Therefore, the transactions contemplated under the Sale and Purchase Agreement constituted connected transactions for the Company under the Listing Rules. Details of the transactions contemplated under the Sale and Purchase Agreement were disclosed in the announcement of the Company dated 1 November 2018 and in the circular of the Company dated 28 November 2018.

(j) *Sale and Purchase Agreement dated 21 November 2018*

On 21 November 2018, the Company entered into a sale and purchase agreement (the “**Sale and Purchase Agreement**”) with Shougang Holding, a controlling shareholder of the Company, pursuant to which the Company conditionally agreed to sell and Shougang Holding conditionally agreed to purchase one ordinary share of Fair Union Holdings Limited (“**Fair Union**”), a wholly-owned subsidiary of the Company, representing its entire issued share capital (the “**Sale Share**”), at a consideration of HK\$205,996,553.70 which reflected an indirect transfer of 686,655,179 shares at a consideration of HK\$0.30 per share of Shougang Concord Century Holdings Limited (“**Shougang Century**”), which was indirectly owned as to approximately 35.71% in aggregate by the Company as on the date of the Sale and Purchase Agreement (the “**Proposed Restructuring**”). Upon completion of the Proposed Restructuring, the Company will cease to have any shareholding interest in Shougang Century.

The Proposed Restructuring is a strategic move of the Group to align with the business development strategy of the Group.

於買賣協議日期，賣方富城停車為本公司主要股東新創建集團有限公司之間接全資附屬公司，因此，根據上市規則，富城停車為本公司的關連人士，而買賣協議項下擬進行的交易構成本公司的關連交易。有關買賣協議項下擬進行交易之詳情已於本公司日期為2018年11月1日之公告及本公司日期為2018年11月28日之通函中披露。

(j) *日期為2018年11月21日的買賣協議*

於2018年11月21日，本公司與首鋼控股訂立買賣協議（「**買賣協議**」），據此，本公司有條件地同意出售及首鋼控股有條件地同意購買Fair Union Holdings Limited（「**Fair Union**」，本公司之全資附屬公司）之一股普通股份，相當於Fair Union之全部已發行股本（「**銷售股份**」），代價為港幣205,996,553.70元，反映按每股首長寶佳集團有限公司（「**首長寶佳**」）股份港幣0.30元間接轉讓686,655,179股首長寶佳股份（相當於買賣協議日期由本公司間接持有合共約35.71%首長寶佳權益）（「**建議重組**」）。於完成建議重組後，本公司將不再持有首長寶佳任何股權。

建議重組乃本集團配合其業務發展策略而作出之策略性舉措。

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Given that Shougang Holding is a connected person of the Company under the Listing Rules as at the date of the Sale and Purchase Agreement, the Proposed Restructuring constituted a connected transaction for the Company under the Listing Rules. Details of the transactions contemplated under the Sale and Purchase Agreement were disclosed in the announcement of the Company dated 21 November 2018 and in the circular of the Company dated 2 January 2019.

(k) Capital Increase Agreement and Joint Venture Agreement dated 30 December 2018 and Supplemental Agreement dated 14 January 2019

On 30 December 2018, (i) Beijing Shouxing Zhixing Investment Co., Ltd. (北京首興智行投資有限公司, “**Shouxing Zhixing**”), an indirect wholly-owned subsidiary of the Company, Shouzhong Investment, Shouzhong Parking, Shougang Fund and Beijing Gonglian Anda Car Parking Management Co., Ltd. (北京公聯安達停車管理有限公司, “**Gonglian Anda**”) (collectively, the “**Parties**”) entered into a capital increase agreement (the “**Capital Increase Agreement**”), pursuant to which, Shouxing Zhixing agreed to contribute RMB76,000,000 to the registered capital of Shouzhong Parking, and the registered capital of Shouzhong Parking will thereby be increased from RMB144,000,000 to RMB220,000,000 (the “**Capital Increase**”); and (ii) the Parties also entered into a joint venture agreement (the “**Joint Venture Agreement**”) for the operation and management of Shouzhong Parking.

The Capital Increase shall be made by Shouxing Zhixing in cash before 31 January 2019 and after the Capital Increase, the equity interest of Shouxing Zhixing, Shouzhong Investment, Shougang Fund and Gonglian Anda in Shouzhong Parking will become 34.545%, 31.5%, 33.136% and 0.818% respectively, and the Company’s aggregate indirect equity interest in Shouzhong Parking will be increased from approximately 48.125% to approximately 66.045%.

根據上市規則，於買賣協議日期，首鋼控股為本公司之關連人士，而建議重組構成本公司之關連交易。有關買賣協議項下擬進行交易之詳情已於本公司日期為2018年11月21日的公告及本公司日期為2019年1月2日之通函中披露。

(k) 日期為2018年12月30日的增資協議和合資協議以及日期為2019年1月14日的補充協議

於2018年12月30日，(i)本公司之間接全資附屬公司北京首興智行投資有限公司（「首興智行」）、首中投資、首中停車、首鋼基金及北京公聯安達停車管理有限公司（「公聯安達」）（統稱，「訂約方」）訂立增資協議（「增資協議」），據此，首興智行同意以人民幣76,000,000元認繳首中停車之新增註冊資本，及首中停車註冊資本將由人民幣144,000,000元增加至人民幣220,000,000元（「增資事項」）；及(ii)訂約方亦就首中停車的經營管理等事宜訂立合資協議。

增資事項將由首興智行於2019年1月31日以現金繳付，於增資事項後，首興智行、首中投資、首鋼基金及公聯安達於首中停車之權益比例將分別為34.545%、31.5%、33.136%和0.818%，而本公司於首中停車合共之間接權益將由約48.125%增加至約66.045%。

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The Capital Increase will significantly add to the capital strength of Shouzhong Parking, and thereby expand the Group's business in investment and operation of airport parking building in the future.

On 14 January 2019, Shouxing Zhixing and Shouzhong Parking entered into a supplemental agreement (the "**Supplemental Agreement**") to the Capital Increase Agreement to supplement certain terms of the Capital Increase Agreement.

Given that Shougang Fund and Shouzhong Parking (an associate of Shougang Group) are connected persons of the Company under the Listing Rules as at the date of the respective agreements, the entering into of the Capital Increase Agreement, the Joint Venture Agreement and the Supplemental Agreement constituted a connected transaction of the Company under the Listing Rules.

Details of the transactions contemplated under the Capital Increase Agreement (as supplemented by the Supplemental Agreement) and the Joint Venture Agreement were disclosed in the announcements of the Company dated 30 December 2018 and 14 January 2019 and in the circular of the Company dated 21 February 2019.

此次增資事項，首中停車的資本實力得以增強，更好地擴展本集團未來在機場停車樓領域的投資運營。

於2019年1月14日，首興智行及首中停車就增資協議訂立補充協議（「**補充協議**」），以對增資協議之若干條款作出補充。

根據上市規則，於有關協議日期，首鋼基金及首中停車（首鋼集團之聯繫人）為本公司之關連人士，而訂立增資協議、合資協議及補充協議構成本公司之關連交易。

有關增資協議（經補充協議補充）及合資協議項下擬進行交易之詳情已於本公司日期為2018年12月30日及2019年1月14日之公告及本公司日期為2019年2月21日之通函中披露。

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Continuing Connected Transactions

(a) Master agreement dated 3 October 2016

As stated in the announcement of the Company dated 3 October 2016 and in the circular of the Company dated 18 November 2016, a master agreement between the Company and Shougang Corporation (now known as Shougang Group), a connected person of the Company by virtue of its being the controlling shareholder of the Company, was entered into on 3 October 2016 (the “**2016 Master Agreement**”) for governing the continuing connected transactions to be entered into between the Group and Shougang Group and/or its associates for the three financial years ending 31 December 2019. Pursuant to the 2016 Master Agreement, Shougang Group and/or its associates will provide iron ore, steel and related products to the Group (the “**Purchases**”) during the three financial years ending 31 December 2019.

The cap amounts of the Purchases for each of the three financial years ending 31 December 2019 are as follows:

Cap amounts for the Purchases 採購事項之上限金額

The continuing connected transactions with Shougang Group and/or its associates under the 2016 Master Agreement would secure a stable source of supply of iron ore, steel and related products to support the business of trading in iron ore, steel and related products carried out by the Group following the disposal of the Qinhuangdao business in late 2016.

持續關連交易

(a) 日期為2016年10月3日的綜合協議

誠如本公司於2016年10月3日的公告及2016年11月18日的通函所述，本公司與首鋼總公司（現稱首鋼集團有限公司（「**首鋼集團**」））（為本公司的控股股東，所以屬本公司的關連人士）於2016年10月3日簽訂一份綜合協議（「**2016年綜合協議**」），以規管本集團與首鋼集團及／或其聯繫人於截至2019年12月31日止三個財政年度期間進行的持續關連交易。根據2016年綜合協議，於截至2019年12月31日止三個財政年度期間，首鋼集團及／或其聯繫人向本集團提供鐵礦石、鋼鐵及相關產品（「**採購事項**」）。

於截至2019年12月31日止三個財政年度各年的採購事項之上限金額如下：

Financial year ended/ending 31 December 截至12月31日止財政年度

2017	2018	2019
2017年	2018年	2019年
HK\$ million	HK\$ million	HK\$ million
港幣百萬元	港幣百萬元	港幣百萬元

1,100	1,600	2,700
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本集團根據2016年綜合協議與首鋼集團及／或其聯繫人進行的持續關連交易，可確保本集團可獲得鐵礦石、鋼鐵及相關產品之穩定供應來源，以支持本集團於2016年年底出售秦皇島業務後所進行的鐵礦石、鋼鐵及相關產品之貿易業務。

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The price and terms of the transactions under the 2016 Master Agreement have been determined in accordance with the pricing policies and guideline set out in the relevant announcement and circular dated 3 October 2016 and 18 November 2016 respectively.

(b) Tenancy agreements

As stated in the announcements of the Company dated 23 December 2016 and 23 March 2017, the following tenancy agreements (the “**Tenancy Agreements**”) were entered into by certain wholly-owned subsidiaries of the Company:

- (i) a tenancy agreement dated 23 December 2016 (the “**Tenancy Agreement 1**”) whereby a portion of the 5th Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong with an aggregate gross floor area of approximately 228 square feet was leased by Billioncorp Development Limited (“**Billioncorp**”), a wholly-owned subsidiary of Shougang Holding, to Shougang Concord Services Limited (“**Shougang Services**”), a wholly-owned subsidiary of the Company, for a term of thirty-six (36) months commencing on 1 January 2017 and expiring on 31 December 2019 at a monthly rental of HK\$10,700, exclusive of rates and management fee;
- (ii) a tenancy agreement dated 23 December 2016 (the “**Tenancy Agreement 2**”) whereby a portion of the 6th Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong with an aggregate gross floor area of approximately 190 square feet was leased by Winluck Properties Limited (“**Winluck**”), a wholly-owned subsidiary of Shougang Holding, to Shougang Services for a term of thirty-six (36) months commencing on 1 January 2017 and expiring on 31 December 2019 at a monthly rental of HK\$9,000, exclusive of rates and management fee;

2016年綜合協議項下之交易價格及條款乃分別根據本公司於2016年10月3日及2016年11月18日之相關公告及通函所載之定價政策及指引釐定。

(b) 租賃協議

誠如本公司於2016年12月23日及2017年3月23日的公告所述，本公司若干全資附屬公司訂立以下的租賃協議（「租賃協議」）：

- (i) 日期為2016年12月23日的租賃協議（「租賃協議1」），據此首鋼控股的全資附屬公司兆佳發展有限公司（「兆佳」）向本公司的全資附屬公司首長服務有限公司（「首長服務」）出租總建築面積約228平方呎的香港灣仔告士打道56號東亞銀行港灣中心5樓部份樓面，為期36個月，自2017年1月1日起至2019年12月31日屆滿，月租港幣10,700元（不包括差餉及管理費）；
- (ii) 日期為2016年12月23日的租賃協議（「租賃協議2」），據此首鋼控股的全資附屬公司永運置業有限公司（「永運」）向首長服務出租總建築面積約190平方呎的香港灣仔告士打道56號東亞銀行港灣中心6樓部份樓面，為期36個月，自2017年1月1日起至2019年12月31日屆滿，月租港幣9,000元（不包括差餉及管理費）；

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- (iii) a tenancy agreement dated 23 December 2016 (the “**Tenancy Agreement 3**”) whereby a portion of the 7th Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong with an aggregate gross floor area of approximately 6,618 square feet was leased by Wonderfine Development Limited (“**Wonderfine**”), a wholly-owned subsidiary of Shougang Holding, to Shougang Services for a term of thirty-six (36) months commencing on 1 January 2017 and expiring on 31 December 2019 at a monthly rental of HK\$311,000, exclusive of rates and management fee; and
- (iv) a tenancy agreement on 23 March 2017 (the “**Tenancy Agreement 4**”) whereby a portion of the 5th Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong with an aggregate gross floor area of approximately 1,629 square feet was leased by Billioncorp to Shougang Shipping Services Limited (“**Shougang Shipping Services**”), a wholly-owned subsidiary of the Company, for a term of thirty-three (33) months commencing on 1 April 2017 and expiring on 31 December 2019 at a monthly rental of HK\$76,563, exclusive of rates and management fee.

The Tenancy Agreement 1, the Tenancy Agreement 2, the Tenancy Agreement 3 and the Tenancy Agreement 4 were entered to renew the tenancies of the premises as offices of the Group with the expiry of the respective tenancy agreements on 31 December 2016. Due to relocation of offices, Shougang Services and Shougang Shipping Services had terminated the Tenancy Agreement 1 and the Tenancy Agreement 4 with Billioncorp respectively, both with effect from 1 October 2018.

- (iii) 日期為2016年12月23日的租賃協議(「租賃協議3」)，據此首鋼控股的全資附屬公司永富輝發展有限公司(「永富輝」)向首長服務出租總建築面積約6,618平方呎的香港灣仔告士打道56號東亞銀行港灣中心7樓部份樓面，為期36個月，自2017年1月1日起至2019年12月31日屆滿，月租港幣311,000元(不包括差餉及管理費)；及

- (iv) 日期為2017年3月23日的租賃協議(「租賃協議4」)，據此兆佳向首長航運服務有限公司(「首長航運服務」)出租總建築面積約1,629平方呎的香港灣仔告士打道56號東亞銀行港灣中心5樓部份樓面，為期33個月，自2017年4月1日起至2019年12月31日屆滿，月租港幣76,563元(不包括差餉及管理費)。

由於有關租賃協議於2016年12月31日到期終止，本集團訂立租賃協議1、租賃協議2、租賃協議3及租賃協議4以續期租賃該等物業用作辦公室。由於辦事處搬遷，首鋼服務及首鋼航運服務已各自與兆佳終止租賃協議1及租賃協議4，均自2018年10月1日起生效。

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Based on the monthly rents payable under each of the Tenancy Agreements (other than the terminated Tenancy Agreement 1 and Tenancy Agreement 4), the annual caps for the three years ending 31 December 2019 are as follows:

		For the three years ending 31 December 2019 截至2019年12月 31日止3 個年度 HK\$ 港幣
Tenancy Agreement 2	租賃協議2	108,000
Tenancy Agreement 3	租賃協議3	3,732,000
Total	總計	3,840,000

Each of Billioncorp, Winluck and Wonderfine is a wholly-owned subsidiary of Shougang Holding, which in turn is the controlling shareholder of the Company. Accordingly, the transactions under the Tenancy Agreements constituted continuing connected transactions for the Company under the Listing Rules.

(c) Partnership agreements

On 8 September 2017, Jingji (Hong Kong) Limited (the “**First Purchaser**”), a wholly-owned subsidiary of the Company, entered into an agreement (the “**First Agreement**”) with Shougang Fund under which the First Purchaser agreed to acquire 95% of the equity interest (the “**First Sale Shares**”) in Beijing-Hebei Co-development Exhibition Zone (Tangshan) Fund Management Co., Ltd. (京冀協同發展示範區(唐山)基金管理有限公司, the “**First Target Company**”) for RMB231,135,000 and to inject RMB32,300,000 into the First Target Company as committed and unpaid capital for the First Sale Shares (the “**First Acquisition**”). The First Target Company is a limited liability company which is principally engaged in the business of the provision of private fund management services in the PRC.

按照每份租賃協議(除已終止的租賃協議1及租賃協議4外)須支付的每月租金,截至2019年12月31日止3個年度各年的全年上限如下:

兆佳、永運及永富輝均為首鋼控股的全資附屬公司,首鋼控股則為本公司之控股股東,因此,根據上市規則,租賃協議項下的交易構成本公司之持續關連交易。

(c) 合夥協議

於2017年9月8日,本公司之全資附屬公司京冀(香港)有限公司(「**第一買方**」)與首鋼基金訂立協議(「**第一協議**」),據此,第一買方同意以人民幣231,135,000元收購京冀協同發展示範區(唐山)基金管理有限公司(「**第一目標公司**」)之95%股權(「**第一待售股份**」),並就第一待售股份之已認繳但尚未支付之資本向第一目標公司注入人民幣32,300,000元(「**第一收購事項**」)。第一目標公司為有限責任公司,主要在中國從事提供私募基金管理服務之業務。

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Before the date of the First Agreement, the First Target Company or its subsidiaries had entered into certain partnership agreements with, among others, Shougang Fund and/or its associates which were connected persons of the Company, for the establishment and regulations of the partnerships. Pursuant to such partnership agreements, the First Target Company or its subsidiaries shall provide private fund management services to such partnerships as a general partner or private fund manager. As such partnerships were associates of Shougang Fund, such partnerships became connected persons of the Company upon completion of the First Acquisition. The provision of the private fund management services by the First Target Company or its subsidiaries to such partnerships under the partnership agreements therefore constituted continuing connected transactions of the Company under the Listing Rules upon completion of the First Acquisition.

The principal business of the First Target Company is the provision of private fund management services. The partnership agreements were entered into prior to the First Acquisition and were being carried out in the ordinary course of business of the First Target Company and/or its subsidiaries. As the partnership agreements have remaining terms of between 3 years and 10 years to run, the continuous performance of the partnership agreements is necessary to avoid the First Target Company (or its subsidiaries) defaulting on its obligations upon completion of the First Acquisition.

Details of the partnership agreements were disclosed in the announcement of the Company dated 8 September 2017 pursuant to rule 14A.60 of the Listing Rules.

在第一協議日期之前，第一目標公司或其附屬公司已與（其中包括）本公司之關連人士首鋼基金及／或其聯繫人就設立及規管合夥企業訂立若干合夥協議。根據該等合夥協議，第一目標公司或其附屬公司作為普通合夥人或私募基金管理人，須向該等合夥企業提供私募基金管理服務。由於該等合夥企業乃首鋼基金之聯繫人，該等合夥企業將於第一收購事項完成時成為本公司之關連人士。因此，第一目標公司或其附屬公司根據合夥協議向該等合夥企業提供私募基金管理服務將於第一收購事項完成時構成上市規則項下本公司之持續關連交易。

第一目標公司之主營業務是提供私募基金管理服務。合夥協議是在第一收購事項之前訂立，並在第一目標公司及／或其附屬公司之一般業務過程中進行。由於合夥協議之剩餘年期為3年至10年不等，因此必需持續履行合夥協議，以避免第一目標公司（或其附屬公司）於第一收購事項完成時違反其責任。

合夥協議的詳情已根據上市規則第14A.60條於日期為2017年9月8日的本公司公告內作出披露。

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(d) **Master agreement dated 8 September 2017**

In contemplation of the First Target Company and/or its subsidiaries continuing to provide private fund management services to any new partnerships or entities (being associates of Shougang Fund, a connected person of the Company) after completion of the First Acquisition, the Company and Shougang Fund entered into a master agreement on 8 September 2017 (the “**2017 Master Agreement**”). Pursuant to the 2017 Master Agreement, the Company and/or its subsidiaries will provide private fund management services to Shougang Fund and/or its associates for a term commencing from the completion date of the First Acquisition (i.e. 13 December 2017) and will expire on 31 December 2019.

The transaction amounts under the 2017 Master Agreement during the term of the agreement will not exceed the following annual caps:

(d) **日期為2017年9月8日的綜合協議**

考慮到第一目標公司及／或其附屬公司在第一收購事項完成後繼續向任何新合夥企業或實體（為本公司關連人士首鋼基金之聯繫人）提供私募基金管理服務，本公司與首鋼基金於2017年9月8日訂立綜合協議（「**2017年綜合協議**」）。根據2017年綜合協議，本公司及／或其附屬公司將向首鋼基金及／或其聯繫人提供私募基金管理服務。2017年綜合協議之年期自第一收購事項之完成日期（即2017年12月13日）起開始，將於2019年12月31日屆滿。

於協議年期內，2017年綜合協議項下之交易金額將不得超過以下年度上限：

		From the commencement date of the 2017 Master Agreement (i.e. 13 December 2017) to 31 December 2017 自2017年 綜合協議生效日期 (即2017年12月13日)至 2017年12月31日 RMB 人民幣	For the year ended 31 December 2018 截至2018年12月31日 止年度 RMB 人民幣	For the year ending 31 December 2019 截至2019年12月31日 止年度 RMB 人民幣
Provision of private fund management services	提供私募基金管理服務	10,000,000	180,000,000	250,000,000

Pursuant to the terms of the 2017 Master Agreement, the provision of private fund management service shall be priced between 0.5% and 2% of the capital commitment or the capital contribution of the partnership each year (as determined under the respective partnership agreements) which was determined by reference to and in accordance with the prevailing marketing prices offered by the other private fund management companies for the same and similar scope of service.

根據2017年綜合協議之條款，提供私募基金管理服務將每年按合夥企業認繳出資額或實繳出資額（按個別合夥協議所釐定者）之0.5%至2%定價，此乃經參考及根據其他私募基金管理公司就相同及類似範疇服務所提供之現行市場價格而釐定。

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Details of the continuing connected transactions contemplated under the 2017 Master Agreement were disclosed in the announcement of the Company dated 8 September 2017 and in the circular of the Company dated 25 September 2017.

(e) *Carpark operation contractor agreements and carpark management agreement*

As stated in the announcement of the Company dated 1 November 2018 and in the circular of the Company dated 28 November 2018, Urban Parking Beijing, became a wholly-owned subsidiary of the Company upon completion of the acquisition of the entire equity interest in Urban Parking Beijing (i.e. on 28 December 2018) by Shouzhong Investment, entered into (i) three carpark operation contractor agreements dated 1 April 2015 (the “**Carpark Operation Contractor Agreements**”) with each of Beijing Chong Wen • New World Properties Development Co., Ltd. (北京崇文 • 新世界房地產發展有限公司, “**Beijing Chongwen**”), Beijing Chong Yu Real Estate Development Co., Ltd. (北京崇裕房地產開發有限公司, “**Beijing Chongyu**”) and China New World Electronics Ltd. (中國新世界電子有限公司, “**China New World Electronics**”), each of which is a subsidiary of New World Development Company Limited (“**New World Development**”), which in turn is a substantial shareholder of the Company; and (ii) a carpark management agreement dated 1 April 2018 (the “**Carpark Management Agreement**”) with Beijing Xianghe Property Management Co., Ltd. (北京祥和物業管理有限公司, “**Beijing Xianghe**”), a subsidiary of New World Development.

2017年綜合協議項下之持續關連交易的詳情已在本公司於2017年9月8日的公告及2017年9月25日的通函內作出披露。

(e) *停車場營運承辦商協議及停車場管理協議*

誠如本公司於2018年11月1日的公告及2018年11月28日的通函所述，富城停車北京於首中投資完成收購其全部股權後（即於2018年12月28日），成為本公司的全資附屬公司。富城停車北京(i)於2015年4月1日分別與北京崇文•新世界房地產發展有限公司（「北京崇文」）、北京崇裕房地產開發有限公司（「北京崇裕」）及中國新世界電子有限公司（「中國新世界電子」）訂立3個停車場經營承辦商協議（「該等停車場營運承辦商協議」），北京崇文、北京崇裕及中國新世界電子均為本公司的主要股東新世界發展有限公司（「新世界發展」）之附屬公司；及(ii)於2018年4月1日與新世界發展的附屬公司北京祥和物業管理有限公司（「北京祥和」）訂立停車場管理協議（「該停車場管理協議」）。

REPORT OF THE DIRECTORS 董事會報告書

Pursuant to the Carpark Operation Contractor Agreements, the initial term is 36 months commencing on 1 April 2015 and expiring on 31 March 2018, after which Urban Parking Beijing may opt to (and with respect to the year commencing 1 April 2018, has opted to) renew the respective Carpark Operation Contractor Agreements for a successive period of one year each, until 10 years from the date of the agreement, subject to any framework agreement applicable to Urban Parking Beijing and re-compliance with the Listing Rules at the relevant time; and Urban Parking Beijing will provide carpark operation services to Beijing Chongwen, Beijing Chongyu and China New World Electronics for different sections of the carparks in Beijing New World Department Store Phase 1 and Phase 2 (“**Beijing Carparks**”) in return for income from parking, car detailing, rental fees in the car park, advertising revenue and other service incomes subject to the following payments of fees (the “**Carpark Operation Contractor Fees**”):

根據該等停車場營運承辦商協議，初始期限為36個月，由2015年4月1日起至2018年3月31日屆滿，屆時富城停車北京可選擇（及於2018年4月1日開始之年度已選擇）就各份該等停車場營運承辦商協議每次續期1年，直至協議日期起計10年為止，惟須受適用於富城停車北京之任何框架協議所規限，並於有關時間重新遵守上市規則之規定，富城停車北京將為北京崇文、北京崇裕和中國新世界電子就該等於北京新世界百貨一期和二期不同地點的停車場（「**該等北京停車場**」）提供停車場運營服務，而富城停車北京將有權賺取停車場、汽車美容、停車場租金之收入、廣告收益及其他服務收入，按下列方式支付費用（「**停車場營運承辦商費用**」）：

	1 April 2015 to 31 March 2017 由2015年4月1日至 2017年3月31日	Subsequent 2-year period from 1 April 2017 2017年4月1日起 其後兩年期
Beijing Chongwen 北京崇文	RMB1,166,975 per year 每年人民幣1,166,975元	Approximately 5% increase 上調約5%
Beijing Chongyu 北京崇裕	RMB1,900,000 per year 每年人民幣1,900,000元	Approximately 5% increase 上調約5%
China New World Electronics 中國新世界電子	RMB733,025 per year 每年人民幣733,025元	Approximately 5% increase 上調約5%

REPORT OF THE DIRECTORS

董事會報告書

Pursuant to the Carpark Operation Contractor Agreements, the Carpark Operation Contractor Fees are subject to the following annual caps:

		1 April 2015 to 31 March 2017 2015年 4月1日至 2017年 3月31日 RMB 人民幣	1 April 2017 to 31 March 2019 2017年 4月1日至 2019年 3月31日 RMB 人民幣	1 April 2019 to 31 March 2021 2019年 4月1日至 2021年 3月31日 RMB 人民幣	1 April 2021 to 31 March 2023 2021年 4月1日至 2023年 3月31日 RMB 人民幣	1 April 2023 to 31 March 2025 2023年 4月1日至 2025年 3月31日 RMB 人民幣
Carpark Operation Contractor Fees	停車場營運 承辦商費用	3,800,000	3,990,000	4,189,500	4,398,976	4,618,924

Pursuant to the Carpark Management Agreement, its term is 24 months commencing on 1 April 2018 and expiring on 31 March 2020 and Beijing Xianghe will be responsible for the management and maintenance services of certain sections of the Beijing Carparks. Urban Parking Beijing will pay to Beijing Xianghe a monthly fee of RMB145,000, amounting to an annual fee of RMB1,740,000 per year, which is also the annual cap of this agreement.

Details of the continuing connected transactions contemplated under the Carpark Operation Contractor Agreements and the Carpark Management Agreement were disclosed in the announcement of the Company dated 1 November 2018 and in the circular of the Company dated 28 November 2018.

根據該等停車場營運承辦商協議，停車場營運承辦商費用受以下年度上限限制：

根據該停車場管理協議，為期24個月，由2018年4月1日起至2020年3月31日屆滿，北京祥和將負責就該等北京停車場之若干部份提供管理及維護服務。富城停車北京將向北京祥和支付月租人民幣145,000元，年租為每年人民幣1,740,000元，亦為該協議的年度上限。

該等停車場營運承辦商協議及該停車場管理協議項下的持續關連交易之詳情已在本公司於2018年11月1日的公告及2018年11月28日的通函內作出披露。

REPORT OF THE DIRECTORS
 董事會報告書

(f) *Operation right transfer agreement dated 11 January 2019*

As stated in the announcement of the Company dated 11 January 2019, an operation right transfer agreement between Shouxing Zhixing and Shouzhong Parking was entered into on 11 January 2019 (the “**Operation Right Transfer Agreement**”) for governing the continuing connected transactions to be entered into between Shouxing Zhixing and Shouzhong Parking. Pursuant to the Operation Right Transfer Agreement, Shouzhong Parking agreed to transfer to Shouxing Zhixing the operation right in relation to the convenience facilities and advertising spaces located in two parking buildings in Beijing Daxing International Airport for an initial term of three years commencing from 11 January 2019 to 10 January 2022 (the “**Initial Term**”), subject to extension by Shouxing Zhixing for another three-year terms up to twenty years from the commencement date of the Initial Term. In return, Shouxing Zhixing will pay Shouzhong Parking an annual transfer fee representing 70% of the annual revenue generated from operation of such convenience facilities and advertising spaces (the “**Annual Transfer Fee**”).

The cap amounts of the Annual Transfer Fee for each of the three years ending 10 January 2022 are as follows:

(f) *日期為2019年1月11日的經營權轉讓協議*

誠如本公司日期為2019年1月11日的公告所述，首興智行與首中停車於2019年1月11日訂立經營權轉讓協議（「**經營權轉讓協議**」），以管理首興智行及首中停車之間將進行之持續關連交易。根據經營權轉讓協議，首中停車同意將北京大興國際機場兩棟停車樓便民設施及廣告區域之經營權轉讓予首興智行，初始期限為3年，自2019年1月11日至2022年1月10日止（「**初始期限**」），首興智行有權延長經營權轉讓協議期限3年，直至自初始期限起始之日起計20年為止。首興智行將向首中停車按經營該等便民設施及廣告區域之年度營業額的70%支付年度轉讓費用（「**年度轉讓費用**」）。

截至2022年1月10日止之3個年度各自的年度轉讓費用上限金額如下：

	From 11 January 2019 to 10 January 2020 2019年 1月11日至 2020年 1月10日 HK\$ 港幣	From 11 January 2020 to 10 January 2021 2020年 1月11日至 2021年 1月10日 HK\$ 港幣	From 11 January 2021 to 10 January 2022 2021年 1月11日至 2022年 1月10日 HK\$ 港幣
Annual Transfer Fee	180,000,000	180,000,000	180,000,000
	年度轉讓費用		

REPORT OF THE DIRECTORS

董事會報告書

The Operation Right Transfer Agreement and the continuing connected transactions with Shouzhong Parking thereunder would strengthen the Group's business of car parking facilities and investment operation in the PRC with a focus on smart car parking market and to expand the Group's investment and operation of airport parking building in the future.

Details of the continuing connected transactions contemplated under the Operation Right Transfer Agreement were disclosed in the announcement of the Company dated 11 January 2019.

In accordance with rule 14A.55 of the Listing Rules, the continuing connected transactions as set out above during the year have been reviewed by the Independent Non-executive Directors of the Company who have confirmed that the transactions have been entered into:

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

The Company's auditor, PricewaterhouseCoopers ("PwC") 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. PwC has issued an unqualified letter containing findings and conclusions in respect of the continuing connected transactions disclosed by the Group in the paragraph above in accordance with rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

經營權轉讓協議及與首中停車的持續關連交易將增強本集團在中國境內智能停車市場的停車設施業務及投資運營，並進一步擴大本集團未來在機場停車樓領域的投資運營。

有關經營權轉讓協議項下的持續關連交易之詳情已於本公司日期為2019年1月11日之公告中披露。

根據上市規則第14A.55條，本公司之獨立非執行董事已審閱於本年度內進行之上述持續關連交易，並確認該等交易：

- (a) 於本集團之日常業務中訂立；
- (b) 按照一般商務條款或更佳條款進行；及
- (c) 根據規管該等交易之相關協議進行，條款公平合理，並且符合本公司股東之整體利益。

根據上市規則第14A.56條，本公司的核數師羅兵咸永道會計師事務所（「羅兵咸永道」）根據香港會計師公會發出的《香港核證聘用準則3000》（經修訂）的「歷史財務資料審計或審閱以外的核證聘用」，並參照《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」獲聘並就本集團的持續關連交易作出匯報。羅兵咸永道已根據上市規則第14A.56條發出載有本集團於上文所披露之持續關連交易的審驗結果的無保留意見函件。本公司已將該核數師函件副本呈交聯交所。

REPORT OF THE DIRECTORS 董事會報告書

RELATED PARTY TRANSACTIONS

The significant related party transactions which were undertaken in the normal course of business are set out in note 34 to the consolidated financial statements. For those related party transactions that constituted connected transactions or continuing connected transactions (as the case may be) (other than those described in the section above headed "CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS") under the Listing Rules, such transactions were fully exempt from shareholder's approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

CORPORATE GOVERNANCE

The Company's corporate governance practices are set out in the Corporate Governance Report on pages 70 to 102 of this annual report.

ENVIRONMENTAL AND SOCIAL MATTERS

The Company's compliance with the relevant provisions set out in the Environmental, Social and Governance Reporting Guide in Appendix 27 of the Listing Rules for the financial year ended 31 December 2018 are set out in the Environmental, Social and Governance Report on pages 149 to 199 of this annual report.

關聯方交易

於日常業務過程中進行之重大關聯方交易詳情載於綜合財務報表附註34內。對於根據上市規則構成關連交易或持續關連交易（視情況而定）（上文「關連交易及持續關連交易」一節所述者除外）的各項關聯方交易，該等交易根據上市規則第14A章獲全面豁免遵守股東批准、年度審閱及所有披露規定。

企業管治

本公司之企業管治常規載於本年報第70頁至第102頁之企業管治報告內。

環境及社會事宜

本公司於截至2018年12月31日止財政年度遵守上市規則附錄27所載《環境、社會及管治報告指引》的相關條文載於本年報第149頁至第199頁之環境、社會及管治報告內。

REPORT OF THE DIRECTORS 董事會報告書

AUDITOR

Deloitte Touche Tohmatsu resigned as the auditor of the Company and PricewaterhouseCoopers has been appointed as the auditor of the Company to fill the casual vacancy following the resignation of Deloitte Touche Tohmatsu, both with effect from 1 August 2018. The consolidated financial statements for the year ended 31 December 2018 have been audited by PricewaterhouseCoopers.

PricewaterhouseCoopers will retire and, being eligible, offer themselves for reappointment at the forthcoming annual general meeting. A resolution will be submitted to the forthcoming annual general meeting to reappoint PricewaterhouseCoopers as the auditor of the Company.

Save for the above, there has been no other change in the auditor of the Company in any of the preceding three years.

By Order of the Board

Zhao Tianyang

Chairman

Hong Kong, 26 March 2019

核數師

德勤•關黃陳方會計師行辭任本公司核數師，羅兵咸永道會計師事務所被委任為本公司核數師以填補德勤•關黃陳方會計師行辭任後之空缺，均自2018年8月1日起生效。截至2018年12月31日止年度之經審核財務報表已由羅兵咸永道會計師事務所審核。

羅兵咸永道會計師事務所將於應屆股東周年大會上退任，彼符合資格並願意續聘。續聘羅兵咸永道會計師事務所為本公司核數師之決議案將於股東周年大會上提呈。

除上述外，本公司之核數師於過去3年內未有其他變動。

承董事會命

趙天暘

主席

香港，2019年3月26日

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

I. ABOUT THE REPORT

This Environmental, Social, and Governance (“ESG”) report (the “Report”) demonstrates Shougang Concord International Enterprises Company Limited (hereinafter referred to as “Shougang Concord”, the “Company”) and its subsidiaries’ (the “Group” or “We”) approach and performance in terms of sustainable development for the financial year ended on 31 December 2018 (“FY2018”). The Group believes that a sustainable, resilient and reliable governance culture is essential to the Group’s long-term success. Details of the Group’s management approach in both environmental and social aspects can be found throughout this Report.

This Report covers the environmental and social performance within defined operational boundaries of the Group that includes the Group’s operation in Hong Kong and car parking operation and management business and urban renewal fund management business in mainland China. The reporting period is the Group’s financial year dating from 1 January 2018 to 31 December 2018 (FY2018). This Report is prepared in compliance with the ESG Reporting Guide as set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

I. 關於本報告

本環境、社會及管治（「ESG」）報告（「本報告」）展示了首長國際企業有限公司（以下簡稱「首長國際」或「本公司」）及其附屬公司（「本集團」或「我們」）於2018年12月31日止的財年度（「2018財年」）在可持續發展方面的實踐與表現。本集團相信一套可持續、具抗逆能力和可靠的管治文化對本集團的長遠成就不可或缺。有關本集團在環境和社會方面的管治方針詳載於本報告。

本報告涵蓋本集團既定營運範疇內在環境和社會方面的表現，涉及本集團在香港的運營，以及在中國內地的停車資產經營管理及城市更新基金管理業務。報告期為由2018年1月1日至2018年12月31日止的本集團財政年度。本報告乃遵照香港聯合交易所有限公司證券上市規則附錄27所載的環境、社會及管治報告指引編制。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境·社會及管治報告

The information in this ESG Report was gathered through numerous channels, including official documents and statistics of the Group, the integrated information of supervision, management and operation in accordance with the relevant policy, the internal quantitative and qualitative questionnaires based on the reporting framework, and sustainability practices provided by the subsidiaries of the Group.

To deliver a formalised and internationally compatible report that appeals to our global readership, the Group referenced GRI (Global Reporting Initiative) Sustainability Reporting Standards, a globally-accepted reporting instrument, to improve the integrity, international compatibility and industrial comparability of the report. All the data in the Report can be found at the end of this Report.

II. ABOUT SHOUGANG CONCORD

Shougang Concord is the flagship listed company in Hong Kong of Shougang Group. Its current main business includes operation and management of parking assets and urban renewal fund management.

Group Goals

It is the mission of Shougang Concord to become the leading listed company providing comprehensive urban services among Hong Kong listed companies and to be competitive in different economic circles with robust cash flow and well-established operations. Shougang Concord always endeavors to create the highest value for its shareholders and enable the investors to maximize their returns. It is also our mission to become one of the best employers who benefits employees and makes them work for the company without any worries.

The Group is listed in Hong Kong since 1991 and was one of the first "red chips" with a diversified portfolio of assets. In FY2016, Shougang Concord commenced asset restructuring, selling steel manufacturing, mineral mining and processing operations, and in FY2017 the Group further acquired private fund management services and parking lot operations in mainland China, completing its business transformation.

本報告的資料乃通過多個渠道歸集，包括本集團的正式文件及統計數據、根據相關政策結合監督、管理和運營的資料、按匯報框架製作的定量及定性分析問卷，以及有本集團旗下附屬公司提供的可持續發展實踐。

為了提供吸引全球讀者和國際兼容的報告，本集團參考了GRI（全球報告倡議組織）可持續發展報告標準。這是一項全球公認的報告工具，旨在提高報告的完整性、國際兼容性和行業可比性。報告中的所有數據均可在本報告末尾找到。

II. 關於首長國際

首長國際是首鋼集團在港上市的旗艦公司，目前的主營業務包括停車資產經營管理與城市基金管理業務。

集團目標

首長國際致力於成為香港上市公司中城市綜合服務板塊的傑出代表，成為跨越經濟周期、現金流良好、運營穩定健康的上市企業。首長國際致力於為股東創造最大價值，讓投資人獲得豐富的收益。成為讓員工獲益、在員工為企業付出時能毫無後顧之憂的最佳僱主也是我們的目標之一。

本集團自1991年起於香港交易所之主板上市，為首批於香港上市，擁有多元化資產之紅籌股。2016年，首長國際開啟資產重組，出售鋼材製造、礦物開採及加工業務，並於2017年進一步收購了在中國內地從事私募基金管理服務及停車場運營業務，完成了業務轉型。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Strategic Investor

The Group has a strong shareholder background to provide financial and resource support. The major shareholders of the Group include Shougang Group Co., Ltd. (“**Shougang Group**”), NWS Holdings Limited (“**NWS**”), ORIX Corporation (“**ORIX**”) and China International Marine Containers (Group) Co., Ltd. (“**CIMC**”).

戰略投資人

本集團有著強大的股東背景，為首長國際提供資金和資源的支持。集團主要股東包括首鋼集團有限公司（「**首鋼集團**」）、新創建集團有限公司（「**新創建集團**」）、歐力士股份有限公司（「**歐力士集團**」）及中國國際海運集裝箱（集團）股份有限公司（「**中集集團**」）。



Group Business

The Group has established a two-wheel drive business development model of “Industry + Funds” and is committed to building China's leading car parking assets operation and management and urban renewal fund management company.

集團業務

本集團已建立「產業+基金」雙輪驅動的業務發展模式，致力於打造中國領先的停車資產經營管理和城市更新基金管理公司。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境·社會及管治報告

III. HIGHLIGHT OF THE REPORT

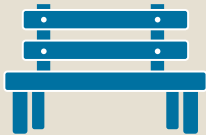
III. 報告摘要



The total parking spaces has amounted over 22,128, including those of airport, large sports stadium, general hospital, shopping mall, office building, residential area and other various places
截止至2018年末·總停車位達22,128個·包括機場·大型體育館·綜合醫院·購物中心·寫字樓·居民區等多種業態



Invite students from Caofeidian to travel in Beijing to perform and provide them with scholarships
邀請曹妃甸的學生前往北京旅行·並為他們提供獎學金



Shougang Park with beautiful environment after renovation, echoing Beijing urban planning, is committed to building cultural center, international communication center and science and technology innovation center
改造後環境優美的首鋼園區·呼應北京市城市規劃·建設文化中心·國際交流中心及科技創新中心



北京創業公社投資發展有限公司 (Beijing Vstartup Investment and Development Co., Ltd., "Vstartup") provides entrepreneurs with space and support to realize their dreams
北京創業公社投資發展有限公司 (「創業公社」) 為創業者提供實現夢想的空間及支持

Content Highlights

內容摘要

Data Highlights

數據摘要



1,232.2 tonnes of carbon dioxide equivalent emission
1,232.2噸二氧化碳當量



3,296.4 kg solid wastes
3,296.4千克固體垃圾



4,284.0 cubic metres wastewater
4,284.0立方米廢水



4,283 cubic metres water consumed
4,283立方米水資源使用



1,192,602 kWh electricity consumed
1,192,602千瓦時電力使用



Totaled 413, number of employees increased 14.4%
總計413名員工·較年初增加14.4%

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

IV. BOARD INCLUSIVENESS

Governance Structure

The Group has established internal policies to create sustainable value for stakeholders and to reduce the negative impact the Group has on the environment. In order to implement a sustainable development strategy from top to bottom, the Board of Directors of the Group has ultimate responsibility for ensuring the effectiveness of the ESG policies.

In order to fully implement the sustainable development strategy, the Group has established dedicated teams to manage ESG issues. The Group has established a sustainable development strategy to create sustainable value and continuously reduce the Group's environmental impact. Dedicated teams with designated staff for management of ESG issues have been assigned to enforce and supervise the implementation of the relevant ESG policies cascading through the Group.

IV. 董事會參與

管治架構

本集團已制定內部政策，旨在為利益相關者創造可持續價值，從而減少本集團對環境的不良影響。為了由上至下貫徹實行可持續性發展策略，董事會確保本集團所出臺的環境、社會及管治政策的效力，並對其負全部責任。

為了全面貫徹實行持續性發展策略，本集團已設立專業團隊管理環境、社會及管治（「ESG」）的相關事項。本集團已建立可持續發展戰略，創造可持續價值，並持續降低本集團對環境的影響。有關工作人員被任命強制執行相關政策並加以監督。

Our Sustainable Governance Structure 我們的可持續發展管治架構

Top-down: decision making and leadership
自上而下：決策及領導

BOARD 董事會

- Develops and initiates sustainable development strategies and guidelines; 制定並啟動可持續發展策略及指引；
- Identifies the potential risks in business plan. 確定業務發展規劃中的潛在風險。

MANAGEMENT 管理層

- Acknowledges, supervises and monitors the implementation of sustainable development practices; 知道、監督和監控可持續發展實踐的措施；
- Assesses and manages the risks during operations. 評估及管理營運期間的風險。

DEPARTMENTS 職能部門

- Executes the policies at different stages of operations; 在不同營運階段執行公司政策；
- Eliminates, abates and controls the risks. 消除、減少及控制風險。

Bottom-up: experiences and feedback
自下而上：經驗及反饋

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With the forward-looking strategies and well-designed plans of action to address underlying ESG matters, the management and responsible teams keep reviewing and adjusting the Group's sustainability policies to satisfy the ever-changing needs of its stakeholders on a regular basis. Through the assignment of the responsibility of progress tracking to different management level positions, the Group is committed to achieving an excellent performance in ESG management while also remaining competitive compared with its peers.

V. STAKEHOLDER ENGAGEMENT

An effective communication with both internal and external stakeholders is regarded as essential to the Group in many areas. It not only delivers the Group's commitment to long-term value creation to stakeholders who care about the level of sustainable development of the Group, but also helps the Group gain a better understanding of those topics' material and relevant to different groups of stakeholders.

Fostering a meaningful relationship with all stakeholders has been viewed as the premise of effective communications and the realisation of the Group's vision of value creation for all. As such, the Group relies on its good citizenship awareness, reputational influence and great capability in coordination, and has built a sound relationship with its stakeholders including policymakers, regulators, investors, customers, and suppliers. Through a broad range of open communication channels, the Group successfully gained a deeper understanding of its stakeholders' genuine concerns and expectations during recent years, which facilitated the Group to better position itself in the competitive market and to make a rapid and accurate strategic adjustment.

通過前瞻性的策略和精心設計的行動計劃來解決潛在的ESG問題，管理層和負責團隊不斷審查和調整集團的可持續發展政策，以滿足持份者不斷變化的需求。通過建立責任追溯制度，本集團致力於提升ESG管理的表現同時維持行業內的競爭力。

V. 持份者參與

集團認為與內部及外部持份者的有效溝通至關重要。有效溝通不僅能夠傳達集團為持份者創造長期價值的決心，也能使集團更好地瞭解持份者所關心的議題。本集團經常性地回顧與調整集團的可持續性政策以滿足不斷變化的持份者要求。

與持份者建立有意義的關係被視為有效溝通和實現集團為所有人創造價值的願景的前提。因此，本集團依賴其良好的企業公民意識、聲譽影響力及強大的協調能力，並與包括政策制定者、監管機構、投資者、客戶及供應商在內的持份者建立了良好關係。通過廣泛的開放式溝通渠道，本集團近年來成功深入了解持份者的真實關注和期望，促進本集團更好地在競爭激烈的市場中定位，並進行快速準確的戰略調整。

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With the goal to strengthen corporate sustainability management while enhancing stakeholders' awareness of ESG and sustainability issues, the Group has put tremendous efforts into its internal and external stakeholder engagement. During the year under review, the Group carefully evaluated its stakeholders' opinions on corporate sustainable development, especially the material ESG topics and United Nations Sustainable Development Goals (SDGs) from their perspectives, and committed to resolving the problems in a proper manner based on continuous, concise and effective communications. With the survey initiated by an external sustainability consultancy agency, the Group hopes to achieve three goals:

- | | |
|--|---|
| <p>a. Depict a comprehensive and objective picture of stakeholders' concerns in the path of the Group's long-term sustainable development;</p> <p>b. Capture potential business opportunities by addressing climate-related risks and crisis to people by innovation and optimisation of the entire operational process;</p> <p>c. Clarify a shared value between the Group and investors through quality education on ESG requirements and SDGs commitment.</p> | <p>a. 描繪在集團長期可持續發展的道路上全面客觀的持份者關注事項；</p> <p>b. 通過創新和優化整個運營流程，解決與氣候相關的風險和危機，抓住潛在的商機；</p> <p>c. 通過ESG要求和可持續發展目標承諾的質量教育，明確集團與投資者之間共同利益。</p> |
|--|---|



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The Group highly values the feedback from its stakeholders and actively collects stakeholder's feedback to build a trustful and supportive relationship with them through their preferred communication channels listed in the table below.

本集團高度重視內部和外部持份者的意見。本集團積極收集持份者的回饋意見，並與各持份者建立和保持相互信任和相互支持的關係。本集團通過下表所列出的溝通渠道與利益相關方建立聯繫。

Communication with Stakeholders

持份者溝通

1 Government and regulatory authorities 政府與監管機構

Expectations and concerns 期望和關切

- Compliance with laws and regulations
法律合規
- Sustainable development
可持續發展

Communication Channels 溝通渠道

- Supervision on compliance with local laws and regulations
對是否符合當地法律法規進行監督
- Routine reports
例行報告

2 Shareholders 股東

Expectations and concerns 期望和關切

- Return on investments
投資回報
- Corporate governance
企業管治
- Business compliance
業務合規

Communication Channels 溝通渠道

- Regular reports and announcements
企業報告和公告
- Regular general meetings
股東大會
- Official company website
公司官方網站

3 Employees 員工

Expectations and concerns 期望和關切

- Employees' compensation and benefits
員工的補償和利益
- Career development
職業發展
- Health and safety in the working environment
健康和安全的工作環境

Communication Channels 溝通渠道

- Employee performance evaluation
員工表現評估
- Regular meetings and trainings
會議和培訓
- Team building and activities
團隊建設和活動
- Emails, notice boards, hotline, and employee engagement activities
電郵、通告板、熱線及員工參與活動

4 Customers 顧客

Expectations and concerns 期望和關切

- High quality products and services
高品質的商品和服務
- Protection of the rights of customers
保證客戶的權利

Communication Channels 溝通渠道

- Customer satisfaction survey
顧客滿意度調查
- Face-to-face meetings and on-site visits
面對面的會面和現場的訪問
- Customer service hotline and email
客戶服務熱線和電子郵件

5 Suppliers 供應商

Expectations and concerns 期望和關切

- Fair and open procurement
公平公開的採購
- Win-win cooperation
雙贏合作

Communication Channels 溝通渠道

- Open tendering
公開投標
- Suppliers' satisfactory assessment
供應商的滿意度評估
- Face-to-face meetings and on-site visits
面對面的會議和現場的訪問

6 General public 公眾

Expectations and concerns 期望和關切

- Involvement in communities
參與社區
- Business compliance
業務合規
- Environmental protection awareness
環境保護意識

Communication Channels 溝通渠道

- Regular reports and announcements
定期報告及公告
- Regular general meetings
定期股東大會
- Official websites
官方網站

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Materiality Assessment

As the ESG risk differs among industries and is decided by the detailed business model of the company, the Group undertakes annual review in identifying and understanding its stakeholders' main concerns and material interests for the ESG Report. In FY2018, the Group engaged its stakeholders to conduct a materiality assessment survey. Specifically, internal and external stakeholders were selected based on their influence and dependence on the Group. Stakeholders with a high level of influence and dependence on the Group were selected by the management of the Group, and invited to express their views and concerns on a list of sustainability issues via an online survey. The Group was able to prioritise the issues for discussion. The result from the materiality assessment survey was mapped and presented below.

重要性評估

由於集團的ESG風險因行業而異，並取決於公司的具體業務模式，因此本集團每年都會進行持份者參與調查，用以識別及瞭解其持份者對本集團在環境、社會與管治報告上的主要關注事項及重大利益。本集團已於2018財年度委託獨立第三方進行持份者參與重要性評估調查以確保調查的準確性與獨立性。本集團以持份者對本集團的影響及依賴程度為基礎，挑選出內部及外部持份者進行重要性評估調查。獲選的持份者通過網上調查的方式，就可持續性發展的議題表達意見及提出關注。本集團通過該調查選定對持份者和集團至關重要的可持續性議題。重要性評估調查結果如下圖所示。

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		Materiality Matrix 重要性矩陣	
IMPORTANCE TO THE STAKEHOLDERS 對持份者的重要性	Crucial 重要	<p>Areas identified as relevant for disclosure: 就披露識別為相關的範疇</p> <ul style="list-style-type: none"> Employee remuneration and benefits 僱員薪酬和福利 Selection of suppliers and assessment of their products/services 供應商選擇及其產品／服務的評估標準 Social risks assessment of the suppliers 供應商的社會風險評估 Procurement practices 採購措施 Labelling relating to products/services 與產品／服務相關的標籤問題 Understanding local communities' needs 了解當地社區需求 	<p>Areas identified as critical for disclosure: 就披露識別為重要的範疇：</p> <ul style="list-style-type: none"> Occupational health and safety Health and safety relating to products/services 產品／服務健康和和安全 Protection of consumer information and privacy 顧客資訊和隱私保護 Prevention of bribery, extortion, fraud and money laundering 防止賄賂、勒索、欺詐和洗黑錢 Anti-corruption policies and whistle-blowing procedures 反貪污政策及舉報流程
	Not relevant 不相關	<p>Areas identified as not relevant for disclosure: 就披露識別為不相關的範疇：</p> <ul style="list-style-type: none"> Land use, pollution and restoration 土壤的使用、污染和恢復 Solid waste treatment 固體廢物處理 Use of raw/packaging materials 原材料／包裝材料的使用 Mitigation measures to protect natural resources 環保措施 Composition of employees 僱員組成 Suppliers' geographical classification 供應商按地區分類情況 Public welfare and charity 公益和慈善 	<p>Areas identified as relevant for disclosure: 就披露識別為相關的範疇：</p> <ul style="list-style-type: none"> Air and greenhouse gas ('GHG') emissions 大氣污染物和溫室氣體的排放 Sewage treatment 污水處理 Use of energy 能源使用 Use of water resources 水資源使用 Employee development and training 僱員發展及培訓 Prevention of child and forced labour 防止僱傭童工和強制勞工 Environmental protection assessment of the suppliers 供應商的環保評估 Customer satisfaction 顧客滿意度 Marketing and promotion 行銷和推廣 Observance and protection of intellectual property rights 遵守和保護知識產權 Quality control and management of products 產品品質控制及管理
		Not relevant 不相關	Crucial 重要
IMPORTANCE TO THE GROUP 對本集團的重要性			

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The Group built a materiality analysis matrix and prioritised the 29 sustainability issues accordingly. With respect to this Report, the Group has identified *Occupational health and safety, Health and safety relating to products/services, Protection of consumer information and privacy, Prevention of bribery, extortion, fraud and money laundering, Anti-corruption policies and whistle-blowing procedures* as important issues to both the Group and its stakeholders. This review has helped the Group in prioritising its sustainability issues and highlighting the material and relevant aspects, so as to align them with stakeholders' expectations.

According to the result, it was found that to those well-selected stakeholders, Goal 1 (No poverty) and Goal 4 (Quality education) as the most important goals among all 17 topics in terms of the degree of stakeholders' attention and interest, respectively.

To address the stakeholders' concerns, better align its operations and business growth with SDGs, and establish a useful starting point to leverage and contribute to the globally significant sustainability issues, the Group meticulously evaluated its interconnections with these two objectives from within the company and commits to integrate them into its future strategic planning and business decision-making.

本集團建立了重要性分析矩陣，並相應地將29個可持續發展議題排序。就本報告而言，本集團將列職業健康與安全、產品／服務健康和 safety、顧客諮詢和隱私保護、防止賄賂、勒索、欺詐和洗黑錢、反貪污政策及舉報流程為對其持份者和集團至關重要的議題。此項調查有助本集團優先考慮其相關的可持續發展議題並於本報告加以闡述，從而滿足持份者的期望。

根據調查結果，本集團發現對於持份者對目標1無貧困，目標4優質教育為在所有17個主題中的最重要的目標。

為了解決持份者的關注事項，更好地使本集團業務和業務增長與可持續發展目標保持一致，並建立一個有用的起點，以利用和促進全球重大的可持續發展問題，本集團從公司內部精心評估其與這兩個目標的相互關係。承諾將其融入未來的戰略規劃和業務決策中。



1 NO POVERTY
Calls for elimination of poverty in all its manifestations by 2030. To ensure the social protection for the poor and vulnerable, guarantee the access to basic services by individuals and effectively control the climate-related economic, social and environmental shocks, the Group commits to provide sufficient insurance, proper compensation, and unconditional support to both its employees and community groups. 呼籲到2030年消除各種形式的貧困。為了確保為窮人和弱勢群體提供社會保護，保證個人獲得基本服務並有效控制與氣候有關的經濟、社會和環境衝擊，本集團承諾為員工和社區團體提供充分的保險，適當的補償和無條件的支持。



4 QUALITY EDUCATION
Obtaining a quality education is the foundation to creating sustainable development. In addition to improving quality of life, access to inclusive education can help equip locals with the tools required to develop innovative solutions to the world's greatest problems. The Group has contributed to the education career in rural areas to help students there to get access to better education resources. 獲得優質教育是創造可持續發展的基礎。除了提高生活質量外，獲得全面教育還有助於為當地人提供開發創新解決方案以應對世界上最大問題所需的工具。本集團為農村地區的教育事業做出了貢獻，幫助那裡的學生獲得更好的教育資源。

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VI. PRODUCT RESPONSIBILITY

Car Parking Assets Operation and Management Business

Parking difficulty and chaotic parking are the difficult points of large and medium-sized cities in China, so the parking industry prospects are generally optimistic. The Chinese parking industry is facing a series of problems, including the insufficient supply of parking spaces, poor operational capacity, unbalanced parking development, and unregulated management.

VI. 產品責任

停車資產經營管理業務

「停車難、停車亂」是目前中國大中型城市治理的痛點，因而停車產業前景也被普遍看好。現中國停車行業面臨一系列問題，主要包括：停車位供給不足、運營能力差、停車場發展不平衡、管理不規範。

Insufficient Parking Space Large Incremental Demand 停車位供給不足增量需求大

- In 2018, China's car ownership reached 240 million
2018年中國汽車保有量達2.4億輛
- Estimated **parking space shortage** exceeds 80 million
預估車位短缺超過8千萬

Parking Industry Scattered, Weak and Small with Poor Operation Capability 停車行業散、弱、小運營能力差

- **Low market concentration** with fierce competition, and the parking lot operators are relatively small
市場集中度低，競爭激烈，停車場運營商規模相對較小
- Low professionalism and low level of intelligence
專業程度較低，智慧化水準較低

Inefficient Parking Lot Inventory with Unbalanced Development 存量停車場效率低下發展不平衡

- **Isolated parking lot information**, parking space resources can not be effectively utilized
停車場信息孤島，車位資源不能有效利用
- Parking lot management is inefficient and cannot meet parking demand
停車場管理效率低，無法滿足停車需求
- Parking lot utilization needs to be improved
停車場利用率有待提升

Unstandardized Parking Management 停車管理不規範

- **Low parking management level**
停車管理水準較低
- Affecting dynamic traffic, causing urban congestion
影響動態交通，造成城市擁堵
- Urgent need of upgrading intelligent management level and building a liveable city
極需提升智慧化管理水準，建設宜居城市



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We will vigorously develop investment and operation of parking assets, adhering to the principle of “key cities, core locations, and quality parking spaces”, actively promote the parking complex model, meet the demand for parking and related services, enhance the value of the industry chain, and actively embrace the development trend of the Internet. We aim to construct a smart parking ecosystem that includes parking space reservation, parking space sharing, parking space navigation, electronic payment, online and offline interaction, and are committed to “smart parking, service life.” Intelligent renovation of parking facilities, optimization of operational service efficiency, implantation of charging piles and convenience services, dynamic pricing mechanism based on urban air quality and etc., improve urban static traffic operation efficiency and user experience, and build a green ecosystem of “people, cars, and life” that makes city life better.

The main business of the Group has transferred into operation and management of parking assets in Beijing, Shanghai, Chengdu and other cities in mainland China. Shougang Concord aims to become a leading parking assets operation and management company in China through firm commitment in the parking industry and enhanced investment in parking facilities. The Group now manages and operates over 40 parking lots, the total parking spot has amounted over 22,128, including those of airport, large sports stadium, general hospital, shopping mall, office building, residential area and other various places.

我們將大力發展停車設施投資運營，秉持著「重點城市、核心位置、優質車位」的原則，積極推廣停車綜合體模式，滿足停車及關聯服務需求，提升產業鏈價值空間，積極擁抱互聯網發展潮流。我們預期構建包含車位預約、車位共享、車位導航、電子支付、線上線下互動在內的智慧停車生態體系，致力於「智慧停車·服務生活」。停車設施智能化改造，運營服務效能優化，植入充電樁和便民服務，基於城市空氣質量的動態定價機制等方式，提升城市靜態交通運行效率，改善用戶體驗，構建「人·車·生活」的綠色生態體系，讓城市生活更美好。

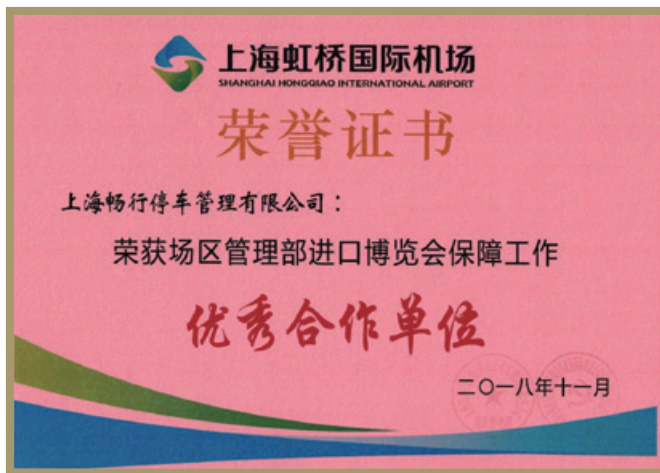
本集團的主要業務已轉移至北京、上海、成都及中國內地其他城市的停車設施的營運及管理。首長國際堅定佈局於停車產業，加強對停車設施的投資，成為中國領先的停車設施運營管理公司。本集團現在管理和運營超過40個停車場，總車位數到達22,128個，包括機場、大型體育館、綜合醫院、購物中心、寫字樓、居民區等多種業態。

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With a high standard of service quality, the Group obtained the evaluation of the quality credit AAA of Shanghai 2018 public parking lot issued by the Shanghai Municipal Transportation Commission with high scores. At the same time, the Hongqiao team won the outstanding co-operator of Import Expo Safety Work issued by Shanghai Airport Group. These awards fully demonstrate our strict control over the quality of products and our high level of industry recognition. We will continue to maintain a high level of service quality in the future and are committed to providing the best service to our customers.

本集團憑藉高水準的服務質量，以高分獲得了上海市交通委員會頒發的上海市2018年公共停車場（庫）品質信譽AAA的評價，同時，虹橋團隊榮獲上海機場集團頒發的進口博覽會保障工作優秀合作單位。這些獎項充分體現了我們對於產品服務質量的嚴格管控及高度的行業認可。我們將會在未來的時間裡繼續保持高水準的服務質量，致力於為客戶提供最好的服務。



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At the same time, the Group also developed a competitive strategy based on industry weaknesses, provide comprehensive solutions for regional static traffic control and smart parking facilities, and relied on the corporate advantages of Shougang Concord to improve the operational effects of static traffic and dynamic traffic management in the region and to solve the problems faced by the parking lot industry.

同時，本集團還針對行業弱點，制定競爭策略，向地區靜態交通控制和智能停車場設施提供綜合解決方案，憑藉首長國際的企業優勢，提升地區靜態交通和動態交通管理兩方面的運營效應，解決停車場行業現在面對的問題。

Rational allocation of assets

the asset structure is conducive to the expansion of business scale and to maintaining the level of asset returns

輕重資產合理配置，資產結構既有利於業務規模的擴張，又有利於維持資產收益水準

Intelligent, standardized and specified **operation management mode** to improve operational quality and efficiency

智慧化、標準化、規範化的**運營管理模式**改善運營品質和效率



Combine various commercial patters, release the vitality of parking assets and increase the level of income

結合各類商業形態，釋放停車資產活力，提升收益水準

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As the Group strives to provide the best service to clients, the Group devotes a lot energy in service management. Measures taken to manage service quality include regular training, establishing service standard, implementing service standard assessment and performing customer satisfaction survey.

致力於為客戶提供最佳服務，本集團在服務管理方面投入大量精力。管理服務質量的措施包括定期培訓，建立服務標準，實施服務標準評價和進行客戶滿意度調查。



To ensure the stable operation of the intellectual parking system, the Group has taken various measures, including:

- Selecting experienced software suppliers and hardware suppliers with high market reputation and quality standard;
- Timely updating and maintaining hardware and software systems;
- Setting specific personnel for software and hardware update and maintenance; and
- Establishing emergency management procedure.

The Group performs regular checks on the parking system to detect system failure and replace the failed equipment. We have responding procedure in case parking system breaks down.

1. On-site employees actively guide vehicles to enter and exit; and perform emotional consoling for drivers to minimise the impact;
2. Technicians detect system failure; and replace new equipment in time according to equipment problems.

為確保智能停車系統的穩定運營，本集團已採取多種措施，包括：

- 選擇開發經驗充足的軟件供應商及市場口碑、標準、品質過硬的硬件供應商；
- 及時更新維護硬件及軟件系統；
- 專人負責軟硬件更新維護；及
- 現場人員的緊急情況處理。

本集團定期檢查停車系統，以檢測任何系統故障並更換故障設備。我們有響應程序，以防停車系統發生故障。

1. 現場人員積極引導車輛進出；和為駕駛員進行情緒安慰，以盡量減少影響；
2. 技術人員檢測系統故障；和根據設備問題及時更換新設備。

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The Group also places safety signs at dangerous areas and separate dangerous areas with normal parking areas to prevent potential danger.



本集團還在危險區域放置安全標識，並將危險區域與正常停車區域分開，以防止潛在的危險。

The Group provides service through hotlines and emails to communicate with customers and access to complaints. The Group performs the evaluation and investigation upon receipt of customer complaints to identify the cause of the problems. Once confirming the complaints, the Group would work out specific solutions, respond to relevant clients and record the complaints. During FY2018, no complaints were received.

本集團通過熱線和電子郵件提供服務，與客戶溝通並接受投訴。本集團在收到客戶投訴後進行評估和調查，以確定問題的原因。一旦確認投訴，本集團將制定具體的解決方案並回復相關客戶並記錄投訴。在2018財年，沒有收到任何投訴。

The Group has strictly complied with relevant laws relating to customers' privacy such as the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong) and other relevant laws and regulations to ensure customers' rights are strictly protected. Information collected by the Group from its customers would only be used for the intended purpose. The Group prohibits the provision of customer information to a third party without the authorisation of the customer. The Group has built a Data Safety Protection System which is only accessible to specific staffs to ensure the security of the data. The employees are educated to enhance the awareness of the data leakage risks and required to sign the confidentiality agreement. The IT department sets obstruction between office and commercial net to prevent unauthorized data use, exportation and copy.

本集團嚴格遵守有關客戶隱私的法律，如《個人資料(隱私)條例》(香港法例第486章)以及其他相關法律法規，確保客戶權益受到嚴格保護。本集團向客戶收集之資料僅會用作其收集時的原本用途。本集團嚴禁未經客戶授權向第三方提供客戶資料。本集團已建立一套安全數據保護系統，僅特定員工可進入該系統以確保數據安全。本集團教育員工提高對數據洩露的意識並與其簽署保密協議。IT部門在辦公網路及商業網路之間設置了防護系統，防止未經授權的使用、輸出及複製數據。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境·社會及管治報告

The Group has established internal guidelines to ensure the sales and marketing departments provide accurate, precise product descriptions and information that complies with the relevant local laws and regulations to the customers. Any misrepresentation in marketing materials or exaggeration of offerings is strictly prohibited. The Group is involved in the research and development of the parking management system and related equipment, and actively applies for patents.

Urban Renewal Fund Management Business

At the end of 2017, the Group successfully acquired the Beijing-Hebei Co-development Exhibition Zone Fund Management Co., Ltd., expanding its business to the urban renewal-orientated fund management business. The investment focus is on parking-based infrastructure and park construction. At the same time, it will consider investing in medical-oriented consumption upgrades, new energy vehicles' parts and equipment manufacturing, and cutting-edge technology.

The New Shougang High-end Industrial Comprehensive Service Park ("Shougang Park") is named because of the orientation of development and construction of the old industrial zone, after the discontinued operation of Shougang Group's iron and steel business. It is located at the western end of Chang'an Street, only 18 kilometers away from Tiananmen Square, covering an area of 8.63 square kilometers. It is the only area in the urban area of Beijing that can be developed on a large scale. The park has a beautiful environment and unique scenery. It is adjacent to the Yongding River, which is Beijing's mother river, and backed by the Xishan Mountain, and has industrial and natural landscapes such as Shijingshan, Qunming Lake, Xiuchi and blast furnace, and has been listed as a green ecological demonstration zone in Beijing. The park's positioning echoes Beijing's urban planning. As an important carrier of Shougang Group's strategic transformation, it strives to build a cultural center, an international communication center, and a science and technology innovation center, carrying the development functions of energy conservation, environmental protection, health care, cultural education, financial services and urban infrastructure.

本集團已制定內部指引，以確保本集團銷售及市場部門向客戶提供符合相關地方法律及法規的精準的產品描述及資料。任何歪曲的營銷材料或誇大的產品陳述被嚴厲禁止。本集團參與停車管理系統及相關設備的研發，並積極申請專利。

城市更新基金管理業務

本集團於2017年底成功收購了京冀協同發展示範區(唐山)基金管理有限公司，將業務擴展至以城市更新為方向的私募基金管理業務。投資重點專注於以停車為主的基礎設施與園區建設，同時，將考慮投資以醫療為主的消費升級、新能源汽車零配件及裝備製造，以及前沿科技等方向。

新首鋼高端產業綜合服務區(首鋼園區)，由首鋼鋼鐵主流程停產後的老工業區開發建設定位命名而來，位於長安街沿線最西端，距離天安門僅18公里，占地面積8.63平方公里，是北京市城區內唯一可大規模、聯片開發的區域。園區環境優美，景致獨特，緊鄰北京母親河永定河，背靠西山山脈，擁有石景山、群明湖、秀池、高爐等工業和自然景觀，已被列為北京市綠色生態示範區。園區定位呼應北京城市規劃，作為首鋼集團戰略轉型的重要載體，努力建設文化中心、國際交流中心、科技創新中心，承載著節能環保、健康醫療、文化教育、金融服務和城市基建的發展功能。

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Group's Advantage in Urban Renewal

集團園區開發優勢

Political Advantage 政策優勢	Environmental Advantage 環境優勢	Historical Advantage 人文優勢	Traffic Advantage 交通優勢	Planning Advantage 規劃優勢
<p>2022 Winter Olympics Venue Construction 2022年冬季奧運會場館建設</p> <p>New Shougang International Talent Community Construction 新首鋼國際人才社區建設</p> <p>The municipal government established the "New Shougang High-end Industry Integrated Service Development and Construction Leading Group" 市政府成立「新首鋼高端產業綜合服務發展建設領導小組」</p>	<p>Beautiful natural landscape 優美的自然景觀</p> <p>Urban public activities leisure belt and riverside comprehensive leisure belt 城市公共活動休閒帶和濱河綜合休閒帶</p> <p>Completely preserved industrial facilities 完整保留工業設施</p>	<p>Long history of the park 園區歷史悠久</p>	<p>Located along the west side of Chang'an Street with convenient traffic 位於長安街西沿線，交通便捷</p>	<p>Unified planning, overall development 統一規劃，整體開發</p> <p>Cooperation with well-known planning and design institutes at home and abroad 與國內知名規劃建設院合作</p>

Case study

The Qiaomengyuan Project is the first landmark project in which the company deeply participates in the development of the park, which opens a new chapter in the company's participation in the development, construction and operation of the park. Through the entrusted lease, the original office building is renovated and rebuilt, and the proceeds are obtained through investment promotion and project operation. The construction area is 10,000 square meters and has been completed. This provides fundamental services for the development and operation of the second-phase World Overseas Chinese Business Innovation Center of Shougang Park (about 220,000 square meters).

案例分享

僑夢苑項目是公司深度參與園區開發的第一個標誌性項目，開啟了公司參與園區開發、建設、運營過程的新篇章。通過受托租賃，對原辦公大樓進行裝修改造，通過招商、項目運營獲取收益。建築面積1萬平方米，現已改造完成。為首鋼園區二期世界僑商創新中心的開發建設運營（約22萬平方米）做好基礎服務。

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In 2016, Beijing 2022 Winter Olympics Organizing Committee moved in the Shougang Old Industrial Zone. Shougang's transformation and development ushered in new opportunities. In accordance with the Beijing City Master Plan, the new Shougang Park will be positioned to seize the major opportunity of organizing the 2022 Beijing Winter Olympics, focusing on improving the functional organization order of the Chang'an Street axis, making overall plans for the protection and utilization of industrial remains, and fully exploiting historical values and era values. By creating "new space" and "new energy", Shougang Park will build a "new landmark for the revitalization of the capital city in the new era".

The southeast area of Shougang Park, with a space of 200,000 square meters, is invested to build the Jingxi Financial Industrial Park, absorbing the spilled over resources of Financial Street, CBD and Zhongguancun, and building the Jingxi Financial Industry Cluster to provide supporting housing and talent apartments for high-end talents in Western Beijing to realize the concept of occupational residence balance.



2016年，北京2022冬奧組委會入駐首鋼老工業區。首鋼轉型發展迎來新機遇。按照

北京城市總體規劃賦予新首鋼園區的定位，抓住籌辦2022年北京冬奧會的重大機遇，著眼於完善長安街軸線的功能組織秩序，統籌保護利用工業遺存，充分挖掘歷史價值和時代價值。首鋼園通過打造「新空間」、「新動能」，建設「新時代首都城市復興的新地標」。

首鋼園區東南區地塊投資建設20萬平方米空間打造京西金融產業園，吸收金融街、CBD、中關村的外溢資源，構建京西金融產業聚集區為京西高端人才提供配套住房、人才公寓，實現職住平衡理念。



In FY2018, the Group was not in violation of any relevant laws and regulations regarding health and safety, advertising, labelling, and privacy matters of its products and services that have a significant impact on the Group.

於2018財年，本集團並無違反任何有關本集團產品及服務的健康及安全，廣告，標籤及隱私事宜的相關法律及法規。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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VII. EMPLOYEEMENT AND LABOUR PRACTICE

Employment

The Group treasures employee's talent and sees it as the key to driving the success and maintaining the sustainable development of the Group. The Group has persisted in the combination of a people-oriented management philosophy and an innovation mechanism. Through diversity and humanistic management, the Group has established a close relationship of mutual trust and support between the Group and its staff, and created a positive, healthy and motivated corporate culture and safe working environment for its employees.

The Group always strives to provide its employees with a safe and suitable platform for developing their career, professionalism and advancement. The Group attaches great attention to employee training and cultivates employees to provide high-quality service to all customers.

Law compliance

The human resources policies of the Group strictly adhere to the applicable employment laws and regulations in Hong Kong and mainland China, including but not limited to:

- Employment Ordinance (Cap. 57 of the Laws of Hong Kong);
- Minimum Wage Ordinance (Cap. 608 of the Laws of Hong Kong);
- Mandatory Provident Fund Schemes Ordinance (Cap. 485 of Laws of Hong Kong);

VII. 僱傭及勞工常規

僱傭

本集團珍惜人才，視其為本集團最寶貴的資產和推動本集團成功及維持可持續發展的關鍵。本集團堅持將以人為本的管理理念與創新機制相結合。通過多元化和人性化管理，本集團與員工建立了密切的互信與互相支持的關係，為員工創造了積極、健康、主動的企業文化和安全的工作環境。

本集團一直致力為員工提供安全及合適的平臺，以發展他們的職業道路、提升專業能力和自身素質。本集團十分注重員工培訓，培養員工為所有客戶提供優質服務。

遵守法律

本集團的人力資源政策嚴格遵守香港及中國內地適用的僱傭法律及法規，包括但不限於：

- 僱傭條例（香港法例第57章）；
- 最低工資條例（香港法例第608章）；
- 強制性公積金計畫條例（香港法例第485章）；

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- Labour Law of the People's Republic of China;
- Labour Contract Law of the People's Republic of China; and
- Company Law of the People's Republic of China.
- 中華人民共和國勞動法；
- 中華人民共和國勞動合同法；及
- 中華人民共和國公司法。

The Group has also complied with the laws and regulations with respect to the employees' social security schemes that are enforced by the local governments in the PRC in relation to employee benefits. The human resources department of the Group is responsible for reviewing and updating the relevant policies on a regular basis in accordance with the latest laws and regulations.

本集團亦已遵守有關僱員社會保障計劃的法律及法規，該等計劃由中國內地地方政府就僱員福利執行。本集團的人力資源部門根據最新法律及規例定期審閱及更新有關集團政策。

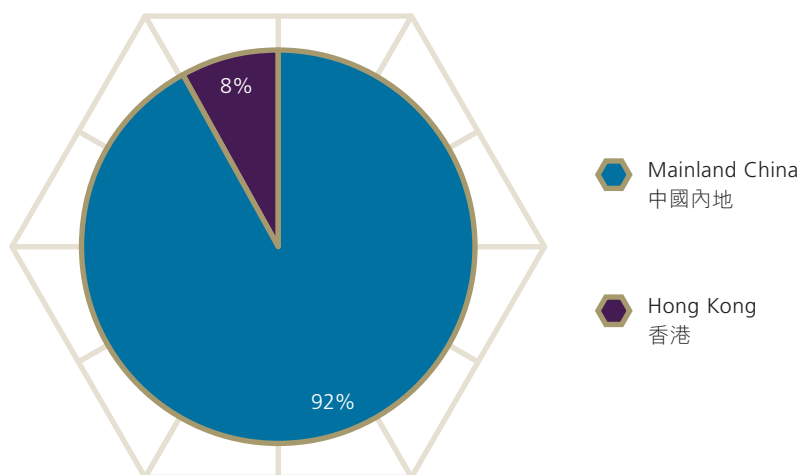
Employee structure

As at 31 December 2018, the Group had a workforce of 413 in mainland China and Hong Kong.

員工結構

截至2018年12月31日，本集團於中國內地及香港共擁有413名員工。

Employee by Region 按地區分類的員工數



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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Recruitment and promotion

Recruitment is the key to the Group's long-term sustainable development. The Group prudently selects employees through recruitment events and has established annual recruitment plan, which clarifies the number of employees to be employed, title of the vacant job and the requirements on candidates. The Group attracts talented employees through various channels, such as the internet, recruitment seminar and headhunting companies. During the recruitment process, the Group strives to provide candidates with an open, fair, transparent and standard environment to recruit outstanding employees.

The Group values talented employees and takes personal capability, professional qualification, working experience and market benchmark as the most important aspect in recruitment decision.

The promotion report issued by the manager should be based on the outstanding performance of the employee. By improving the remuneration system and career paths, the Group is expected to establish a comprehensive incentive system based on physical, mental, emotional and growth motivations, to maintain a harmonious and stable employment relationship.

Compensation and dismissal

The Group conducts annual performance appraisal for employees based on employees' work ability, performance, benchmark, and internal budget of the company, and encourages employees with outstanding performance. The Group also distributes bonuses based on employee performance to motivate key management's long-term contribution to the Group.

招聘與晉升

招聘員工是本集團長期可持續發展的關鍵。本集團通過招聘活動審慎選擇員工，並製定年度招聘計劃，明確員工人數，空缺職位名稱和候選人要求。本集團通過互聯網，招聘研討會及獵頭公司等多種渠道吸引優秀員工。在招聘過程中，本集團致力為候選人提供公開、公平、透明及標準的招聘優秀僱員的環境。

本集團重視優秀員工，將個人能力、專業資格、經驗和市場水平作為招聘決策中最重要方面。

由經理發出的晉升報告須基於員工的出色表現。通過完善薪酬體系和職業道路，本集團有望建立基於身體、心理、情感和成長動機的綜合激勵機制，以維持和諧穩定的僱傭關係。

薪酬與解僱

本集團每年對在職員工根據員工工作能力、表現、市場水準、公司內部預算等因素進行定期績效考核，鼓勵表現優秀的員工，本集團也會根據員工業績及表現發放花紅，以激勵主要管理人員對公司長期貢獻。

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Any appointment, promotion or termination of the employment contract would be based on reasonable, lawful ground and internal policies, such as staff handbooks. The Group strictly prohibits any kind of unfair or unreasonable dismissals.

Working hours and Holidays

The Group has formulated its policy based on local employment laws to ensure enough working hours and rest time for employees. The Group has arranged reasonable working hours and rest time for employees. The Group has formulated its own internal policies to inspect the working hours for every employee to ensure the compliance of local laws. Employees can receive overtime pay or compensatory leave if the employees work at non-office hours. In addition to basic paid annual leave and statutory holidays stipulated by local governments, employees may also be entitled to additional leave entitlements such as marriage leave, compassionate leave and others.

Equal opportunity and anti-discrimination

As an equal opportunity employer, the Group is committed to creating a fair, respectful and diverse working environment by promoting anti-discrimination and equal opportunity in all human resources and employment decisions. In other words, training and promotion opportunities, dismissals and retirement policies are based on factors irrespective of the employees' age, gender, race, colour, disability, nationality, religion or any other non-job-related elements. Meanwhile, the equal opportunity policy allows zero tolerance in relation to any workplace discrimination, harassment or vilification in accordance with local ordinances and regulations, such as Disability Discrimination Ordinance (Cap. 487 of the Laws of Hong Kong) and Sex Discrimination Ordinance (Cap. 480 of the Laws of Hong Kong). Employees are highly encouraged to report any discrimination to the human resources department of the Group. The Group will then take the responsibility of assessing, dealing with, recording and taking any necessary disciplinary actions on such incidents.

任何僱傭合同的任命、晉升或終止都將基於合理、合法的基礎和內部政策，如員工手冊。本集團嚴格禁止任何形式的不公平或不合理解僱。

工作時長和假期

本集團根據當地就業法制定政策，以確定員工的足夠工作時間和休息時間。本集團為員工安排合理的工作時間和休息時間。本集團制定了自己的內部政策，以檢查每位員工的工作時間，以確保遵守當地法律。如果員工在非辦公時間工作，員工可以領取加班費或補休假。除了地方政府規定的基本帶薪年假和法定假日外，員工還有權享受額外的休假權利，如結婚假、事假等。

平等機會和反歧視

作為一個機會均等的雇主，本集團致力於通過在其所有人力資源和就業決策中促進反歧視和平等機會，創造一個公平、尊重和多元化的工作環境。換句話說，培訓和晉升機會，解僱和退休政策不是基於以下僱員的年齡、性別、種族、膚色、殘疾、國籍、宗教或任何其他非工作相關因素。同時，平等機會政策允許根據當地條例和規定，例如《殘疾歧視條例》（香港法例第487章）及《性別歧視條例》（香港法例480條），對任何工作場所的歧視、騷擾或中傷零容忍。我們強烈鼓勵員工向集團人力資源部門報告任何涉及歧視的事件。本集團將評估、處理、記錄和對此類事件採取任何必要的紀律處分。

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Benefits and welfare

Except for statutory annual leave, the Group also offers other benefits to its employees, such as annual physical check, abundant holiday gifts and other benefits. Meanwhile, to facilitate employees' relationship, the Group held a series of activities in FY2018 to relieve employees' pressure. The Group also use social media, emails to maintain good communication between managers and employees.

利益及福利

為了提高僱員的歸屬感，本集團為僱員提供包括年度身體檢查、豐富的節假日禮品等多種福利。與此同時，為了增進員工關係，本集團於2018年舉行了一系列活動，為員工減壓。本集團還利用社交媒體、電子信箱等方式，保持管理層與基層人員的良好溝通。



During the year under review, the Group has complied with relevant laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours, holidays, equal opportunity, diversity, anti-discrimination, welfare and other benefits that have a significant impact on the Group.

於回顧年度內，本集團在薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利方面，嚴格遵守對本集團有重大影響的相關法律及規例。

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Health and Safety

The Group believes that health and safety at work involves both the prevention of harm and the promotion of employees' well-being. To provide and maintain a safe, clean and environmentally-friendly working condition for employees, the Group has established strict internal safety and health policies, which are in line with relevant laws and regulations in Hong Kong and mainland China, including:

- Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong);
- Law of the People's Republic of China on Prevention and Control of Occupational Diseases; and
- Regulation on Work-Related Injury Insurance.

The Group believes that a clean and comfortable environment can improve employees' creativity to the maximum, hence strives to provide employee with a clean, smoke-free, healthy and safe working environment by adhering to the principle of anti-smoking, anti-drug and anti-alcoholism.

At the same time, the Group requires the responsible person of the parking lots to conscientiously implement the national laws and regulations on occupational hazards prevention and control and participate in regular occupational health training, and supervise the formulation and implementation of the health management system and operational procedures in daily work. In case of occupational hazard accidents, the Group shall promptly report to the local safety production supervision and management department and organize various departments to quickly take effective measures to reduce or eliminate the hazards of occupational diseases and prevent accidents from expanding. The Group strictly prohibits late reporting, underreporting, false reporting or concealed reporting of occupational hazards.

健康與安全

本集團認為，工作中的健康和 safety 既涉及預防傷害，也涉及提升員工的福祉。為給員工提供及維持安全、清潔及環保的工作環境，本集團已制定嚴格的內部安全及健康政策，符合香港及中國內地的相關法律法規，包括：

- 職業健康與安全條例（香港法例第509章）；
- 中華人民共和國職業病防治法；及
- 工傷保險條例。

本集團相信，清潔舒適的環境可以最大限度地提升員工的創造力，因此我們堅持反吸煙、禁毒和嚴禁酗酒的原則，努力為員工提供清潔、無煙、健康和安全的工作環境。

同時，本集團要求各個停車場主要負責人認真貫徹落實國家有關職業危害防治的法律規定，並組織其參加定期的職業衛生培訓，在日常工作中督促監督衛生管理制度和操作規程的制定和落實。如遇職業病危害事故，本集團應及時向所在地安全生產監督管理部門報告，並組織各部門迅速採取有效措施，著力減少或消除職業病的危害因素，防止事故擴大。本集團嚴厲禁止遲報、漏報、謊報或者瞞報職業病危害事故的行為。

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The Group is also equipped with occupational safety management personnel to study and implement the laws, regulations, rules and standards of the state on occupational hazards prevention, supervise the implementation of occupational hazard prevention and control responsibility system at all levels, and ensure the health and safety of workers in the labour process, and monitor employees' health.

Cleaning companies should perform regular cleaning, including disinfecting carpets, cleaning air conditioning systems, and water dispensers. Emergency exits need to be kept open and not locked during working hours. A fully equipped first aid kit is available in the workplace, with expired medications replaced in a timely manner.

The Group also requires employees to stay alertness during working hours. The Group regularly organizes safety and health conferences and trainings in the field of occupational health and safety. To cultivate the emergency management ability, the Group holds fire drill and emergency management trainings regularly. In the event of a threat to employees' health and safety, the Group promptly handles the matter and investigates other possible hazards. To eliminate the ignorance of threats, punish are taken on employees who failed to report potential threats.

In FY2018, no work-related fatalities and no loss due to work injury occurred in the Group's related activities. During the year under review, the Group was not in violation of any of the relevant laws and regulations in relation to providing a safe working environment and protecting the employees from occupational hazards that have a significant impact on the Group.

本集團還配有職業安全管理人員負責學習貫徹落實國家有關職業危害防治的法律、法規、規章和標準，督導各級落實職業危害防治責任制，確保勞動者在勞動過程中的健康與安全，並對員工健康進行監控。

清潔公司應定期進行清潔，包括對地毯進行消毒處理、清潔空調系統和飲水機。緊急出口需保持暢通，並在工作時間內不得上鎖。工作場所設有齊全的急救箱，及時更換過期藥物。

本集團也要求員工在工作時間內保持警惕。本集團定期舉辦安全衛生會議和培訓，進行職業健康和領域教育。為培養應急管理能力，本集團定期舉辦消防演習及應急管理培訓。在發現對員工健康安全造成威脅事項時，本集團迅速處理該事項，並排查其他可能的危險。為了消除對威脅的忽視，本集團對未能報告潛在威脅的員工採取懲罰措施。

在2018財年，本集團的相關活動中沒有發生與工作有關的死亡事故和因工傷造成的損失。於回顧年度內，本集團並未違反任何有關提供安全工作環境及保護僱員免受對本集團產生重大影響的職業危害的相關法律及法規。

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Development and Training

The Group values the importance of the growth and development of its employees and has formulated its internal strategy for talent training and retention. The Group strives to create a promising and satisfactory career path with promotion prospects for different employees by providing trainings on various aspects. Apart from traditional training, employees are also able to share their knowledge and experience through intranet.

For starters, the Group provides comprehensive orientation training to understand the corporate culture, business flow, working health and safety, management systems and group development. For on-job employees, the Group provides business improvement courses and management capacity improvement courses, while sharing learning materials through the intranet.

As a responsible employer, we also concern our employee's mental health and provide support for employees to solve their psychological problems. During the year under review, the Group organised young employees to participate in the psychological counselling course. This course is lectured by Lingling Wang, who is a clinical hypnotherapist certified by Eriksson College, the International Self-Therapeutic Society Certified Treatment Unit (London), and is the International Complex Trauma Certified Therapist (Germany), with aims to provide psychological counselling for employees and reduce employee psychological stress.

發展及培訓

集團重視員工成長和發展的重要性，並製定了人才培養和保留的內部戰略。本集團致力於通過提供各方面的培訓，為不同員工創造一個充滿希望且令人滿意的職業發展道路。除傳統培訓外，員工還可以通過內部網路分享他們的知識和經驗。

本集團為新入職員工提供入職培訓，以了解企業文化、業務流程、工作健康與安全、管理系統和集團發展。對於在職員工，本集團提供業務提升課程和管理能力提升課程，同時通過內聯網分享學習資料。

作為負責任的僱主，我們也關心員工的心理健康，並為員工解決心理問題提供幫助。於回顧年度內，本集團組織青年員工參加了由公司組織的心理疏導課程。該課程由德國艾瑞克森學院認證的臨床催眠治療師、國際自我狀態治療學會認證治療師（倫敦）、國際複雜型創傷認證治療師（德國）王玲玲主講，旨在為員工做好心理疏導，減輕員工心理壓力。



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Internal training is the mainstream of the Group while we also provide opportunities to employees for external training. Employees are encouraged to participate in external training, seminar and examination to gain more work-related knowledge. The Group aims to foster a learning culture that could strengthen its employees' professional knowledge, so as to benefit the Group, as employees are expected to achieve better working performance after receiving appropriate training.

The total training hour of the Group during the year under review has amounted to 23,600 hours. The average training hours for different genders in the same level is the same.

Labour Standards

The Group strictly abides by local and national labour standards, including but not limited to the Employment Ordinance (Cap. 57 of the Laws of Hong Kong) and Labour Law of the People's Republic of China, to prohibit any child and/or forced labour employment.

To combat against illegal employment on child labour, underage workers and forced labour, the Group's human resources department requires job applicants to provide valid identity documents before confirmation of employment to ensure that the applicants are lawfully employable. A whistle-blowing mechanism has been established to monitor and ensure full compliance of latest and relevant laws and regulations that prohibit child labour and forced labour. Furthermore, the human resources department of the Group is also responsible to monitor and guarantee the Group's compliance with the relevant laws and regulations that prohibit child labour and forced labour employment.

In FY2018, the Group was not in violation of any relevant laws and regulations, in relation to the prevention of child and forced labour that have a significant impact on the Group.

內部培訓是集團的主流，同時我們也為員工提供外部培訓機會。還鼓勵外部培訓、研討會和考試，以獲得更多與工作相關的知識，以加強員工工作上的知識。本集團旨在培養可加強員工專業知識的學習文化，以使本集團受益，因為員工在接受適當培訓後可望取得更佳的工作表現。

本集團於回顧年度的總培訓時數為23,600小時。同一級別不同性別的平均培訓時間相同。

勞工準則

本集團嚴格遵守地方及國家勞工標準，包括但不限於《僱傭條例》（香港法例第57章）及《中華人民共和國勞動法》，以禁止任何兒童或強制勞動就業。

為打擊非法雇用童工、未成年勞工及強制勞工，本集團人力資源部門要求求職者在確認就業前提供有效的身份證明文件，以確保申請人可合法受僱。建立舉報機制，以監督和確保本集團完全遵守禁止童工和強迫勞動的最新和相關法律法規。此外，本集團的人力資源部門亦負責監察及保證本集團遵守禁止童工及強迫勞工的相關法律及法規。

於2018財年內，本集團在防止童工或強制勞工方面，並無違反任何對本集團有重大影響的相關法律及規例。

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Anti-corruption

To maintain a fair, ethical and efficient business and working environment, the Group strictly adheres to the local laws and regulations relating to anti-corruption and bribery, irrespective of the area or country where the Group conducts its business, such as Law of the People's Republic of China on Anti-Money Laundering and the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong).

The Group has formulated comprehensive internal operating manuals, such as staff handbooks and financial management policies, based on the anti-corruption, anti-fraud and anti-bribery policies of the Group. The Group's commitment to integrity and the prevention of fraud and commercial bribery is reflected in its different business agreements, such as the employment contracts, bidding documents, procurement contracts, which are signed by employees, business units and customers. All employees are expected to discharge their duties with integrity and self-disciplined, and they are required to abstain from engaging in any activities related to bribery, extortion, fraud and money laundering which might affect their business decision or independent judgment in the course of business operation which exploit their positions against the Group's interests.

The Group has no tolerance for any corruption and set whistle-blowing policy to report any corruption. Relevant evaluation, consultation, investigation and punishment are written in the Whistle-blowing policy. Whistle-blowers can report verbally or in writing to the management or the senior management of the Group for any suspected misconduct with full details and supporting evidence. The management will conduct investigations against any suspicious or illegal behaviour to protect the Group's interests. The Group advocates a confidentiality mechanism to protect the whistle-blowers against unfair dismissal or victimisation through security regimes. Where criminality is suspected, a report is made to the relevant regulators or law enforcement authorities when the management considers necessary.

反貪污

為維持公平、合乎道德及有效率的業務及工作環境，在本集團開展業務的任何地區或國家，本集團嚴格遵守當地有關反貪污及賄賂的法律及法規，例如《中華人民共和國反洗錢法》和《防止賄賂條例》（香港法例第201章）。

本集團根據反貪污、反舞弊、反賄賂等政策，制定了全面的內部操作手冊，如員工手冊和財務管理政策等。本集團對誠信、防範欺詐和商業賄賂的承諾體現在不同的業務協議中，如分別與員工、業務單位及客戶簽署的僱傭合同、招標文件及採購合同等。本集團期望所有僱員均以誠信及自律的方式履行職責，並要求僱員不得參與任何與賄賂、勒索、欺詐及洗黑錢有關的活動，因該等活動可能影響其在業務過程中作出的業務決策或獨立判斷，從而作出違背本集團利益的決策及判斷。

本集團不容忍任何貪污行為，並制定舉報政策來揭發任何貪污行為。有關評估、諮詢、調查及處罰均於書面舉報政策列明。舉報人可以口頭或書面形式向管理層或本集團高級管理層報告任何涉嫌不當行為，並提供完整詳情及證據。管理層將對任何可疑或涉嫌違法行為進行調查，以保護本集團的利益。本集團倡導建立保密機制，保護舉報人免受不公平解僱或迫害。若涉嫌犯罪，管理層會在必要時向有關監管機構或執法部門匯報。

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The Group greatly evaluates the promotion and education of anti-corruption and conducts regular meetings to prevent corruption. Besides, the Group has noted the employees to prevent bribery in the operation and interest damage of the Group.

During the year under review, the Group is not in violation of any of the relevant laws and regulations in relation to bribery, extortion, fraud and money laundering that have a significant impact on the Group.

VIII. SUPPLY CHAIN MANAGEMENT

As an enterprise that bases its basic principle on sustainable development while fulfilling social responsibilities, it is critical for the Group to maintain and manage a reliable supply chain that takes environmental and social impact into consideration. This requires an efficient and strict monitoring regime on supply chain practices.

The Group has achieved this goal by conducting comprehensive evaluation of potential suppliers, investigating selected suppliers, imposing strict standards on the quality of suppliers' raw materials and services, and reviewing the suppliers' products, services, previous track record, ongoing projects, reputation, quality and their social and environmental responsibility regularly so as to maintain a good and long-term relationship with suppliers.

Selection of suppliers

When choosing suppliers, the Group requires the suppliers to provide business license, production certification and financial information. Occupational Safety and Health certificate holders will be considered in priority. As product quality is the main concern, the Group requires the suppliers to provide the analysis report on quality accidents, describe the reason of the accident, conduct quality analysis and take prevention measures.

本集團極為重視反貪污宣傳教育，定期舉行反腐會議。此外，本集團已提醒僱員在運營中防止發生賄賂及作出損害本集團利益的行為。

於回顧年度內，本集團並無違反任何對本集團有重大影響的，與防止賄賂、勒索、欺詐及洗黑錢相關的法律及法規。

VIII. 供應鏈管理

作為一家以可持續發展基本原則為基礎以履行社會責任的企業，本集團必須維護和管理一個考慮環境和社會影響的可靠供應鏈。這需要對供應鏈實踐採用有效和嚴格的監管制度。

本集團通過對潛在供應商進行全面評估，對選定供應商進行調查，對供應商原材料和服務質量實施嚴格標準，通過審查供應商的產品、服務、以往業績、正在進行的項目、聲譽，實現這一目標。定期進行質量和社會及環境責任，以保持與供應商的良好和長期關係。

選擇供應商

在選擇供應商時，本集團要求供應商提供營業執照、生產證書和財務信息。職業安全健康和證書持有者將優先考慮。由於產品質量是本集團之主要關注點，本集團要求供應商提供質量事故分析報告，描述事故原因，進行質量分析和採取預防措施。

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The Group conducts basic evaluations of top manager's turnover, production capacity, changes in manufacturing techniques and raw materials, and violations of the law and discipline of the suppliers. Site inspections are held to assess the background of the eligible tenderers based on their quality management systems and business certificates, equipment and facilities, financial position, reputation and after-sales services. According to the evaluation of the Group, suppliers with serious problems in the regulatory compliance, delivery, health and safety, and environmental protection will be put in the black list immediately.

Risk management

For suppliers of the same types of products, Shougang Concord generally adopts the combination of suppliers and backup suppliers to reduce the risks in the supply process. The Group keeps close contact with suppliers and establishes a long-term relationship to ensure a stable supply chain. Suppliers are divided into different groups according to cooperation term and production capital to implement differentiated management strategies.

本集團對高層管理人員流動、生產能力、製造技術和原材料變更以及違反供應商法律和紀律的行為進行基本評估。根據其質量管理體系和業務證書，設備和設施，財務狀況，聲譽和售後服務，進行現場檢查以評估合格投標人的背景。根據評估，本集團將在監管合規、交付、健康和安全以及環境保護方面存在嚴重問題的供應商立即列入黑名單。

風險管理

對於同類產品的供應商，首長國際通常採用供應商和備用供應商的組合來降低供應過程中的風險。本集團與供應商保持密切聯繫，並建立長期合作關係，以確保穩定供應鏈。供應商根據合作期限和生產資本分成不同的組進行管理，以實施差異化的管理策略。

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We implement a strict control on unqualified products provided by suppliers, including labelling, isolating and reporting non-conforming products to prevent unintended use or delivery of unqualified products, and take effective measures to reduce the impact of unqualified products on the Group's daily operations and customers. If the supplier has serious problems in compliance, delivery, health, safety, environmental protection, and etc., the Group will assess the risk and take appropriate measures against the supplier according to the situation.

In daily operations, we find that the system hardwares in different parking lots vary in brands, which increases the difficulty in intelligent parking management. Shougang Concord has taken measures to make the system hardware uniform, including obtaining long-term management rights and deciding the brand for system hardware, to facilitate better management and enhance corporate image.

Referring to environmental risks, environmental requirements are clearly stated in the commercial agreement. The Group has conducted environmental action interview with suppliers on the significant environmental impact, pollution accident and environmental protection measures taken to control, reduce and prevent pollution in the supply chain.

IX. COMMUNITY INVESTMENT

In the past ten years, the concept of socially responsible investment that pursues long-term value growth and balances economic and social benefits has received more and more attention in the asset management industry. At the same time, the practice of social responsibility has been increasingly valued by domestic venture capital institutions. Many organizations have carried out various public welfare activities and new explorations of public welfare. Shougang Concord deeply understands its social responsibilities as a leading company of Shougang Group, one of the most famous state-owned enterprises. In FY2018, we have actively participated in community activities to facilitate the economic growth and harmony in communities. The Group mainly focused on four aspects of social activities, which were educational charity activities, donation activities blood donation, and V startup community.

我們對供應商提供的不合格產品進行管控，包括對進行標示、隔離和上報，以防止不合格產品的非預期使用或交付，及採取有效措施減少不合格產品對公司的日常運營和顧客造成影響。如供應商在合規、交付、健康、安全、環保等方面出現嚴重問題，本集團會評估該風險並根據情況對供應商採取相應懲處措施。

在日常運營中，我們發現不同停車場的系統硬件品牌並不統一，這增加了智能停車管理的難度。首長國際已採取措施統一系統硬件，包括獲得長期管理權和決定係統硬件品牌，以促進更好的管理和提升企業形象。

關於環境風險，我們在商業協議中作了明確的環境要求規定。本集團已就供應鏈中的重大環境影響、污染事故及環保措施與供應商進行環保行動訪談，以控制、減少及預防供應鏈污染。

IX. 社區投資

近十年來，追求長期價值增長、兼顧經濟和社會效益的社會責任投資理念在資產管理行業受到越來越多的關注，同時，踐行社會責任也越來越受到國內創投機構的重視，許多機構已經開展了形色各樣的公益活動和進行新的公益探索。作為中國最著名的國企之一的首鋼集團的旗艦公司，首長國際深刻了解其社會責任。在2018財年，我們積極參與社區活動以促進社區的經濟發展及和諧。本集團的社會活動主要集中在四個方面，分別是教育慈善活動、捐助活動、無償獻血及創業公社項目。

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Educational charity activities

Case study

The Group, as the member of China Venter Capital Charity Alliance, organised an activity, namely "Enterprise and Community Co-Construction – Investors Are In Action", which invited students from Caofeidian to travel to Beijing in two separate groups. The event aimed to provide children who were invited to Beijing with an opportunity to gain knowledge and understand the society, and to use cross-border resources and professional exploration to support the progress and development of the focus area of social welfare, such as environmental protection, culture, education, medical care and other social welfare areas. This event was also committed to bringing new enlightenment to social development. At the event, Yang Xueqin, founder of Tumeng Education, shared the story of how students in remote areas realized their dreams through online vocational education. Also, the former national athlete and volunteer, Xibo Gu, shared his experience on his career as a runner with students from Caofeidian. He said, perseverance is a kind of spirit and a kind of belief, holding on to the dream, people can get more than they can imagine. After the speech, students and teachers from Caofeidian visited Shougang Park together with other companies from China Venter Capital Charity Alliance and the caring people from famous institutional investors in the society.

教育慈善活動

案例分享

本集團作為中國創投公益聯盟成員，組織了名為「社企共建－投資人在行動」的主題公益活動。該活動分兩次邀請了來自曹妃甸的學生前往北京旅行。此次活動旨在為應邀前來北京的孩子們提供一個獲取知識、了解社會的機會，並用跨界的資源、專業化的探索，支持環境保護、文化、教育、醫療等社會公益重點領域進步與發展，為社會發展帶來新的啟示。活動上，途夢教育創始人楊雪芹分享了偏遠地區學生如何通過線上職業教育實現人生夢想的故事。前國家級運動員、志願者顧喜波則以親身經歷為曹妃甸的學生分享了自己作為一名跑步運動員的職業經歷。他表示，堅持是一種精神、一種信仰，緊緊抓住夢想不放，人們可以得到的收穫遠比想象的更多。演講之後，景山學校曹妃甸分校的師生與來自中國創投公益聯盟會員單位、社會知名投資機構的愛心人士一起遊覽首鋼園。

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The next day, the children from the Caofeidian campus of Jingshan School held a sharing session with the volunteers to share their thoughts on the trip to Beijing. At the meeting, students with excellent academic performance also received scholarships from the Changqing Charity Foundation sponsored by Shougang Fund employees and Shougang Concord employees.

第二天，來自景山學校曹妃甸分校的孩子們與志願者們舉行了分享會，分享北京之旅的感想。在會上，成績優異的學生們還獲得了來自於首長國際及首鋼基金員工發起的慈心長青慈善基金捐贈的獎學金。

Children Says 孩子們的話

When I grow up, I also want to help others and pass on this love.
長大以後也要去幫助別人，轉遞這份愛。

I hope that I can use this money to fulfill my own little wishes, and then achieve my goals step by step to help more people.
希望我能用這筆錢實現自己更多的小願望，然後一步步走向自己的大目標，去幫助更多的人。

Not affected by the surrounding, moving forward better.
不被周遭影響，向更好前進。

Beijing is a place you must go in life. It is the wish that Shougang's uncles helped me to complete. I will study hard and never let you down.
北京，是人生必定要去的一個地方，是首鋼的叔叔幫助我完成的這個心願。我一定要好好學習，不會讓你們失望。



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Volunteers Says 志願者的話

I hope this event is an opportunity. You can communicate with us through reading notes, paintings, letters, etc. We hope that we will become good friends. We will certainly help you in the best of our people.

希望本次活動是一個契機，大家回去後能夠通過讀書筆記、繪畫、信件等方式，更多的與我們交流，希望我們變成很好的朋友。我們也一定會力所能及的範圍內幫助大家。

Equal communication does not exist in reality. It requires courage to communicate. Only when we are brave enough can children gradually put their guards down.

平等的對話，現實中是不存在的，溝通需要勇氣，只有我們勇敢，孩子們才能逐步放下戒備。



It is the first time to make contact with rural children and to understand how to take care of these children if we want to give them appropriate care. Every step needs to be cautious, but every step counts.

第一次跟農村孩子打交道，也是頭回體會如果要給這些孩子合理的關懷，需要多麼小心掌握分寸。每一步都需要小心謹慎，但每一步都有回應。

I have worked as a volunteer and also taught in remote areas. The help that children need most is not material, but the direction of efforts set through the guidance of volunteers, which has the most important impact on their lives.

我曾多次做過各類志願者，也曾到偏遠地區支教。孩子們最需要的幫助並非是物質的，而是要通過志願者的引導，讓他們看到努力的方向，這才是會對他們人生產生最重要影響的東西。

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Donation activities

In addition to supporting education in surrounding areas, the Group also continuously focuses on the material and spiritual needs of people in remote areas of China. In FY2018, we organised the donation of books and winter clothes to the people in need in remote areas. During these activities, we have collected a total of 261 books and 20 winter clothes donated by employees, which were sent to Xinjiang Province after the activities. We wish to help the needy to go through a warm winter and encourage them to continue learning through our little love.

捐助活動

除了扶持集團運營地區周邊的教育，本集團也持續關注中國偏遠地區的人們的物質與精神需求。在2018財年，我們組織了員工為偏遠地區有需要的人捐獻書籍與冬衣。該次活動共募集到了員工捐贈的261本書籍及20件冬衣，並全數捐往新疆。我們希望通過我們的小小愛心，幫助有需要的人渡過一個溫暖的冬天，並鼓勵他們不斷學習。



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Blood donation

Unpaid blood donation is a kind of social mutual aid behaviour, and a lofty act of saving lives and selfless dedication. On 20 November 2018, 12 colleagues from Shougang Fund, Shougang Concord and its subsidiaries took the initiative to participate in blood donation. After the blood donation, they did not rest, but immediately returned to the company and re-entered the work. The love of dedication of the colleagues also demonstrated the sense of responsibility and responsibility of the new Shougang people.

無償獻血

無償獻血是一種的社會互助共濟行為，是拯救生命、無私奉獻的崇高行為。2018年11月20日，首鋼基金、首長國際及旗下子公司共12名同事主動參加無償獻血，獻血結束後他們沒有休息，而是立即返回公司，再次投入到工作當中。同事們的愛心奉獻，也彰顯了新首鋼人的責任意識和擔當精神。



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Vstartup

As an urban renewal service provider under Shougang Group, Vstartup focuses on the transformation and operation of the city's stock assets and activates the urban space with the ecological operation mode of "fund + base + industry chain service", which brings companies from different industries with different levels of development together to achieve resource and information sharing, to help small and medium-sized micro-tech enterprises realize their entrepreneurial dreams. Shougang Concord is committed to supporting the growth of small and medium sized companies, providing them with an open and efficient platform to promote economic growth.

創業公社

作為首鋼集團旗下的城市更新服務商，創業公社聚焦城市存量資產改造運營，以「基金+基地+產業鏈服務」的生態運營模式激活城市空間，匯集來自不同行業、發展程度各不相同的企業，實現資源及信息共享，幫助中小微科技企業實現創業夢想。首長國際銳意通過創業公社，扶持中小企業的成長，為他們提供一個開放、高效的平臺，促進經濟的成長。



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In addition, the Group has also built a helipad for the China-Japan Friendship Hospital for the take-off and landing of emergency rescue helicopters. At the same time, the Group is also responsible for the operation and maintenance of the apron. In a complex urban transportation system, a short district sometimes can cost an ambulance for dozens of minutes or more to arrive while a helicopter can reach its destination in less than ten minutes, which can meet the needs of rapid medical care. The maintenance of the apron is fairly complicated, so the daily operation and maintenance provided by the Group for the hospital are extremely important. The downtime assessment greatly enhanced the hospital's emergency rescue, the efficiency of transporting patients, and saved countless lives.

除此之外，本集團還為中日友好醫院建設直升機停機坪，用於醫院緊急救援直升機的起降。同時，本集團還負責該停機坪的運營和維護工作。在複雜的城市交通體系中，不長的路段有時會讓救護車花費幾十分鐘甚至更長時間，而直升機往往不到十分鐘便能到達目的地，可以滿足快速醫療救護的需要。停機坪的維護十分複雜，因此本集團為醫院提供的日常運營與維護極為重要。該停機坪極大加強了醫院緊急救援、運送病人的效率，挽救了無數條生命。

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X. ENVIRONMENT

To seek the long-term sustainability of the environment and the community where it operates, the Group is prudent in controlling its emissions and consumption of resources and complies with relevant environmental laws and regulations in Hong Kong and mainland China during its daily operations, including:

- Environmental Protection Law of the People's Republic of China
- Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution
- Law of the People's Republic of China on Prevention and Control of Water Pollution
- Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes
- Law of the People's Republic of China on Conserving Energy
- Law of the People's Republic of China on Prevention and Control of Pollution From Environmental Noise
- Regulations of the Management of Economical Use of Urban Water
- Air Pollution Control Ordinance (Cap. 311 of the Laws of Hong Kong);
- Water Pollution Control Ordinance (Cap. 358 of the Laws of Hong Kong); and
- Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong).

X. 環境

為尋求運營地環境與社會的長期可持續發展，本集團審慎控制其排放和資源消耗，並在日常運營期間遵守香港和中國內地的相關環境法律法規，包括：

- 中華人民共和國環境保護法；
- 中華人民共和國大氣污染防治法；
- 中華人民共和國水污染防治法；
- 中華人民共和國固體廢物污染防治法；
- 中華人民共和國節約能源法；
- 中華人民共和國環境噪音污染防治法；
- 城市節約用水管理規定；
- 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）。

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This section primarily discloses the Group's policies, practices, and quantitative data on emissions, use of resources, the environment and natural resources in FY2018.

Emissions

The Group has complied with all relevant local environmental laws and regulations in terms of emissions set out in Hong Kong and mainland China. In FY2018, the Group found no disregard to influential laws relevant to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. The Group commits to constantly keep mitigate its environmental impacts through effective measures, such as the smart control of the Group's resource consumption and the upgrade of outdated equipment that performs poorly in energy efficiency.

Given the nature of the Group's business, air emissions mainly come from the combustion of fuels for transportation. In FY2018, the air emissions of sulfur oxides ("SO_x") and nitrogen oxides ("NO_x") amounted to 1.0 kg and 22.3 kg.

本章節主要披露集團於2018財年的排放·資源使用和環境及自然資源的政策及慣例。

排放物

本集團已遵守香港及中國內地所載排放方面的所有相關地方環境法律及法規。在2018財年，本集團未發現任何對本集團有重大影響的有關違法行為，包括廢氣及溫室氣體排放、向水及土地污染、有害及無害廢棄物排放等。本集團承諾通過有效措施不斷減輕環境影響，例如智能控制本集團的資源消耗及升級能源效率不佳的過時設備。

鑑於集團業務的性質，空氣排放主要來自運輸燃料的燃燒。在2018財年，硫氧化物（「SO_x」）和氮氧化物（「NO_x」）的空氣排放量為1.0千克和22.3千克。

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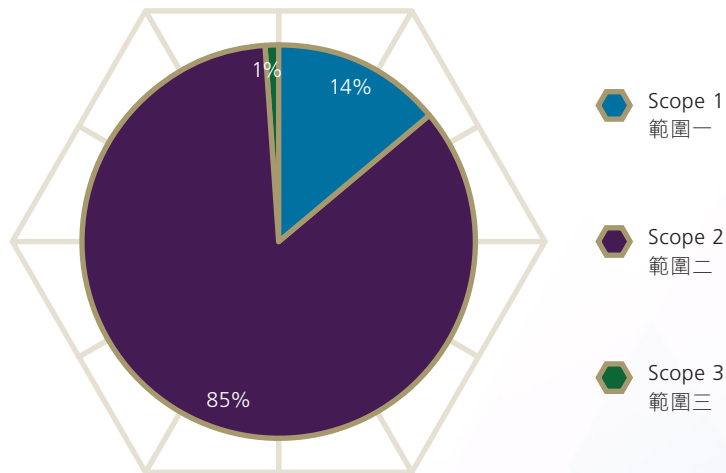
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GHGs are a major contributor to climate change and rigorously governed by the United Nations (UN) 'Framework Convention on Climate Change' and the subsequent UN 'Kyoto Protocol'. GHG emissions from the Group are primarily generated from electricity consumption during operations. Specifically, the Group's total GHG emissions were 1,232.2 tonnes CO₂e, with an intensity of 3.2 tonnes CO₂e/employee being calculated during the year under review. The CO₂e from Scope 2 Indirect emission took up 89% of the total CO₂e emission while CO₂e from Scope 1 Direct emission and Scope 3 Other Indirect emission accounted for 15% of the total emission.

溫室氣體是氣候變化的主要促成因素，並受到聯合國(UN)《氣候變化框架公約》和隨後的聯合國《京都議定書》的嚴格管制。本集團的溫室氣體排放主要來自營運期間的耗電量。具體而言，本集團的溫室氣體排放總量為1,232.2噸二氧化碳當量，在回顧年度內計算的密度為3.2噸二氧化碳當量／員工。來自範圍二間接排放的二氧化碳當量占總排放量的85%，來自範圍一直接能源排放和範圍三其他間接能源排放則共占總排放的15%。

GHG Emissions

溫室氣體排放

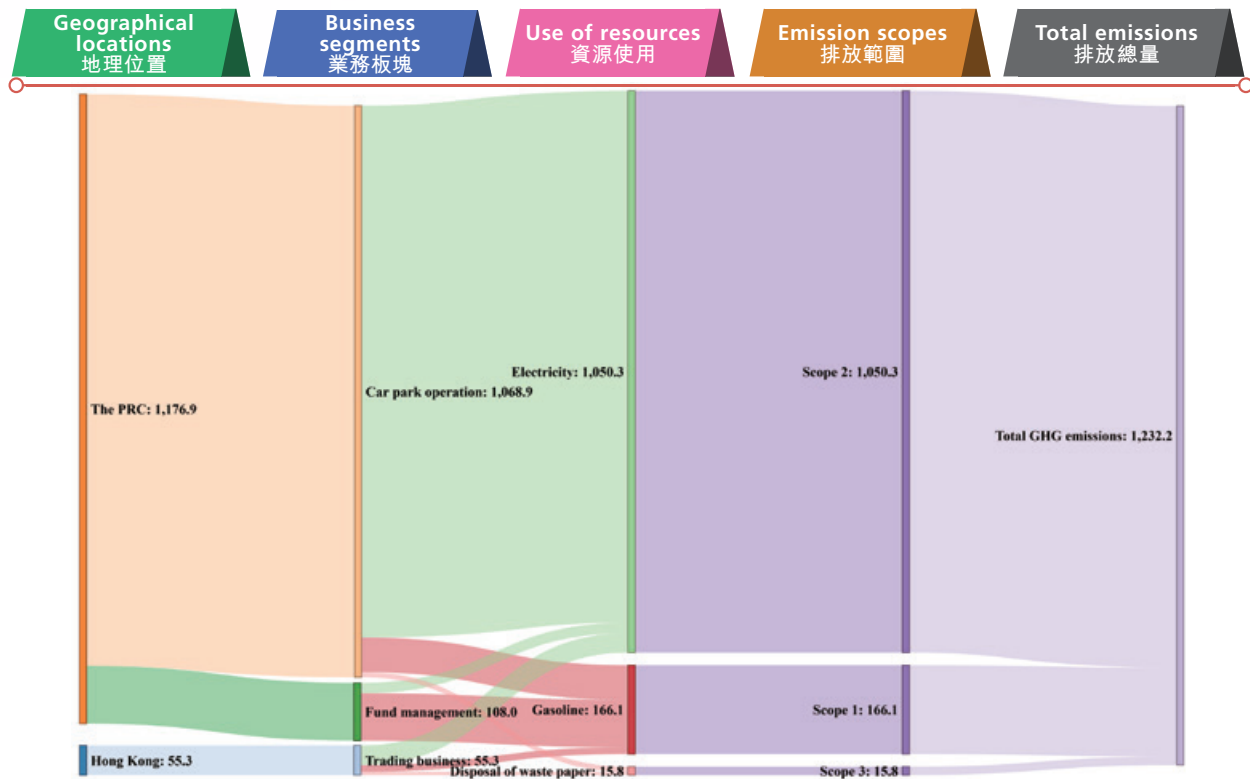


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FY2018 GHG Emissions in Sankey Diagram 2018財政年度溫室氣體排放桑基圖

Unit: tonne CO₂e
單位: 噸二氧化碳當量



Other than GHG emissions, the Group also generated solid wastes and wastewater from its administration offices and parking lots. A total of 3,296.4 kg of non-hazardous solid wastes (with an intensity of 8.5 kg/employee) and 4,284.0 cubic metres of non-hazardous commercial wastewater (with an intensity of 11.1 cubic meters/employee) were discharged during the Group's operations.

In FY2018, The Group did not generate any hazardous waste and the Group's total emissions are summarised in Table 1.

除溫室氣體排放外，本集團亦從其行政辦事處及停車場產生固體廢物及廢水。本集團的營運期間共有3,296.4公斤非危險固體廢物（密度為8.5公斤／員工）及4,284.0立方米非危險商業廢水（密度為11.1立方米／員工）。

於2018年財年，本集團並無產生任何危險廢物，而本集團的總排放量概述於表一。

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Air & GHG emission management

Air emissions of the Group were insignificant as it mainly came from the use of vehicles for its daily operation. The exhausted gases generated from the combustion process were mainly carbon dioxide, SOx, and NOx. The primary source of GHG emissions emitted by the Group was the use of purchased electricity. As the GHGs emission is positively correlated to electricity consumption, the Group has implemented policies to reduce the electricity consumption in its daily operation through specific measures, which are further detailed in the subsection headed "Electricity" under section "Use of Resources" of this ESG Report.

Waste management

Wastewater produced by the Group was domestic wastewater, which was collected by the property management and further discharged to the municipal wastewater treatment plant through the sewage pipe work. Solid wastes generated by the Group came from discarded paper and domestic solid wastes. To reduce the amount of solid waste generated, the Group has adopted garbage categorization and reused the recyclable solid wastes. The Group encourages employees to bring their own lunch boxes, recycle the office stationery and use non-disposable cups.

Use of resources

The Group has complied with relevant laws and regulations in relation to the Group's use of resources during the year under review. In FY2018, the major resources consumed by the Group were electricity, water, gasoline and paper. The Table 2 illustrates the amount of resources used by the Group in FY2018.

廢氣和溫室氣體管理

本集團排放的廢氣主要來自於日常運營中汽車尾氣。燃燒過程產生的廢氣主要是二氧化碳、硫氧化物和氮氧化物。本集團溫室氣體排放的主要來源是購買電力。由於溫室氣體排放與電力消耗正相關，本集團已實施政策，通過特定措施減少日常運作中的電力消耗，詳情載於本報告第A.2節資源使用「用電」分節。

廢棄物管理

本集團生產的廢水為生活污水，由物業管理部門收集，並通過污水管道工程進一步排放到市政污水處理廠。本集團產生的固體廢物來自廢紙和家庭固體廢物。為減少產生的固體廢物量，本集團進行垃圾分類並重複使用可循環使用的固體廢物。本集團鼓勵員工攜帶自己的飯盒，回收辦公文具，並使用非一次性杯子。

資源使用

於回顧年度內，本集團已遵守有關本集團資源使用的相關法律及法規。於2018年財政年度，本集團所消耗的主要資源為電力、水、汽油及紙張。表二說明了本集團在2018財年使用的資源量。

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環境、社會及管治報告

Electricity

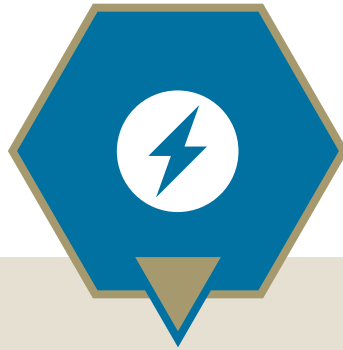
The Group's electricity consumption came from daily operations of administrative offices and parking lots. In FY2018, the total electricity consumption of the Group was 1,192.6 '000kWh (with an intensity of 3.1 '000kWh/employee).

To align with the Group's policy of saving electricity, all subsidiaries and parking lots of the Group have taken a variety of measures to ensure the most effective use of electricity and demonstrate their determination to protect our environment.

用電

集團的電力消耗來自行政辦公室和停車場業務的日常運營。於2018年財年，本集團的總耗電量為1,192.6千千瓦時（密度為3.1千千瓦時／千名員工）。

為配合本集團的節電政策，本集團所有附屬公司及停車場均已採取多項措施以確保最有效地使用電力，並展示其保護環境的決心。



- Turn off all lights and air conditions which are no replace high electricity consumption lamps with the installation of electricity saving lamps for office lighting;
關掉不在使用的照明及空調系統；在辦公室安裝節能燈泡取代耗電量最高的燈泡；
- Place posters "Saving Electricity Resources" in prominent places to encourage employees to save electricity;
在顯眼位置張貼「節約用電」的海報，以鼓勵員工節約用電；
- Replace electronic facilities with electricity efficient ones;
將電器設備更換為能效等級高的電器；
- Use electronic facilities with energy saving label;
使用具節能標籤的電器設備；
- Turn off the electronic facilities after work, such as copy machine and boiler;
下班後關閉複印機和開水壺等電器設備；
- Install curtains to allow the transmission of light and keep the air conditions' efficiency;
安裝窗簾調節光線及保持空調的效能；
- Clean office equipment regularly (such as refrigerator, air-conditioner, paper shredder) to maintain high efficiency; and
定期清潔辦公室設備（如冰箱、空調、碎紙機）以保持高效能；及
- Turn off computers at the end of the day.
下班時間關閉電腦。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Water

Due to the business nature, the water consumption comes from employees' daily use. In FY2018, the Group did not face any problem in sourcing water, and the Group's total water consumption amounted to 4,283.0 cubic metres (with an intensity of 11.1 cubic metres/employee). To improve the utilization efficiency of water resources, the Group has formulated internal regulation and required all the employees to strictly comply with the water-saving policies in daily operation.

用水

由於業務的性質，水資源的消耗來自員工的日常使用。於2018年財政年度，本集團在採購水方面並無任何問題，本集團的總耗水量為4,283.0立方米（強度為11.1立方米／員工）。為提高水資源利用效率，本集團制定了內部規章，要求全體員工嚴格遵守日常運營中的節水政策。



- Require employees to strictly comply with Group's watering saving policy;
要求員工嚴格遵守本集團節約用水之政策；
- Fix dripping taps immediately and avoid any leakage of the water supply system;
即時修理滴水水龍頭及避免供水系統出現任何滲漏；
- Promote and educate employees to save water;
宣傳及教育員工節約用水；
- Regular inspection and maintenance on water tap, water pipelines and water storage tanks; and
定期檢查及維護水龍頭、水管及水箱；及
- Recycle the used water for cleaning.
使用回收之水用於清潔。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Environmental and natural resources

Through a series of measures to save electricity, water, gasoline, and reduce the amount of wastes during operations that have been introduced above, the Group has made significant progress towards the building of a reliable, resilient and sustainable corporation that pioneers in the intelligent parking industry. In FY2018, the Group's environmental impact was minimal due to its unremitting efforts to create a resource-saving and environmentally-friendly enterprise.

The emissions of exhaust gas and GHG, solid waste, wastewater is all in conformity with relevant environmental laws and regulations. Among all the GHG emissions during the year under review, the Group's major impact on the environment was from the consumption of electricity. To minimise its GHG emissions, which are always connected with the precursor of global climate change, the Group strictly monitors, manages and improves its business model, focuses on its recycling initiatives, and relies on the efficient usage and control of electricity.

The education of environmental protection is the first step to which the Group pays great attention. The Group has committed to cultivating the good habits of diligence and frugality in terms of the use of natural resources among all its employees.

環境及天然資源

通過一系列措施節約電力、水、汽油，並減少上述業務中的廢物數量，本集團在建立可靠、富有彈性和可持續發展的公司方面取得了重大進展，引領智能停車行業。由於為創建資源節約型和環保型企業所做的不懈努力，本集團於2018年財政年度對環境的影響微乎其微。

廢氣和溫室氣體、固體廢物、廢水的排放均符合相關的環境法律法規。在回顧年度的所有溫室氣體排放中，本集團對環境的主要影響來自電力消耗。為了盡量減少與全球氣候變化的前兆相關的溫室氣體排放，本集團嚴格監控、管理和改善其業務模式，專注於其回收計劃，並依賴於電力的有效使用和控制。

環保教育是本集團高度重視的第一步。本集團致力於在所有員工使用自然資源方面培養勤勉和節儉的良好習慣。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

XI. ENVIRONMENTAL AND SOCIAL KPIS

Table 1 The Group's Total Emissions by Category in FY2018

	Emissions	Unit	Amount	Intensity ⁽¹⁾ (Unit per employee) 密度 ⁽¹⁾
	排放物	單位	數量	(單位每僱員)
Air emissions 廢氣排放	SO _x	Kg	1.0	–
	硫氧化物	公斤		
	NO _x	Kg	22.3	–
	氮氧化物	公斤		
GHG emissions 溫室氣體排放	Scope 1 (Direct Emissions)	tonnes CO ₂ e	166.1	0.4
	範圍一(直接排放)	噸二氧化碳當量		
	Scope 2 (Energy Indirect Emissions)	tonnes CO ₂ e	1,050.3	2.7
	範圍二(能源間接排放)	噸二氧化碳當量		
	Scope 3 (Other Indirect Emissions) ⁽²⁾	tonnes CO ₂ e	15.8	–
	範圍三(其他間接排放) ⁽²⁾	噸二氧化碳當量		
	Total (Scope 1, 2 & 3)	tonnes CO ₂ e	1,232.2	3.2
	總計(範圍一、二、三)	噸二氧化碳當量		
Non-hazardous waste emissions 無害廢物排放	Solid Wastes	Kg	3,296.4	8.5
	固體廢棄物	公斤		
	Wastewater	m ³	4,284.0	11.1
	廢水	立方米		

⁽¹⁾ Intensity was calculated by dividing the average number of employees of the Group in FY2018; and

⁽²⁾ The Group's GHG emissions for Scope 3 (Other Indirect Emissions) only cover that from electricity used for processing paper.

XI. 環境及社會數據

表一 本集團於2018財年按類別劃分的總排放量

⁽¹⁾ 密度是由排放量除以集團2018財年平均僱員數所得；及

⁽²⁾ 本集團範圍3(其他間接排放)的溫室氣體排放僅由生產紙張所消耗的電力產生。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境·社會及管治報告

Table 2 The Group's Total Use of Resources by Category in FY2018

表二 本集團於2018財年按類別劃分資源總使用情況

Resource Category	Item	Unit	Amount	Intensity ⁽¹⁾ (Unit per employee) 密度 ⁽¹⁾ (單位每僱員)
資源類別	項目	單位	數量	(單位每僱員)
Energy 能源	Electricity	kWh'000	1,192.6	3.1
	電力	千千瓦時		
	Gasoline	liters	69,706.0	180.1
	汽油	公升		
Water 水	Water	m ³	4,283.0	11.1
	水	立方米		
Paper 紙張	Paper	Kg	3,296.4	8.5
	紙張	公斤		

⁽¹⁾ Intensity was calculated by dividing the average number of employees of the Group in FY2018

⁽¹⁾ 密度是由資源使用量除以集團2018財年平均僱員數所得。

Table 3 Total workforce by gender and age group in FY2018

表三 2018財年按性別和年齡組劃分的員工總數

Unit: number of employees

單位：員工人數

By age group

年齡組

Gender	性別	Aged	Aged	Aged	Aged	Total
		below 30	31-40	41-50	50 & above	
		30歲以下	31-40歲	41-50歲	50歲以上	總計
Male	男	53	103	73	43	272
Female	女	41	66	26	8	141
Total	總計	94	169	99	51	413

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Table 4 Employee turnover rate by gender and age group in FY2018

表四 2018財年按性別和年齡分類的僱員流失率

Unit: number of employees 單位：員工人數		By age group 年齡組				Total 總計
Gender 性別		Aged below 30 30歲以下	Aged 31-40 31-40歲	Aged 41-50 41-50歲	Aged 50 & above 50歲以上	
Male Employee	男 員工離職率*	6 1.6%	4 1.0%	0 0.0%	7 1.8%	17 4.4%
	turnover rate* (in %)					
Female Employee	女 員工離職率*	7 1.8%	6 1.6%	8 2.1%	1 0.3%	22 5.7%
	turnover rate* (in %)					
Total Total employee	總計 總員工離職率*	13 3.4%	10 2.6%	8 2.1%	8 2.1%	39 10.1%
	turnover rate* (in %)					

* Turnover rate = the number of regular employees voluntarily resigned ÷ annual average workforce of the Group

* 離職率=正常僱員自願辭職的數量÷本集團的年平均員工人數

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

To the Members of Shougang Concord International Enterprises Company Limited

(incorporated in Hong Kong with limited liability)

OPINION

What we have audited

The consolidated financial statements of Shougang Concord International Enterprises Company Limited (the “**Company**”) and its subsidiaries (the “**Group**”) set out on pages 214 to 378, which comprise:

- the consolidated statement of financial position as at 31 December 2018;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the consolidated statement of changes in equity 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 Hong Kong Companies Ordinance.

致：首長國際企業有限公司成員

(於香港註冊成立之有限公司)

意見

我們已審計的內容

首長國際企業有限公司(「**貴公司**」)及其附屬公司(「**貴集團**」)載列於第214頁至378頁的綜合財務報表，包括：

- 於2018年12月31日的綜合財務狀況表；
- 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現金流量表；
- 截至該日止年度的綜合權益變動表；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頒佈的《香港財務報告準則》真實而中肯地反映了 貴集團於2018年12月31日的綜合財務狀況及其截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港《公司條例》妥為擬備。

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**s”) 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.

Key audit matters identified in our audit are summarised as follows:

- Impairment assessment of investment in an associate – Shougang Fushan Resources Group Limited (“**Shougang Resources**”)
- Classification of and impairment assessment of investment in an associate – Shougang Concord Century Holdings Limited (“**Shougang Century**”) in relation to the Group’s planned disposal of interest in Shougang Century

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」部分中作進一步闡述。

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

關鍵審計事項為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已經處理的，我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項概述如下：

- 於一間聯營公司(首鋼福山資源集團有限公司(「**首鋼資源**」))投資的減值評估
- 有關計劃出售於一間聯營公司(首長寶佳集團有限公司(「**首長寶佳**」))投資的分類及減值評估

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項
Impairment assessment of investment in an associate – Shougang Resources 於一間聯營公司（首鋼資源）投資的減值評估	
<p>Refer to notes 4 and 18(A) to the consolidated financial statements.</p> <p>As at 31 December 2018, the Group held significant interests in Shougang Resources, an associate of the Group which engaged in coking coal mining, production and sales of coking coal products. The carrying amount of the investment aggregated to HK\$4,821,128,000, of which HK\$1,048,488,000 was goodwill. An impairment assessment was performed in respect of the investment in Shougang Resources. In carrying out the impairment assessment, management calculated the recoverable amount based on value-in-use calculation, as determined by the discounted cash flow model. The key assumptions of the discounted cash flow model included revenue growth rates, terminal growth rate, gross margin and the discount rate which required significant management judgement.</p> <p>請參閱綜合財務報表附註4及附註18(A)。</p> <p>於2018年12月31日，貴集團持有首鋼資源（貴集團的一間從事焦煤開採、生產及銷售的聯營公司）之重大權益。投資之賬面值合計為港幣4,821,128,000元，其中港幣1,048,488,000元為商譽。貴集團已就於首鋼資源之投資作出減值評估。於作出減值評估時，管理層根據由貼現現金流量模式釐定之使用價值計算可收回金額。貼現現金流量模式的主要假設包括需作出重大管理層判斷之收入增長率、永續增長率、毛利率及貼現率。</p>	<p>Our procedures in relation to the impairment assessment of the investment in this associate included:</p> <ul style="list-style-type: none"> - Evaluating the appropriateness of management's model used in the value-in-use calculation and assessing the accuracy of mathematical calculations used in the model; - Assessing the appropriateness and reasonableness of the key assumptions, which included revenue growth rates, terminal growth rate, gross margin and discount rate based on our knowledge of the business and the industry and taking into account Shougang Resources' future operating plans. This included comparing (i) the revenue growth rates, terminal growth rate and gross margin to industry trends and Shougang Resources' historical performance and (ii) the cost of capital used for Shougang Resources to the discount rates of comparable companies in the industry; <p>我們就於該聯營公司投資的減值評估採取的程序包括：</p> <ul style="list-style-type: none"> - 評估管理層於使用價值計算中所使用模式的適當性，並評估於該模式中使用的數學計算的準確性； - 根據我們對業務及行業之瞭解，並經考慮首鋼資源的未來經營計劃，評估管理層所作重大假設之適當性及合理性，包括收入增長率、永續增長率、毛利率及貼現率；這包括(i)收入增長率、永續增長率及毛利率與行業趨勢及首鋼資源之過往業績的比較及(ii)首鋼資源之資本成本與業內可比較公司的貼現率的比較；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項
Impairment assessment of investment in an associate – Shougang Resources (continued) 於一間聯營公司(首鋼資源)投資的減值評估(續)	
<p>Based on the result of the impairment assessment conducted by management of the Group, no provision for impairment was necessary as at 31 December 2018.</p> <p>We focused on this area because the carrying amount of the investment in Shougang Resources was significant to the consolidated financial statements. Further, the judgement and assumptions applied to the impairment assessment in calculating the recoverable amount based on the discounted cash flow model were critical.</p> <p>基於 貴集團管理層作出的減值評估的結果，於2018年12月31日無需作出減值撥備。</p> <p>我們專注於此方面乃由於於首鋼資源投資之賬面值對綜合財務報表而言屬重大。此外，於根據貼現現金流量模式計算可收回金額時應用於減值評估的判斷及假設亦屬重大。</p>	<ul style="list-style-type: none"> – Comparing the current year's actual results with the prior year's forecast to assess the reasonableness of management's forecasting; – Reconciling the data input in the impairment assessment to supporting evidence such as budgets approved by the Board; and – Evaluating management's sensitivity analysis on the key assumptions used in the discounted cash flow model to understand the impact of reasonable changes in assumptions on the estimated recoverable amounts. <p>Based on the procedures performed, we found that the key assumptions and estimates made by management were supported by the available evidence.</p> <ul style="list-style-type: none"> – 將本年度實際業績與上一年度的預測進行比較，以評估管理層預測之合理性； – 將減值評估中的數據輸入與支持證據(如董事會批准的預算)進行對比；及 – 評估管理層就貼現現金流量模型所用關鍵假設的敏感性分析，以瞭解假設的合理變動對估計可收回金額的影響。 <p>根據所執行之程序，我們認為管理層作出的關鍵假設及估計得到了現有證據的支持。</p>

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項
Classification of and impairment assessment of investment in an associate – Shougang Century in relation to the Group's planned disposal of interest in Shougang Century 有關 貴集團計劃出售於一間聯營公司（「首長寶佳」）投資的分類及減值評估	
<p>(i) Classification of investment in an associate – Shougang Century</p> <p>Refer to notes 4 and 18(A) to the consolidated financial statements.</p> <p>As at 31 December 2018, the Group held an interest in Shougang Century, an associate of the Group which engaged in production and sales of steel cords and sawing wires for automotive tires with a carrying value of HK\$411,197,000.</p> <p>(ii) 於一間聯營公司（首長寶佳）的投資分類</p> <p>請參閱綜合財務報表附註4及附註18(A)。</p> <p>於2018年12月31日，貴集團持有首長寶佳（貴集團的一間從事汽車輪胎用鋼簾線及切割鋼絲的生產及銷售的聯營公司，其賬面值為港幣411,197,000元）的重大權益。</p>	<p>(i) Our procedures in relation to management's assessment on the classification of the investment in Shougang Century included:</p> <ul style="list-style-type: none"> – Examining minutes of the board meetings and written correspondence between the Group and Shougang Holding to assess management's plan and intention for the disposal and planned timing of obtaining independent shareholders' approval for the disposal. We confirmed with management that no letter of intent nor communication was received from the independent shareholders who held voting rights in the General Meeting regarding their intended decision on the approval of the disposal; <p>(ii) 我們就管理層對於首長寶佳投資的分類評估採取的程序包括：</p> <ul style="list-style-type: none"> – 查閱董事會會議記錄及 貴集團與首鋼控股之間的書面通訊，以評估管理層的出售計劃及意向及計劃獲得獨立股東批准的時間。我們與管理層確認，並無收到於股東大會上持有投票權的獨立股東就彼等批准有關出售的擬定決定的意向書或書面通信；

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<p>Classification of and impairment assessment of investment in an associate – Shougang Century in relation to the Group's planned disposal of interest in Shougang Century (continued)</p> <p>有關 貴集團計劃出售於一間聯營公司(「首長寶佳」)投資的分類及減值評估(續)</p>	
<p>(i) Classification of investment in an associate – Shougang Century (continued)</p> <p>On 21 November 2018, the Group announced that it had entered into a sale and purchase agreement with Shougang Holding, the controlling holding company of the Company, pursuant to which the Company had conditionally agreed to sell, and Shougang Holding had conditionally agreed to purchase, the entire equity interest in Shougang Century held by the Company at a consideration of approximately HK\$205,997,000.</p> <p>According to HKFRS 5, non-current assets and disposal groups should be classified as held-for-sale if their carrying value will be recovered principally through a sales transaction rather than through continuing use. One of the conditions that must be satisfied for classification as held-for-sale is that the sale is highly probable. In addition, assets held-for-sale should be measured at the lower of carrying value and estimated fair value less costs to sell.</p> <p>(i) 於一間聯營公司(首長寶佳)的投資分類(續)</p> <p>於2018年11月21日，貴集團宣佈其已與貴公司之控股公司首鋼控股訂立買賣協議，據此，貴公司已有條件同意出售，而首鋼控股已有條件同意購買貴公司所持有於首長寶佳的全部股權，代價約為港幣205,997,000元。</p> <p>根據香港財務報告準則第5號，倘其賬面值主要通過銷售交易而非通過繼續持有而收回，該非流動資產及出售組合應分類為持有待售。分類為持有待售必須滿足的其中一項條件為極有可能完成出售。此外，持有待售資產應按賬面值與估計公平值減去銷售成本的較低者計量。</p>	<p>(i) Our procedures in relation to management's assessment on the classification of the investment in Shougang Century included: (continued)</p> <ul style="list-style-type: none"> - Obtaining representation from management on their assessment on the likelihood of completing the planned disposal transaction and the intention letter from management of the plan to continue to hold the investment and to recover the carrying value of investment through continuing use if the planned disposal transaction did not go through. <p>Based on the procedures performed, we found that the key judgement made by management was supported by the available evidence.</p> <p>(i) 我們就管理層對於首長寶佳投資的分類評估採取的程序包括：(續)</p> <ul style="list-style-type: none"> - 取得管理層對其完成計劃出售交易的可能性的評估聲明，以及管理層繼續持有投資，以及倘計劃出售交易未能達成，其通過繼續使用收回投資賬面值的計劃的意向書。 <p>根據所執行之程序，我們認為管理層作出的關鍵判斷得到了現有證據的支持。</p>

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<p>(i) Classification of investment in an associate – Shougang Century (continued)</p> <p>Given the disposal is subject to the approval of independent shareholders at a general meeting (the “General Meeting”) and the approval is not able to be ascertained or determined to be highly probable up to the report date, management determined that the criteria of HKFRS 5 were not met, as a result, the investment in Shougang Century as at 31 December 2018, had not been reclassified as an asset held-for-sale. Had the investment in Shougang Century been regarded as held-for-sale as at 31 December 2018, an impairment loss of approximately HK\$205,200,000 would have been recognised.</p> <p>We focused on this area since significant judgement was made by management in the classification of the investment in Shougang Century, specifically whether the requirements of HKFRS 5 had been met. In addition, had the requirements of HKFRS 5 been met, the reclassification and impairment losses involved in the planned disposal transaction would have had a significant impact on the consolidated financial statements of the Group.</p> <p>(i) 於一間聯營公司（首長寶佳）的投資分類（續）</p> <p>鑒於出售事項須待獨立股東於股東大會（「股東大會」）上批准，而直至報告日期仍無法確定獲批之可能性，管理層由此確定香港財務報告第5號之標準未獲達成，因此，於2018年12月31日於首長寶佳的投資未被重新分類為持作出售資產。倘於2018年12月31日於首長寶佳之投資被視為持有待售，則將確認一項約港幣205,200,000元的減值虧損。</p> <p>我們專注於此方面乃由於管理層於對於首長寶佳的投資進行分類時曾作出重大判斷，尤其是香港財務報告準則第5號之要求是否已達成。此外，倘香港財務報告準則第5號的規定已達成，計劃出售交易所涉及重新分類及減值虧損對 貴集團的綜合財務報表將亦有重大影響。</p>	

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<p>(ii) Impairment assessment of investment in an associate – Shougang Century in relation to the Group's planned disposal of interest in Shougang Century</p> <p>The Group has a plan for disposal of its investment in Shougang Century and in accordance with the requirements of HKAS 36, an impairment test is required for non-current assets before classification as assets held-for-sale since a plan of disposal is an internal impairment indicator. In carrying out the impairment assessment, management calculated the recoverable amounts based on value-in-use calculation as determined by the discounted cash flow model. The key assumptions of the discounted cash flow model including revenue growth rates, terminal growth rate, gross margin, discount rate and the probability of completion of the planned disposal required significant management judgement.</p> <p>(ii) 有關 貴集團計劃出售於一間聯營公司（「首長寶佳」）權益的減值評估</p> <p>貴集團計劃出售其於首長寶佳之投資，根據香港會計準則第36號之要求，出售計劃乃一項內部減值指標，因此於分類為持作出售資產前須對非流動資產進行減值測試。於作出減值評估時，管理層乃根據由貼現現金流量模式釐定的使用價值計算來計算可收回金額。貼現現金流量模式的主要假設包括收入增長率、永續增長率、毛利率、貼現率及完成計劃出售之可能性需作出重大管理層判斷。</p>	<p>(ii) Our procedures in relation to the impairment assessment of the investment in Shougang Century included:</p> <ul style="list-style-type: none"> – Evaluating the appropriateness of management's model used in the value-in-use calculation and assessing the accuracy of mathematical calculations used in the model; – Assessing the appropriateness and reasonableness of the key assumptions, which included revenue growth rates, terminal growth rate, gross margin, discount rate and probability of completion of the planned disposal based on our knowledge of the business and the industry and taking into account Shougang Century's future operating plans. This included comparing (i) the revenue growth rates, terminal growth rate and gross margin to industry trends and Shougang Century's historical performance; (ii) the cost of capital used for Shougang Century to the discount rates of comparable companies in the industry; and (iii) our work performed in respect of the probability of completion of the planned disposal as included in part (i) above; <p>(ii) 我們就管理層對於首長寶佳投資的減值評估採取的程序包括：</p> <ul style="list-style-type: none"> – 評估管理層於使用價值計算中所使用模式的適當性，並評估於該模式中使用的數學計算的準確性； – 根據我們對業務及行業的瞭解，並經考慮首長寶佳之未來經營計劃，評估重大假設的適當性及合理性，包括收入增長率、永續增長率、毛利率、貼現率及完成計劃出售之可能性。這包括(i)我們將收入增長率、永續增長率及毛利率與行業趨勢及首長寶佳的過往表現的比較；(ii)首長寶佳所用資本成本與業內可資比公司的貼現率的比較；及(iii)我們對完成計劃出售可能性作出的工作已納入上文(i)部分；

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有關 貴集團計劃出售於一間聯營公司(首長寶佳)投資的分類及減值評估(續)	
<p>(ii) Impairment assessment of investment in an associate – Shougang Century in relation to the Group's planned disposal of interest in Shougang Century (continued)</p> <p>Based on the result of the impairment assessment conducted by management of the Group, no provision for impairment was necessary as at 31 December 2018.</p> <p>We focused on this area because the carrying amount of the investment in Shougang Century was significant to the consolidated financial statements. Further, the judgement and assumptions applied to the impairment assessment in calculating the recoverable amount based on the discounted cash flows model were critical.</p> <p>(ii) 有關 貴集團計劃出售於一間聯營公司(「首長寶佳」)權益的減值評估(續)</p> <p>基於 貴集團管理層作出的減值評估的結果，於2018年12月31日無需作出減值撥備。</p> <p>我們專注於此方面乃由於於首長寶佳投資的賬面值對綜合財務報表而言屬重大。此外，於根據貼現現金流量模式計算可收回金額時應用於減值評估之判斷及假設亦屬重大。</p>	<p>(ii) Our procedures in relation to the impairment assessment of the investment in Shougang Century included: (continued)</p> <ul style="list-style-type: none"> – Comparing the current year actual results with the prior year forecast to assess the reasonableness of management's forecasting; <p>(ii) 我們就管理層對於首長寶佳投資的減值評估採取的程序包括：(續)</p> <ul style="list-style-type: none"> – 將本年度實際業績與上一年度的預測進行比較，以評估管理層預測的合理性；

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	<p>(ii) Our procedures in relation to the impairment assessment of the investment in Shougang Century included: (continued)</p> <ul style="list-style-type: none"> - Reconciling the data input in the impairment assessment to supporting evidence such as budgets approved by the Board; and - Evaluating management's sensitivity analysis on the key assumptions used in the discounted cash flow model to understand the impact of reasonably possible changes in assumptions on the estimated recoverable amounts. <p>Based on the procedures performed, we found that the key assumptions and estimates made by management were supported by the available evidence.</p> <p>(ii) 我們就管理層對於首長寶佳投資的減值評估採取的程序包括:(續)</p> <ul style="list-style-type: none"> - 將減值評估中的數據輸入與支持證據(如董事會批准的預算)進行對比;及 - 評估貼現現金流量模式所用管理層對主要假設的敏感性分析,以瞭解假設的合理可能變動對估計可收回金額的影響。 <p>根據所執行之程序,我們認為管理層作出的關鍵假設及估計得到了現有證據的支持。</p>

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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 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，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信息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信息，在此過程中，考慮其他信息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》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編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在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。

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

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.

核數師就審計綜合財務報表須承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照香港《公司條例》第405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。我們不會就本報告內容向任何其他人士負上或承擔任何責任。合理保證為高水平的保證，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匯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。

作為根據《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：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及獲取充足及適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致出現重大錯誤陳述的風險高於未能發現因錯誤而導致出現重大錯誤陳述的風險。

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對 貴集團內部控制的有效性發表意見。
- 評估董事所採納會計政策的適當性以及作出會計估計及相關披露的合理性。
- 對董事採納持續經營會計基礎的適當性作出結論，並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。
- 評估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交易及事項。
- 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、監督及執行。我們為審計意見承擔全部責任。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

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

From the matters communicated with the 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 Ng Ka Ho.

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控制的任何重大缺陷。

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被認為會影響我們獨立性的所有關係及其他事項，以及在適用的情況下，相關的防範措施。

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吳家豪。

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 26 March 2019

羅兵咸永道會計師事務所
執業會計師

香港，2019年3月26日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**綜合全面收益表**

For the year ended 31 December 2018 截至2018年12月31日止年度

		Note	2018	2017
		附註	HK\$'000	HK\$'000
			港幣千元	港幣千元
Revenue	收入	5	1,676,296	3,816,145
Cost of sales	銷售成本	8	(1,515,759)	(3,807,035)
Gross profit	毛利		160,537	9,110
Other income	其他收入	6	36,688	6,501
Other gains, net	其他收益淨額	7	16,104	491
Reversal of provision/(provision) for impairment losses for trade receivables	應收賬款減值撥備 回撥/(撥備)	20	13,898	(25,227)
Net gains/(losses) related to commodity contracts	有關商品合約之收益/ (虧損)淨額	22	44,713	(122,461)
Administrative expenses	行政支出	8	(178,075)	(42,261)
Operating profit/(loss)	經營溢利/(虧損)		93,865	(173,847)
Finance costs	財務成本	10	(5,699)	(17,392)
Share of results of associates	攤佔聯營公司之業績		275,363	248,525
Share of result of a joint venture	攤佔合營公司之業績		3,253	-
Profit before income tax	除所得稅前溢利		366,782	57,286
Income tax expense	所得稅支出	11	(10,011)	-
Profit for the year	年度溢利		356,771	57,286
Profit is attributable to:	以下人士應佔溢利:			
Owners of the Company	股東		353,097	57,286
Non-controlling interests	非控股權益		3,674	-
			356,771	57,286

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 December 2018 截至2018年12月31日止年度

	Note 附註	2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Other comprehensive (loss)/income	其他全面(虧損)/收益		
<i>Items that maybe subsequently reclassified to profit or loss:</i>	<i>往後可能將重新分類至損益之項目:</i>		
Share of exchange differences of associates arising on translations	攤佔聯營公司外幣折算產生之匯兌差額	(167,943)	176,760
Exchange difference arising on translation of foreign operations	折算海外業務產生之匯兌差額	(29,613)	-
<i>Items that will not be reclassified to profit or loss:</i>	<i>將不會重新分類至損益之項目:</i>		
Share of exchange differences of associates arising on translations	攤佔聯營公司外幣折算產生之匯兌差額	-	38,358
Share of fair value gain on investment in equity instruments designated as at fair value through other comprehensive income of an associate	攤佔一間聯營公司被指定為按公平值計入其他全面收益之股本工具投資之公平值收益	6,730	42,813
Other comprehensive (losses)/income for the year	年度其他全面(虧損)/收益	(190,826)	257,931
Total comprehensive income for the year	年度全面收益總額	165,945	315,217
Total comprehensive income/(losses) attributable to:	以下人士應佔之全面收益/(虧損)總額:		
Owners of the Company	股東	169,634	315,217
Non-controlling interests	非控股權益	(3,689)	-
		165,945	315,217
Earnings per share	每股盈利		
- Basic and diluted (HK cents)	- 基本及攤薄(港仙)	1.75	0.56
	12	1.75	0.56

The notes on pages 222 to 378 are an integral part of these consolidated financial statements.

第222至378頁之附註為本綜合財務報表之整體部份。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2018 於2018年12月31日

			2018	2017
	Note		HK\$'000	HK\$'000
	附註		港幣千元	港幣千元
ASSETS		資產		
Non-current assets		非流動資產		
Property, plant and equipment	13	物業、廠房及設備	8,066	4,850
Investment properties	14	投資物業	151,702	6,900
Investments in associates	18(a)	於聯營公司之投資	5,232,325	5,073,079
Investment in a joint venture	18(b)	於合營公司之投資	80,216	81,299
Financial assets at fair value through profit or loss – non-current	19	按公平值計入損益之金融資產—非流動	195,416	121,596
Assets relating to commodity contracts – non-current	22	有關商品合約之資產—非流動	150,193	151,244
Deferred income tax assets	28	遞延所得稅資產	–	35,212
Other non-current assets	15	其他非流動資產	246,280	208,495
Total non-current assets		非流動資產總值	6,064,198	5,682,675
Current assets		流動資產		
Trade and bills receivables	20	應收賬款及票據	117,231	823,704
Prepayments, deposits and other receivables	20	預付款項、按金及其他應收款項	63,893	74,602
Amounts due from related companies	21	借予關聯公司之款項	19	398
Amounts due from associates	21	借予聯營公司之款項	241	8
Financial assets at fair value through profit or loss – current	19	按公平值計入損益之金融資產—流動	145,316	114,676
Assets relating to commodity contracts – current	22	有關商品合約之資產—流動	3,425	–
Restricted bank deposits	23	受限制銀行存款	2,036	618
Time deposits with original maturity over three months	24	原到期日為三個月以上的定期存款	–	100,000
Bank balances and cash	24	銀行結存及現金	3,034,026	1,389,628
Total current assets		流動資產總值	3,366,187	2,503,634
Total assets		總資產	9,430,385	8,186,309
EQUITY		權益		
Capital and reserves		股本及儲備		
Share capital	25	股本	8,830,429	7,349,545
Reserves		儲備	135,828	(324,756)
Capital and reserves attributable to owners of the Company		股東應佔股本及儲備	8,966,257	7,024,789
Non-controlling interests		非控股權益	29,199	218,863
Total equity		總權益	8,995,456	7,243,652

The notes on pages 222 to 378 are an integral part of these consolidated financial statements

第222至378頁之附註為本綜合財務報表之整體部份。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2018 於2018年12月31日

		2018	2017
	Note	HK\$'000	HK\$'000
	附註	港幣千元	港幣千元
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Deferred income tax liabilities	遞延所得稅負債	29,633	25,174
Other non-current liabilities	其他非流動負債	1,139	-
Total non-current liabilities	非流動負債總額	30,772	25,174
Current liabilities	流動負債		
Trade and bills payables	應付賬款及票據	61,379	569,191
Other payables, provision and accrued liabilities	其他應付款項、撥備及 應計負債	74,720	95,895
Contract Liabilities	合約負債	8,047	-
Liabilities relating to commodity contracts	有關商品合約之負債	-	91,989
Tax payable	應付稅項	156,868	160,408
Borrowings	借款	103,143	-
Total current liabilities	流動負債總額	404,157	917,483
Total liabilities	總負債	434,929	942,657
Total equity and liabilities	總權益及負債	9,430,385	8,186,309

The consolidated financial statements on pages 214 to 378 were approved by the Board of Directors on 26 March 2019 and were signed on its behalf.

載於第214至378頁之綜合財務報表於2019年3月26日獲董事會批准，並代其簽署。

Zhao Tianyang

趙天暘

Director

董事

Liang Hengyi

梁衡義

Director

董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2018 截至2018年12月31日止年度

		Attributable to the owners of the Company 股東應佔							Non-controlling interests	
		Share capital	Capital contribution reserve	Exchange reserve	Share option reserve	Security investment reserve	Accumulated losses	Total	Non-controlling interests	Total
		股本	注資儲備	匯兌儲備	購股權儲備	證券投資儲備	累計虧損	合計	非控股權益	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		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
Balance at 1 January 2017	於2017年1月1日之結餘	5,345,183	4,848,033	38,634	289,560	(720,614)	(5,095,586)	4,705,210	-	4,705,210
Comprehensive income	全面收益									
Profit for the year	年度溢利	-	-	-	-	-	57,286	57,286	-	57,286
Share of other comprehensive income of associates	攤佔聯營公司其他全面收益	-	-	215,118	-	42,813	-	257,931	-	257,931
Total comprehensive income for the year	年內全面收益總額	-	-	215,118	-	42,813	57,286	315,217	-	315,217
Ordinary shares issued (Note 25)	已發行普通股 (附註25)	2,015,527	-	-	-	-	-	2,015,527	-	2,015,527
Transaction costs attributable to issue of new ordinary shares (Note 25)	因發行新普通股產生之交易成本 (附註25)	(11,165)	-	-	-	-	-	(11,165)	-	(11,165)
Acquisitions of subsidiaries (Note 30)	收購附屬公司 (附註30)	-	-	-	-	-	-	-	218,863	218,863
At 31 December 2017	於2017年12月31日	7,349,545	4,848,033	253,752	289,560	(677,801)	(5,038,300)	7,024,789	218,863	7,243,652

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2018 截至2018年12月31日止年度

		Attributable to the owners of the Company									
		股東應佔									
		Share capital	Capital contribution reserve	Exchange reserve	Share option reserve	Security investment reserve	Accumulated losses	Other reserve	Total	Non-controlling interests	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Balance at 1 January 2018	於2018年1月1日之結餘	7,349,545	4,848,033	253,752	289,560	(677,801)	(5,038,300)	-	7,024,789	218,863	7,243,652
Comprehensive income	全面收益										
Profit for the year	年度溢利	-	-	-	-	-	353,097	-	353,097	3,674	356,771
Share of other comprehensive (loss)/income of associates	攤佔聯營公司其他全面(虧損)/收益	-	-	(167,943)	-	6,730	-	-	(161,213)	-	(161,213)
Exchange differences arising on translation	折算產生之匯兌差額	-	-	(22,250)	-	-	-	-	(22,250)	(7,363)	(39,613)
Total comprehensive (loss)/income for the year	年內全面(虧損)/收益總額	-	-	(190,193)	-	6,730	353,097	-	169,634	(3,689)	165,945
Ordinary shares issued (Note 25)	已發行普通股(附註25)	1,488,111	-	-	-	-	-	-	1,488,111	-	1,488,111
Transaction costs attributable to issue of new ordinary shares (Note 25)	因發行新普通股產生之交易成本(附註25)	(7,227)	-	-	-	-	-	-	(7,227)	-	(7,227)
Transactions with non-controlling interests (Note 31)	與非控股權益之交易(附註31)	-	-	-	-	-	-	(41,426)	(41,426)	(185,975)	(227,401)
Reclassification of share option reserve to accumulated losses	購股權儲備重新分類至累計虧損	-	-	-	(289,560)	-	289,560	-	-	-	-
Realisation of gain from disposal of FVOCI to an associate	向一間聯營公司出售按公平值計入其他全面收益之收益變現	-	-	-	-	-	332,376	-	332,376	-	332,376
Transfer to statutory reserve (Note (i))	轉撥至法定儲備(附註(i))	-	-	-	-	-	(1,721)	1,721	-	-	-
At 31 December 2018	於2018年12月31日	8,830,429	4,848,033	63,559	-	(671,071)	(4,064,988)	(39,705)	8,966,257	29,199	8,995,456

Note (i):

The PRC laws and regulations require companies registered in the People's Republic of China (the "PRC", for the purpose of this report shall exclude Hong Kong, the Macao Special Administrative Region of the People's Republic of China and Taiwan) to provide for certain statutory reserves, which are to be appropriated from the net profit (after offsetting accumulated losses from prior years) as reported in their respective statutory financial statements, before profit distributions to equity holder. All statutory reserves are created for specific purposes. PRC company is required to appropriate 10% of statutory net profits to statutory reserves, upon distribution of its post-tax profits of the current year. A company may discontinue the contribution when the aggregate sum of the statutory surplus reserve is more than 50% of its registered capital. The statutory reserves shall only be used to make up losses of the company, to expand the company's production operations, or to increase the capital of the company.

The notes on pages 222 to 378 are an integral part of these consolidated financial statements

附註(i):

中國法律法規要求在中華人民共和國(「中國」,就本報告而言,不包括香港,中華人民共和國澳門特別行政區及台灣)註冊之公司從各自法定財務報表所呈報的淨溢利(抵銷以往年度之累計虧損後)中,於分派溢利予權益持有人前,劃撥款項以提撥若干法定儲備金。所有法定儲備金均為特別用途而設立。中國公司於分派當年度之除稅後溢利時,須向法定儲備劃撥淨溢利之10%。當公司法定盈餘儲備的總和超過其註冊資本之50%時,公司可停止劃撥。法定儲備將僅可用作彌補公司之虧損、擴大公司的生產營運或增加公司之資本。

第222頁至第378頁之附註為本綜合財務報表之整體部份。

CONSOLIDATED STATEMENT OF CASH FLOWS**綜合現金流量表**

For the year ended 31 December 2018 截至2018年12月31日止年度

			2018	2017
		Note	HK\$'000	HK\$'000
		附註	港幣千元	港幣千元
Cash flows from operating activities	經營活動之現金流量			
Net cash generated from/(used) in operations	業務營運所得/(所用) 現金淨額	33	131,156	(219,362)
Interest expense	利息開支		(1,887)	(17,392)
Income tax paid	已付所得稅		(9,222)	-
Purchase of tax certificates	購買儲稅券		-	(48,343)
Net cash generated from/(used in) operating activities	經營活動所得/(所用)之現金淨額		120,047	(285,097)
Cash flows from investing activities	投資活動之現金流量			
Acquisitions of subsidiaries, net of cash acquired	收購附屬公司， 扣除已取得現金	30	5,481	(268,721)
Amounts due from associates	應收聯營公司款項		(233)	18
Dividends received from associates	已收聯營公司之股息	18	319,117	87,838
Interest received	已收利息		36,559	6,501
Repayment from related companies	來自關聯公司之還款		379	456
Advance to related companies	給予關聯公司之墊款		-	(398)
Withdrawal of/(placement of) time deposits with original maturity over three months	提取/(存放)原到期日 為三個月以上的定期存款		100,000	(100,000)
Placement of pledged bank deposits	存放已抵押銀行存款		-	(10,000)
Withdrawal of pledged bank deposits	提取已抵押銀行存款		-	33,073
Placement of restricted bank deposits	存放受限制銀行存款		(2,036)	(45,175)
Withdrawal of restricted bank deposits	提取受限制銀行存款		618	44,557
Purchase of property, plant and equipment	購買物業、機器及設備	13	(3,776)	(366)
Purchase of investment properties	購買投資物業	14	(137,146)	-
Addition of financial assets at fair value through profit or loss	添置按公平值計入損益之 金融資產		(84,291)	-
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益之 金融資產之所得款項		37,604	-
Purchase of other non-current assets	購買其他非流動資產	15	(4,985)	-
Settlement of liabilities relating to commodity contracts	結算有關商品合約之負債	22	(49,650)	-
Net cash generated from/(used in) investing activities	投資活動所得/(所用)之現金淨額		217,641	(252,217)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2018 截至2018年12月31日止年度

		2018	2017
	Note	HK\$'000	HK\$'000
	附註	港幣千元	港幣千元
Cash flows from financing activities	融資活動之現金流量		
Repayment of borrowings	償還借款	(1,949,104)	(4,105,090)
Proceeds from borrowings	借款所得款項	2,048,435	3,483,936
Net proceeds from issue of ordinary shares	發行普通股之所得款項淨額 25(a),(c)	1,218,708	2,004,362
Net cash generated from financing activities	融資活動所得之現金淨額	1,318,039	1,383,208
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	1,655,727	845,894
Cash and cash equivalents at beginning of the year	年初之現金及現金等價物	1,389,628	537,488
Effect of foreign exchange rate changes	外幣匯率變動之影響	(11,329)	6,246
Cash and cash equivalents at end of year	年末之現金及現金等價物	3,034,026	1,389,628

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

1 GENERAL INFORMATION

The Company is incorporated in Hong Kong with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Company’s controlling shareholder is Shougang Holding (Hong Kong) Limited (“**Shougang Holding**”), which together with its subsidiaries, held approximately 33% equity interest in the Company as at 31 December 2018, and the ultimate and immediate holding company of Shougang Holding is Shougang Group Co., Ltd., a company established in the PRC. Shougang Group Co., Ltd., together with its associates (as defined in the Rules Governing the Listing of Securities on the Stock Exchange) other than the Company and its subsidiaries (collectively referred to as the “**Group**”), will hereinafter be referred to as the “**Shougang Group**”. Together with the 19% equity interest in the Company held by Shougang Group’s subsidiary, Beijing Shougang Fund Co., Ltd. (“**Shougang Fund**”), the total equity interest in the Company held by Shougang Group is approximately 52%. The addresses of the registered office and principal place of business of the Company are disclosed in Corporate Information of the annual report.

The Company is an investment holding company. The principal activities of the Company’s principal subsidiaries, associates and joint venture are set out in notes 17 and 18.

The consolidated financial statements are presented in thousands of units of Hong Kong dollars, unless otherwise stated. These financial statements have been reviewed by the audit committee of the Company and approved for issue by the Board of Directors on 26 March 2019.

1 一般資料

本公司乃於香港註冊成立之有限公司，其股份在香港聯合交易所有限公司（「**聯交所**」）上市。本公司之控股股東為首鋼控股（香港）有限公司（「**首鋼控股**」）（其於2018年12月31日連同其附屬公司共持有之本公司約33%之股權），而首鋼控股之最終及直接控股公司為在中國成立之首鋼集團有限公司。首鋼集團有限公司連同其聯繫人（如聯交所證券上市規則所定義）（本公司及其附屬公司（統稱為「**本集團**」）除外）將會在下文統稱為「**首鋼集團**」。連同首鋼集團的附屬公司北京首鋼基金有限公司（「**首鋼基金**」）持有本公司19%股權，首鋼集團持有本公司之總股權約為52%。本公司之註冊辦事處及主要營業地點之地址於年報內公司資料中披露。

本公司為一間投資控股公司。本公司主要附屬公司、聯營公司及合營公司的主要業務載於附註17及18。

除非另有說明，否則本綜合財務報表以港幣千元為單位呈列。該等財務報表已經本公司審核委員會審閱並由董事會於2019年3月26日批准刊發。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”) and requirements of the Hong Kong Companies Ordinance (Cap. 622). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, assets and liabilities relating to commodity contracts and financial assets and liabilities at fair value through profit or loss, which are carried at fair values.

The preparation of the financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

2 重要會計政策概要

編製本綜合財務報表時應用之主要會計政策載於下文。除非另有說明，否則此等政策在所呈列之所有年度內貫徹應用。

2.1 編製基準

本公司之綜合財務報表乃根據所有適用之香港財務報告準則及香港公司條例（第622章）之要求編製。綜合財務報表乃根據歷史成本法編製，並就按公平值入賬之投資物業、有關商品合約之資產及負債及按公平值計入損益之金融資產及負債之重估作出修訂。

編製符合香港財務報告準則之財務報表需要使用若干關鍵會計估計，亦需要管理層在應用本集團會計政策之過程中行使判斷。涉及高度判斷或高度複雜性之範疇，或涉及對綜合財務報表屬重大假設和估計之範疇，在附註4內披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**綜合財務報表附註**

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.1 Basis of preparation (continued)****2.1.1 Changes in accounting policy and disclosures**

- (a) New and amended standards adopted by the Group

The following amendments to standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2018:

- HKFRS 9 (2014) Financial Instruments
- HKFRS 15 Revenue from Contracts with Customers
- Classification and Measurement of Share-based Payment Transactions – Amendments to HKFRS 2
- Annual Improvements 2014-2016 cycle
- Transfers to Investment Property – Amendments to HKAS 40
- Interpretation 22 Foreign Currency Transactions and Advance Consideration

The Group had to change its accounting policies and make certain retrospective adjustments following the adoption of HKFRS 9 and HKFRS 15. Most of the other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2 重要會計政策概要 (續)**2.1 編製基準 (續)****2.1.1 會計政策變動及披露**

- (a) 本集團採納之新訂及經修訂準則

以下準則之修訂已獲本集團於2018年1月1日或其後開始之財政年度首次採納：

- 香港財務報告準則第9號 (2014年) 金融工具
- 香港財務報告準則第15號 – 來自客戶合約的收入
- 以股份支付交易的分類及計量香港財務報告準則第2號之修訂
- 2014年至2016年周期之年度改進
- 轉撥投資物業 – 香港會計準則第40號之修訂
- 解釋第22號外幣交易及預付代價

本集團須於採納香港財務報告準則第9號及香港財務報告準則第15號之後更改其會計政策並作出若干追溯性調整。上述大多數其他修訂對前期確認之金額並無任何影響，預計不會對當前或未來期間產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosures (continued)

- (b) New and revised HKFRSs issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2018 reporting periods and have not been early adopted by the Group.

2 重要會計政策概要 (續)

2.1 編製基準 (續)

2.1.1 會計政策變動及披露 (續)

- (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則

若干新訂會計準則及解釋已頒佈但無需於2018年12月31日報告期間強制執行而本集團亦未提早採納。

**Effective for
 accounting
 periods
 beginning
 on or after
 於下列日期或
 之後開始之
 會計期間生效**

HKFRS 16 香港財務報告準則第16號	Leases 租賃	1 January 2019 2019年1月1日
HK (IFRIC) – Int 23 香港(國際財務報告詮釋 委員會) – 解釋第23號	Uncertainty over Income Tax Treatments 所得稅處理之不確定性	1 January 2019 2019年1月1日
Amendment to HKAS 19 香港會計準則第19號之修訂	Employee Benefits 僱員福利	1 January 2019 2019年1月1日
Amendment to HKFRS 9 香港財務報告準則 第9號之修訂	Prepayment Features with Negative Compensation 具有負補償之提前還款特點	1 January 2019 2019年1月1日
HKFRS 17 香港財務報告準則第17號	Insurance Contract 保險合約	1 January 2022 2022年1月1日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosures (continued)

- (b) New and revised HKFRSs issued but not yet effective (continued)

2 重要會計政策概要 (續)

2.1 編製基準 (續)

2.1.1 會計政策變動及披露 (續)

- (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則 (續)

**Effective for
accounting
periods
beginning
on or after
於下列日期或
之後開始之
會計期間生效**

Amendments to HKFRS 3 香港財務報告準則第3號之修訂	Definition of Business 業務的定義	1 January 2020 2020年1月1日
Amendments to HKAS 1 and HKAS 8 香港會計準則第1號及 香港會計準則第8號之 修訂	Definition of Material 重大性的定義	1 January 2020 2020年1月1日
Amendments to HKAS 28 香港會計準則第28號之修訂	Investment in Associates and Joint Ventures 於聯營公司及合營公司之投資	1 January 2019 2019年1月1日
Annual Improvement Project 年度改進項目	Annual Improvements 2015 – 2017 Cycle 2015年至2017年周期之年度改進	1 January 2019 2019年1月1日
Amendments to HKFRS 10 香港財務報告準則 第10號之修訂	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture 投資者與其聯營公司或合營公司之間的 資產出售或投入	To be determined 待定

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosures (continued)

- (b) New and revised HKFRSs issued but not yet effective (continued)

The Group's assessment of the impact of these new standards and interpretations is set out below.

HKFRS 16 Leases

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the statement of financial position by lessees, 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 the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of HK\$145,860,000.

2 重要會計政策概要 (續)

2.1 編製基準 (續)

2.1.1 會計政策變動及披露 (續)

- (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則 (續)

本集團對該等新訂準則及解釋之影響之評估載列如下。

香港財務報告準則第16號租賃

香港財務報告準則第16號已於2016年1月頒佈。其將致使絕大部分租約將由承租人於財務狀況表確認，此乃由於經營租賃與融資租賃之間的區別被移除。根據新訂準則，一項資產（使用租賃項目的權利）及支付租金的金融負債須予確認。唯一的例外情況為短期及低價值租賃。

出租人之會計處理將不會大幅變動。

該準則將影響本集團經營租賃的會計處理。於報告日期，本集團之不可撤銷經營租賃承諾為港幣145,860,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosures (continued)

- (b) New and revised HKFRSs issued but not yet effective (continued)

HKFRS 16 Leases (continued)

The Group has not yet assessed the adjustments, if any, are necessary for example because of the change in the definition of the lease term and the different treatment of variable lease payments and of extension and termination options. It is therefore not yet possible to estimate the amount of right-of-use assets and lease liabilities that will have to be recognised on adoption of the new standard and how this may affect the Group's profit or loss and classification of cash flows going forward.

This new standard is mandatory for financial years commencing on or after 1 January 2019. The Group will apply the standard from its mandatory adoption date of 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured on transition as if the new rules had always been applied. All other right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

There are no other standards and interpretations that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2 重要會計政策概要 (續)

2.1 編製基準 (續)

2.1.1 會計政策變動及披露 (續)

- (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第16號租賃 (續)

本集團並無對該必要調整 (如有) 作出評估, 如因租期之定義變更及可變租賃付款與續租及終止選擇權之不同處理。因此, 尚未能估計於採納新訂準則時必須確認之使用權資產及租賃負債金額及其將可能如何影響本集團之損益及未來現金流量分類。

該新訂準則將於2019年1月1日或之後開始的財政年度強制實行。本集團將於2019年1月1日 (即強制採納日期) 起應用該準則。本集團擬應用簡化過渡法, 且不會重列首次採納前一年之比較金額。物業租賃之使用權資產將於過渡時計量, 猶如新規則一直被應用。所有其他使用權資產將按採納時的租賃負債金額計量 (並根據任何預付或應計租賃費用進行調整)。

概無尚未生效且預期對實體於目前或未來報告期間以及對可見未來交易造成重大影響之其他準則及解釋。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosures (continued)

- (c) Impact of adoption on financial statements – HKFRS 9 and HKFRS 15 (collectively, the “**New HKFRSs**”)

(i) Adoption of HKFRS 9

The Group had early adopted HKFRS 9 (version issued in 2010) in 2012. A revised version of HKFRS 9 was issued in 2014 mainly to include (a) impairment requirements for financial assets and (b) limited amendments to the classification and measurement requirements by introducing a “fair value through other comprehensive income” (“**FVOCI**”) measurement category for certain debt instruments.

In relation to the impairment of financial assets, the revised version of HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39 Financial Instruments: Recognition and Measurement (“**HKAS 39**”). The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

2 重要會計政策概要 (續)

2.1 編製基準 (續)

2.1.1 會計政策變動及披露 (續)

- (c) 採納香港財務報告準則第9號及香港財務報告準則第15號 (統稱「**新訂香港財務報告準則**」) 對財務報表之影響

(i) 採納香港財務報告準則第9號

本集團於2012年提早採納香港財務報告準則第9號 (於2010年頒佈之版本)。香港財務報告準則第9號的修訂版已於2014年頒佈，包括(a)對金融資產之減值要求及(b)通過引入「按公平值計入其他全面收益」計量類別而對若干債務工具之分類及計量要求進行的有限修訂。

就金融資產的減值而言，與香港會計準則第39號財務工具：確認及計量 (「**香港會計準則第39號**」) 項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號之修訂版本規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於每結算日將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來的變動。換言之，毋須再待發生信貸事件即可確認信貸虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosures (continued)

- (c) Impact of adoption on financial statements – HKFRS 9 and HKFRS 15 (collectively, the “**New HKFRSs**”) (continued)
- (i) Adoption of HKFRS 9 (continued)

The revised version of HKFRS 9 introduced a ‘fair value through other comprehensive income’ measurement category for particular debt instruments. The introduction of this measurement category has no impact on the Group’s consolidated financial statements as the Group did not hold any of these debt instruments as at 1 January 2018 or 31 December 2018.

The adoption of the revised version of HKFRS 9 from 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the consolidated financial statements. The new accounting policies are set out below. In accordance with the transitional provisions in HKFRS 9 (7.2.15) and (7.2.26), comparative figures have not been restated.

2 重要會計政策概要 (續)

2.1 編製基準 (續)

2.1.1 會計政策變動及披露 (續)

- (c) 採納香港財務報告準則第9號及香港財務報告準則第15號(統稱「**新訂香港財務報告準則**」)對財務報表之影響(續)
- (i) 採納香港財務報告準則第9號(續)

香港財務報告準則第9號之修訂版為特定債務工具引入「按公平值計入其他全面收益」計量類別。由於本集團於2018年1月1日或2018年12月31日並未持有任何債務工具，因此引入該計量類別對本集團之綜合財務報表並無任何影響。

自2018年1月1日起採納香港財務報告準則第9號之修訂版導致會計政策變動及對於綜合財務報表確認之金額作出調整。新訂會計政策載於下文。根據香港財務報告準則第9號(7.2.15)及(7.2.26)之過渡性條文，比較數字尚未重列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosures (continued)

- (c) Impact of adoption on financial statements – HKFRS 9 and HKFRS 15 (collectively, the “**New HKFRSs**”) (continued)
- (i) Adoption of HKFRS 9 (continued)

Impairment of financial assets

The Group has three types of financial assets that are subject to HKFRS 9’s new expected credit loss model:

- trade and bills receivables for trading of iron ore, management and operations of car parking assets and management of private funds
- contract assets relating to trading of iron ore, management and operations of car parking assets and management of private funds
- other financial assets at amortised costs

2 重要會計政策概要 (續)

2.1 編製基準 (續)

2.1.1 會計政策變動及披露 (續)

- (c) 採納香港財務報告準則第9號及香港財務報告準則第15號(統稱「新訂香港財務報告準則」)對財務報表之影響(續)
- (i) 採納香港財務報告準則第9號(續)

金融資產減值

本集團有三類金融資產受香港財務報告準則第9號新預期信貸虧損模式所規限：

- 買賣鐵礦石、停車資產經營管理以及私募基金管理的應收賬款及票據
- 有關買賣鐵礦石、停車資產經營管理以及私募基金之基金管理的合約資產
- 按攤餘成本列賬之其他金融資產

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosures (continued)

- (c) Impact of adoption on financial statements – HKFRS 9 and HKFRS 15 (collectively, the “**New HKFRSs**”) (continued)
- (i) Adoption of HKFRS 9 (continued)

Impairment of financial assets (continued)

The Group revised its impairment methodology under HKFRS 9 for each of these classes of assets. The impact of the change in impairment methodology on the Group’s retained earnings and equity was immaterial.

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

Trade and bills receivables and contract assets

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and bills receivables and contract assets.

To measure the expected credit losses, trade and bills receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade and bills receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade and bills receivables are a reasonable approximation of the loss rates for the contract assets. The Group has assessed that adopting HKFRS 9 would not have a material impact on the Group’s result of operation and financial position.

2 重要會計政策概要 (續)

2.1 編製基準 (續)

2.1.1 會計政策變動及披露 (續)

- (c) 採納香港財務報告準則第9號及香港財務報告準則第15號(統稱「**新訂香港財務報告準則**」)對財務報表之影響(續)
- (i) 採納香港財務報告準則第9號(續)

金融資產減值(續)

本集團已就上述每項資產類別根據香港財務報告準則第9號修訂其減值方法。減值方法的修訂對本集團留存收益及權益的影響不大。

現金及現金等價物亦受香港財務報告準則第9號之減值規定所規限，惟已識別減值虧損並不重大。

應收賬款及票據以及合約資產

本集團應用香港財務報告準則第9號簡化方法計量預期信貸虧損，為所有應收賬款及票據以及合約資產使用終生預期虧損撥備。

為計量預期信貸虧損，應收賬款及票據以及合約資產已根據攤佔信貸風險特點及逾期天數分類。合約資產與未開單在建工程有關，並與相似類型合同的應收賬款及票據具有大部分相同的風險特性。因此，本集團得出結論，應收賬款及票據的預期虧損率與合約資產的虧損率相若程度合理。本集團已評估，採納香港財務報告準則第9號對本集團之經營業績及財務狀況並無重大影響。

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For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosures (continued)

- (c) Impact of adoption on financial statements – HKFRS 9 and HKFRS 15 (collectively, the “**New HKFRSs**”) (continued)
- (i) Adoption of HKFRS 9 (continued)

Trade and bills receivables and contract assets (continued)

Trade and bills receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Other financial assets at amortised cost

Other financial assets at amortised cost include other receivables, amounts due from related companies, and amounts due from associates, the Group has assessed the expected credit loss model apply to these assets as at 1 January 2018 and the change in impairment methodologies has no impact of the Group’s consolidated financial statements and the opening loss allowance is not restated in this respect.

2 重要會計政策概要 (續)

2.1 編製基準 (續)

2.1.1 會計政策變動及披露 (續)

- (c) 採納香港財務報告準則第9號及香港財務報告準則第15號 (統稱「新訂香港財務報告準則」) 對財務報表之影響 (續)
- (i) 採納香港財務報告準則第9號 (續)

應收賬款及票據以及合約資產 (續)

應收賬款及票據以及合約資產於並無收回的合理預期時撇銷。並無收回的合理預期的跡象包括 (除其他事項外) 債務人未能與本集團訂立還款計劃。

按攤餘成本列賬之其他金融資產

按攤餘成本列賬之其他金融資產主要包括按金及其他應收款項、借予關聯公司之款項及借予聯營公司之款項。本集團已評估於2018年1月1日適用於此類資產的預期信貸虧損模式，而減值方法之變動對本集團之綜合財務報表並無影響，而期初虧損撥備並未就此作出重列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosures (continued)

(c) Impact of adoption on financial statements – HKFRS 9 and HKFRS 15 (collectively, the “**New HKFRSs**”) (continued)

(ii) Adoption of HKFRS 15

The Group has adopted HKFRS 15 from 1 January 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the consolidated financial statements. In accordance with the transitional provisions in HKFRS 15, the Group has adopted the modified retrospective approach and comparative figures have not been restated.

The effects of the adoption of HKFRS 15 are as follows:

(a) Presentation of contract assets and liabilities

Reclassifications were made as at 1 January 2018 to be consistent with the terminology used under HKFRS 15:

- Contract liabilities for deposit received recognised in relation to fund management fee and car parking activities were previously presented as other payables.
- Contract assets recognised in relation to operation activities were previously presented as other receivables.

2 重要會計政策概要 (續)

2.1 編製基準 (續)

2.1.1 會計政策變動及披露 (續)

(c) 採納香港財務報告準則第9號及香港財務報告準則第15號(統稱「**新訂香港財務報告準則**」)對財務報表之影響(續)

(ii) 採納香港財務報告準則第15號

本集團自2018年1月1日起採納香港財務報告準則第15號，從而導致會計政策變動及於綜合財務報表確認的金額調整。按照香港財務報告準則第15號的過渡性條文，本集團已採納經修改追溯法且比較數字並無經重列。

採納香港財務報告準則第15號的影響如下：

(a) 合約資產及負債的呈列

於2018年1月1日作出的重新分類與根據香港財務報告準則第15號所使用的方法一致：

- 就基金管理費及停車場業務確認的已收按金的合約負債先前呈列為其他應付款項。
- 就經營活動確認的合約資產先前呈列為其他應收款項。

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綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosures (continued)

- (c) Impact of adoption on financial statements – HKFRS 9 and HKFRS 15 (collectively, the “**New HKFRSs**”) (continued)
- (ii) Adoption of HKFRS 15 (continued)
- (b) The impact on the Group’s financial position by the application of HKFRS 15 as compared to HKAS 18 that was previously in effect before the adoption of HKFRS 15 is as follows:

2 重要會計政策概要 (續)

2.1 編製基準 (續)

2.1.1 會計政策變動及披露 (續)

- (c) 採納香港財務報告準則第9號及香港財務報告準則第15號(統稱「新訂香港財務報告準則」)對財務報表之影響(續)
- (ii) 採納香港財務報告準則第15號(續)
- (b) 較之在採納香港財務報告準則第15號之前生效的香港會計準則第18號,本集團的財務狀況因應用香港財務報告準則第15號而受到的影響如下:

		HKAS 18		HKFRS 15
		carrying		carrying
		amount		amount
		31 December		1 January
		2017	Reclassification	2018
		香港會計準則		香港
		第18號賬面值		財務報告準則
		2017年12月31日	重新分類	第15號賬面值
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
Consolidated statement of financial position (extract)	綜合財務狀況表(摘錄)			
Contract assets	合約資產	–	37,750	37,750
Other receivables	其他應收款項	37,750	(37,750)	–
Contract liabilities	合約負債	–	38,507	38,507
Other payables	其他應付款項	38,507	(38,507)	–

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綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosures (continued)

(c) Impact of adoption on financial statements – HKFRS 9 and HKFRS 15 (collectively, the “New HKFRSs”) (continued)

(ii) Adoption of HKFRS 15 (continued)

(b) (continued)

2 重要會計政策概要 (續)

2.1 編製基準 (續)

2.1.1 會計政策變動及披露 (續)

(c) 採納香港財務報告準則第9號及香港財務報告準則第15號(統稱「新訂香港財務報告準則」)對財務報表之影響(續)

(ii) 採納香港財務報告準則第15號(續)

(b) (續)

HKAS 18 carrying amount 31 December 2018 香港會計 準則第18號 賬面值 2018年12月31日 HK\$'000 港幣千元	Reclassification	HKFRS 15 carrying amount 31 December 2018 香港財務報告 準則第15號 賬面值 2018年12月31日 HK\$'000 港幣千元

Consolidated statement of financial position (extract)	綜合財務狀況表(摘錄)			
Contract liabilities	合約負債	-	8,047	8,047
Other payables	其他應付款項	8,047	(8,047)	-

The adoption of HKFRS 15 has no material impact to the Group's net assets as at 31 December 2017 and the consolidated results, earnings per share (basic and diluted) and consolidated statement of cash flows for the year ended 31 December 2017.

採納香港財務報告準則第15號並無對本集團於2017年12月31日的資產淨值以及截至2017年12月31日止年度的綜合業績、每股盈利(基本及攤薄)及綜合現金流量表有任何重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Principles of consolidation and equity accounting

(a) 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 the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position respectively.

2 重要會計政策概要 (續)

2.2 綜合及股權會計原則

(a) 附屬公司

附屬公司為本集團對其擁有控制權之所有實體。當本集團可透過參與實體之業務而就可變回報承擔風險或享有當中權利及有能力通過其權力指導實體活動從而影響該等回報時，則本集團可控制實體。附屬公司自控制權轉移至本集團之日起悉數合併。其於控制權終止之日終止合併。

本集團之業務合併採用會計收購法入賬。

本集團內公司間之交易、結餘及未變現收益會予以抵銷。除非交易提供證據證明所轉讓資產出現減值，否則未變現虧損亦予以抵銷。附屬公司之會計政策已按需要作出修改，以確保與本集團採納之政策保持一致。

附屬公司之業績及權益中之非控股權益分別於綜合全面收益表、綜合權益變動表及綜合財務狀況表中單獨列示。

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綜合財務報表附註

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Principles of consolidation and equity accounting (continued)

(b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(c) Joint arrangements

Under HKFRS 11 "Joint Arrangements" investments in joint arrangements are classified as either joint operations or a joint venture. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Company has joint ventures. Interests in joint ventures are accounted for using the equity method (see (d) below), after initially being recognised at cost in the consolidated statement of financial position.

(d) Equity accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in consolidated statement of comprehensive income, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates or joint ventures are recognised as a reduction in the carrying amount of the investment.

2 重要會計政策概要 (續)

2.2 綜合及股權會計原則 (續)

(b) 聯營公司

聯營公司指所有本集團對其擁有重大影響力而無控制權或聯合控制權之實體。一般情況是本集團持有附帶有20%至50%投票權之股權。聯營公司的投資以權益會計法入賬，初始以成本確認。

(c) 合營安排

根據香港財務報告準則第11號「合營安排」，於合營安排之投資分類為合營業務或合營企業。該分類視乎各投資者之合約權利及責任，而非合營安排之法律架構。本公司擁有合營企業。於合併財務狀況表初步按成本確認後，於合營企業之權益使用權益法（請參閱下文(d)）入賬。

(d) 權益會計

根據權益會計法，投資初步以成本確認，其後予以調整，以確認本集團分佔收購後溢利或於綜合全面收益表中被投資者之虧損以及本集團分佔其他全面收入之被投資者其他全面收入變動。已收或應收聯營公司或合營企業之股息確認為投資賬面價值之減少。

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For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Principles of consolidation and equity accounting (continued)

(d) Equity accounting (continued)

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 2.10.

2 重要會計政策概要 (續)

2.2 綜合及股權會計原則 (續)

(d) 權益會計 (續)

當本集團分佔權益會計投資之虧損相當於或超過其於實體之權益 (包括任何其他無抵押長期應收款項) 時, 本集團並不會確認進一步虧損, 除非其已承擔責任或代表其他實體進行付款。

本集團與其合營公司及聯營企業間交易之未變現收益按本集團於該等實體之權益予以抵銷。未變現虧損亦予以抵銷, 除非交易提供證據證明所轉讓資產出現減值。以權益法入賬的被投企業之會計政策已按需要作出修改, 以確保與本集團採納之政策貫徹一致。

權益入賬投資之賬面值乃按附註 2.10所述政策作減值測試。

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綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Principles of consolidation and equity accounting (continued)

(e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control or joint control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in consolidated statement of comprehensive income. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associated company, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2 重要會計政策概要 (續)

2.2 綜合及股權會計原則 (續)

(e) 擁有權權益之變動

本集團內部非控股權益的交易不會導致本集團失去控制權。擁有權權益變動導致控股與非控股權益賬面值間之調整以反映其於附屬公司之相關權益。非控股權益調整數額與任何已付或已收代價間之任何差額於股東應佔權益中之獨立儲備內確認。

當本集團對一項投資喪失控制或共同控制權時，將終止對其合併或以權益法入賬。該投資剩餘權益將以公平價值重新計量，與賬面值的變動計入綜合全面收益表內。就隨後入賬列作聯營公司、合營企業或金融資產之保留權益而言，該公平值成為初步賬面值。此外，先前於其他全面收入內確認與該實體有關任何金額按猶如該集團已直接出售有關資產或負債之方式入賬。此可能意味著先前在其他全面收入內確認之金額重新分類至損益或轉撥至香港財務報告準則所指／准許之另一權益類別。

倘於合營企業或聯營公司之擁有權權益減少，而共同控制權或重大影響力獲保留，則僅需將先前於其他全面收入內確認之金額重新分類至損益（倘適用）。

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For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisitions of subsidiaries comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

2 重要會計政策概要 (續)

2.3 業務合併

所有業務合併採用會計收購法入賬，不論是否購買權益工具或其他資產。購買附屬公司所轉讓之代價包括：

- 所轉讓資產之公平值
- 對所收購業務之前擁有人承擔之負債
- 本集團發行之股權
- 或然代價安排所產生之任何資產或負債之公平值，及
- 附屬公司中任何先前股權之公平值。

在業務合併中所收購可識別資產以及所承擔之負債及或然負債，初始以其於收購日期之公平值計量（於有限之例外情況下）。本集團按逐項收購基準以公平值或非控股權益應佔所收購實體可識別資產，確認任何於所收購實體之非控股權益。

收購相關成本於產生時支銷。

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綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Business combinations (continued)

The excess of the

- consideration transferred
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

2 重要會計政策概要 (續)

2.3 業務合併 (續)

以下各項

- 所轉讓代價
- 於所收購實體之任何非控股權益之金額，及
- 任何先前於所收購實體之股權於收購日期之公平值。

超出所收購可識別資產淨值之公平值之差額列賬為商譽。倘該等金額低於所收購業務可識別資產淨值之公平值，則該差額直接於損益確認為收購溢價。

倘現金代價任何部分之結算被延期，則未來的應付金額將貼現至換算日期的現值。所用貼現率為實體的增量借款利率，即可比較條款及條件下獨立融資人可獲得類似借貸的利率。或然代價分類為權益或金融負債。分類為金融負債之金額隨後重新計量至公平值，而公平值變動則於損益內確認。

倘業務合併分階段進行，收購方原先所持被收購方股權於收購日期之賬面值重新計量至公平值。重新計量產生的任何收益或虧損確認為損益。

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For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. 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.

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of Company has appointed a strategic steering committee which assesses the financial performance and position of the Group, and makes strategic decisions. The steering committee, which has been identified as being the chief operating decision maker, consists of the chief executive officer, the chief financial officer and the manager for corporate planning.

2 重要會計政策概要 (續)

2.4 獨立財務報表

於附屬公司之投資已按成本減減值列賬。成本包括投資之直接應佔成本。附屬公司之業績已由本公司按已收及應收股息列賬。

從該等投資收取股息時，如股息超過附屬公司於宣派股息期內之全面收益總額，或該等投資於獨立財務報表內之賬面金額超過所投資公司淨資產（包括商譽）於綜合財務報表之賬面金額，則於附屬公司之投資須進行減值測試。

2.5 分部報告

經營分部之呈報方式與向主要營運決策者提供之內部報告貫徹一致。

公司董事會已成立戰略指導委員會，負責評估本集團的財務業績及狀況，並作出戰略決策。指導委員會已被確定為主要經營決策者，由行政總裁、財務總監及企業規劃經理組成。

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綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 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 dollar, which is Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of comprehensive income on a net basis within other gains/(losses).

2 重要會計政策概要 (續)

2.6 外幣換算

(i) 功能及呈列貨幣

本集團每個實體之財務報表內所列項目均以該實體營運所在主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表以港元呈列，港元為本公司之功能貨幣及呈列貨幣。

(ii) 交易及結餘

外幣交易採用交易日之匯率換算為功能貨幣。結算此等交易所產生之外匯盈虧及以年終匯率換算以外幣列賬之貨幣資產及負債所產生之外匯盈虧於損益內確認。倘其與合資格現金流量對沖及合資格投資淨額對沖相關，或構成海外業務投資淨額之一部分，則將於權益中遞延。

與借款有關的匯兌收益及虧損於綜合全面收益表內財務成本項下呈列。所有其他匯兌收益及虧損按淨額於綜合全面收益表內其他收益/(虧損)項下列賬。

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For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Foreign currency translation (continued)

(ii) Transactions and balances (continued)

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognised in other comprehensive income.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

2 重要會計政策概要 (續)

2.6 外幣換算 (續)

(ii) 交易及結餘 (續)

按公平值以外幣計量的非貨幣性項目，採用公平值確定日的匯率折算。按公平值計量的資產及負債的折算差額作為公平值損益的一部分呈報。例如，非貨幣資產及負債（如按公平值計入損益之股本工具）之換算差額於損益內確認為公平值盈虧之一部份，非貨幣資產（如分類為按公平值計入其他全面收益之股權）之換算差額乃於其他全面收益中確認。

(iii) 集團公司

功能貨幣與呈列貨幣不同之海外業務（當中並無嚴重通脹經濟之貨幣）之業績及財務狀況按以下方式換算為呈列貨幣：

- 每份呈列之財務狀況表內之資產及負債按該財務狀況表日期之收市匯率換算；
- 每份全面收益表內之收支按平均匯率換算（除非此平均匯率並非各交易日適用匯率累計影響之合理約數；在此情況下，收支按各交易日之匯率換算）；及
- 所有由此產生之匯兌差額於其他全面收益內確認。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.6 Foreign currency translation (continued)****(iii) Group companies (continued)**

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(iv) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

2 重要會計政策概要 (續)**2.6 外幣換算 (續)****(iii) 集團公司 (續)**

於合併時，因換算於任何外國實體的投資淨額以及指定為該等投資的對沖的借款及其他金融工具而產生的匯兌差額於其他全面收益中確認。當出售海外業務或償還構成投資淨額一部分的任何借款時，相關的匯兌差額將重新分類至損益，作為出售收益或虧損的一部分。

收購海外業務所產生之商譽及公平值調整視為該海外業務之資產及負債，並按收市匯率換算。

(iv) 出售海外業務及部份出售

於出售海外業務（即出售本集團於海外業務之全部權益、涉及失去對某一包含海外業務之附屬公司之控制權之出售、涉及失去對某一包含海外業務之合營公司之共同控制權之出售，或涉及失去對某一包含海外業務的聯營公司的重大影響力的出售）時，股東應佔權益中累計之所有貨幣換算差額均重新分類至損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Foreign currency translation (continued)

(iv) Disposal of foreign operation and partial disposal (continued)

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associates or joint ventures that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

2.7 Property, plant and equipment

All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

2 重要會計政策概要 (續)

2.6 外幣換算 (續)

(iv) 出售海外業務及部份出售 (續)

倘屬不會導致本集團失去對某一包含海外業務之附屬公司之控制權之部份出售，則該等應佔累計貨幣換算差額乃按比例重新分配至非控股權益及不會於損益內確認。就所有其他部份出售（即本集團於聯營公司或合營公司之所有權權益減少而不會導致本集團失去重大影響力或共同控制權）而言，該等應佔累計匯兌差額會按比例重新分類至損益。

2.7 物業、機器及設備

所有其他物業、廠房及設備均按歷史成本減折舊列賬。歷史成本包括直接歸屬於收購項目的支出。成本還可能包括來自以外幣購買物業、廠房及設備的合資格現金流量對沖的任何收益或損失的權益轉移。

其後成本僅在與該項目有關之未來經濟利益有可能流入本集團，而該項目之成本能可靠地計量時，方計入資產之賬面金額或確認為獨立資產（如適用）。作為單獨資產入賬的任何組成部分的賬面值於更換時終止確認。所有其他維修及保養於其產生的報告期內計入損益。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.7 Property, plant and equipment (continued)**

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives as follows:

Leasehold improvements	Shorter of lease term or 4 to 10 years
Furniture, fixtures and equipment	3 to 10 years
Motor vehicles	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in consolidated statement of comprehensive income.

2.8 Investment properties

Investment properties are held for long-term rental yields and are not occupied by the Group. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. Subsequently, they are carried at fair value. Changes in fair values are presented in profit or loss as part of other gain/(losses).

2 重要會計政策概要 (續)**2.7 物業、機器及設備 (續)**

折舊乃按估計可使用年期以直線法分配其成本或重估金額(扣除其剩餘價值)計算如下:

租賃物業裝修	租期或 4至10年 (以較短者 為準)
傢具、裝置及設備	3至10年
汽車	4年

資產之剩餘價值及可使用年期於各報告期末進行檢討,並在適當時調整。

倘資產之賬面金額高於其估計可收回金額,則其賬面金額即時撇減至其可收回數額。

出售之盈虧透過將所得款項與賬面金額作比較釐定,並計入綜合全面收益表。

2.8 投資物業

投資物業乃為長期租金收益而持有,而非由本集團佔用。投資物業初步按成本計量,包括相關交易成本及適用的借貸成本。隨後,其按公平值列賬。公平值變動作為其他收益/(虧損)之一部分計入損益。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Intangible assets

(i) Goodwill

Goodwill is measured as described in note 15. Goodwill on acquisitions of subsidiaries is included in “other non-current assets” in the consolidated statement of financial position. Goodwill on acquisition of associates or joint ventures is included in the cost of the investment in associates or joint ventures. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

2 重要會計政策概要 (續)

2.9 無形資產

(i) 商譽

商譽按附註15所述計量。收購附屬公司產生之商譽包含於綜合財務狀況表「其他非流動資產」。收購聯營公司或合營公司的商譽計入於聯營公司或合營公司之投資成本。商譽不予攤銷，惟每年進行減值測試，或當有事件出現或情況變動顯示可能出現減值時進行更頻繁的減值測試，並按成本減去累計減值虧損列示。出售實體的收益及虧損包括與出售實體有關的商譽賬面值。

商譽會被分配至現金產生單位以進行減值測試。有關分配乃對預期將從商譽產生的業務合併中獲益的現金產生單位或現金產生單位組別作出。現金產生單位或現金產生單位組別乃就內部管理目的而於監察商譽的最低層次（即經營分部）確認。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.9 Intangible assets (continued)****(ii) Intangible assets (other than goodwill)**

Separately acquired intangible assets are shown at historical cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite useful lives are subsequently carried at cost less accumulated amortisation and impairment losses. The amortisation period and amortisation method for an intangibles asset with finite useful life are assessed at every period end.

Intangible assets with indefinite lives are tested for impairment annually either individually or at the cash generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable, if not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

2 重要會計政策概要 (續)**2.9 無形資產 (續)****(ii) 無形資產 (商譽除外)**

分開購入的無形資產按歷史成本列示。在業務合併中購入的無形資產按購買日的公平值列示。無形資產的可使用年期評定為有限期或無限期。具有有限可使用年期的無形資產隨後按成本減累計攤銷及減值虧損列賬。具有有限可使用年期的無形資產的攤銷期及攤銷方法於各期間末評估。

年期並無限定的無形資產每年單獨或按現金產生單位進行減值測試。有關無形資產不作攤銷。每年對年期並無限定的無形資產的使用年期進行檢討，以確定年期並無限定的評估是否繼續得到支持。否則，使用年期評估由並無限定改為有限之情況將按預期適用基準入賬。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Intangible assets (continued)

(ii) Intangible assets (other than goodwill) (continued)

Amortisation of intangible assets is calculated using the straight line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Carpark operating rights	5 to 10 years
Funds management contracts	3 to 10 years

These intangible assets are included in "other non-current assets" in the consolidated statement of financial position.

2.10 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2 重要會計政策概要 (續)

2.9 無形資產 (續)

(ii) 無形資產 (商譽除外) (續)

無形資產之攤銷乃使用直線法計算，以將其成本分攤至其估計可使用年期的剩餘價值，詳情如下：

停車場經營權	5至10年
資金管理合約	3至10年

該等無形資產乃計入綜合財務狀況表中的「其他非流動資產」。

2.10 非金融資產之減值

沒有確定可使用年期之商譽及無形資產毋須攤銷，而須每年（或倘事件出現或情況有變顯示其可能出現減值，則更頻繁）進行減值測試。每當有事件出現或情況有變顯示賬面金額可能無法收回時，則其他資產將接受減值測試。減值虧損按資產之賬面金額超出其可收回金額之差額確認。可收回金額以資產之公平值扣除出售成本或使用價值兩者之較高者為準。於評估減值時，資產將按可獨立識別現金流量（其於較大程度上獨立於來自其他資產或資產組合之現金流入）之最低層次（現金產生單位）組合。商譽以外之非金融資產如有減值，於各報告期末就可能撥回減值進行檢討。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (“OCI”) or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

2 重要會計政策概要 (續)

2.11 金融資產

(i) 分類

本集團就其金融資產分類為下列計量類別：

- 隨後按公平值計量(通過其他全面收益(「其他全面收益」)或通過損益以反映公平值)之金融資產，及
- 按攤餘成本計量之金融資產。

分類視乎實體管理金融資產之業務模式及現金流量之合約條款而定。

按公平值計量之資產之收益或虧損將計入損益或其他全面收益。股本工具投資並未持作買賣，其將視乎本集團於初步確認時有否作出不可撤回之選擇將股本投資按公平值透過其他全面收益列賬。

本集團只限於當管理該等資產之業務模式改變時重新分類債務投資。

(ii) 確認及取消確認

金融資產之一般買賣在交易日確認—交易日指本集團承諾買賣該資產之日。當從金融資產收取現金流量之權利經已到期或經已轉讓，而本集團已將擁有權之絕大部份風險及回報實際轉讓時，金融資產即終止確認。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Financial assets (continued)

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of comprehensive income.

2 重要會計政策概要 (續)

2.11 金融資產 (續)

(iii) 計量

於初步確認時，本集團按其公平值加上（倘金融資產並非按公平值計入損益列賬）收購金融資產直接應佔之交易成本計量金融資產及負債。按公平值計入損益列賬的金融資產的交易成本於損益支銷。

在確定具有嵌入衍生工具的金融資產的現金流是否僅支付本金和利息時，需從金融資產的整體進行考慮。

債務工具

債務工具之後續計量取決於集團管理資產之業務模式及該等資產之現金流量特徵。本集團將其債務工具分類為三種計量類別：

- 攤餘成本：倘持有資產旨在收取合約現金流量，而該等資產之現金流量僅為支付本金及利息，該等資產按攤餘成本計量。該等金融資產的利息收入以實際利率法計入融資收入。終止確認的任何收益或虧損間接於損益中確認並於其他收益／（虧損）中呈列，連同匯兌收益／（虧損）。減值虧損於綜合全面收益表中呈列為獨立項目。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Financial assets (continued)

(iii) Measurement (continued)

Debt instruments (continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the consolidated statement of comprehensive income.

2 重要會計政策概要 (續)

2.11 金融資產 (續)

(iii) 計量 (續)

債務工具 (續)

- 按公平值透過其他全面收益計量：為收取合約現金流量及出售金融資產而持有的資產，倘該等資產之現金流量僅為支付本金及利息，則該等資產按公平值透過其他全面收益計量。賬面值變動計入其他全面收益，惟於損益中確認之減值收益或虧損、利息收益及外匯收益及虧損之確認除外。金融資產終止確認時，先前於其他全面收益確認之累計收益或虧損由權益重新分類至損益並於其他收益／（虧損）中確認。該等金融資產之利息收入按實際利率法計入融資收入。外匯收益及虧損呈列於其他收益／（虧損）中，而減值虧損則於綜合全面收益表中作為獨立項目列示。

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For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Financial assets (continued)

(iii) Measurement (continued)

Debt instruments (continued)

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in revenue or other gains/(losses) in the consolidated statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

2 重要會計政策概要 (續)

2.11 金融資產 (續)

(iii) 計量 (續)

債務工具 (續)

- 按公平值透過損益計量：不符合攤餘成本或按公平值透過其他全面收益列賬標準之資產乃按公平值透過損益列賬計量。隨後按公平值透過損益列賬之債務投資之收益或虧損於其產生期間在損益中確認並在其他收益／(虧損)中呈列為淨值。

股本工具

本集團隨後就所有股本投資按公平值計量。當本集團之管理層已選擇於其他全面收益呈列股本投資之公平值收益及虧損，公平值收益及虧損於終止確認投資後不會重新分類至損益。該等投資之股息於本集團收取款項之權利確立時繼續於損益確認為其他收入。

金融資產公平值之變動按公平值透過損益在綜合全面收益表中的收入或其他收益／(虧損)中確認(如適用)。按公平值透過其他全面收益計量之股本投資之減值虧損(及減值虧損撥回)不會與其他公平值變動分開呈報。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.11 Financial assets (continued)****(iv) Impairment**

From 1 January 2018, the Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note 20 for further details.

(v) Accounting policies applied until 31 December 2017

The Group has applied HKFRS 9 (revised version issued in 2014) retrospectively, but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Group's previous accounting policy.

2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2 重要會計政策概要 (續)**2.11 金融資產 (續)****(iv) 減值**

自2018年1月1日起，本集團按預期基準評估與按攤餘成本及按公平值計入其他全面收入列賬的債務工具相關的預期信貸虧損。所採用的減值方法取決於信貸風險是否顯著增加。

就應收賬款而言，本集團採納香港財務報告準則第9號允許的簡化方法，規定自初步確認應收賬款起確認整個存續期內的預期虧損，進一步詳情請參閱附註20。

(v) 於2017年12月31日前應用的會計準則

本集團已追溯應用香港財務報告準則第9號(2014年頒佈之修訂版)，但已選擇不重列比較資料。因此，所提供的比較資料將繼續根據本集團過往的會計政策入賬。

2.12 抵銷金融工具

當本集團目前有法定強制執行權利可抵銷已確認金額，且有意按淨額結算或同時變現資產及結算負債時，有關金融資產與負債可互相抵銷，並在財務狀況表報告其淨值。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

During the year, none of the derivative instruments has qualified for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss.

2.14 Trade and bill receivables

Trade and bill receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade and bill receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade and bill receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See note 20 for further information about the Group's accounting for trade and bill receivables and notes 2.1.2 and 2.11 for a description of the Group's impairment policies.

2 重要會計政策概要 (續)

2.13 衍生工具

衍生工具於衍生工具合約訂立當日按公平值初始確認，其後於各報告期間末按公平值重新計量。公平值變動之會計處理取決於該衍生工具是否被指定為對沖工具，如被指定為對沖工具，則取決於對沖項目之性質。

年內，衍生工具均不符合資格進行對沖會計處理。不符合資格進行對沖會計處理的衍生工具的公平值變動將立即在損益中確認。

2.14 應收賬款及票據

應收賬款及票據乃指就本集團於正常業務過程中所售商品或所提供之服務應收客戶之款項。應收賬款及票據初步按無條件代價金額確認，除非其包含重大融資成分，則按公平值確認。本集團持有應收賬款及票據，目的為收取合約現金流量，因此採用實際利率法按攤餘成本計量。有關本集團對應收賬款及票據的會計處理的進一步資料，請參閱附註20，有關本集團減值政策的說明，請參閱附註2.1.2及2.11。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.15 Cash and cash equivalents**

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

2.16 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.17 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2 重要會計政策概要 (續)**2.15 現金及現金等價物**

就於綜合現金流量表之呈列而言，現金及現金等價物包括手頭現金、金融機構活期存款、原定到期日為三個月或以內且可隨時轉換為已知數額現金而並無重大價值變動風險之其他短期高流通性投資以及銀行透支。銀行透支列入綜合財務狀況表中流動負債的借貸內。

2.16 股本

普通股乃分類列作權益。

發行新股份或購股權直接產生之遞增成本，乃列作所得款項扣除稅項後之扣減於權益入賬。

2.17 應付賬款及其他應付款項

該等金額指於財政年度結束前向本集團提供的未付款貨品及服務之負債。應付賬款及其他應付款項乃呈列為流動負債，除非應付款項於報告期後12個月內未到期。應付賬款初始以其公平值確認，其後採用實際利率法按攤餘成本計量。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Borrowing

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

2 重要會計政策概要 (續)

2.18 借貸

借貸初步按公平值扣除已產生之交易成本確認，其後按攤餘成本計量。所得款項（扣除交易成本）與贖回價值之間的任何差額於借貸期採用實際利率法於損益中確認。在貸款將很有可能部分或全部提取之情況下，就設立貸款融資支付之費用乃確認為貸款交易成本。在此情況下，該費用將遞延至提取貸款發生時。在並無跡象顯示該貸款將很有可能部分或全部提取之情況下，該費用撥充資本作為流動資金服務之預付款項，並於其相關融資期間內予以攤銷。

當合約中規定的義務被解除、註銷或屆滿時，借貸將從財務狀況表中剔除。已清償或轉移至另一方的金融負債賬面值與已付代價之間的差額，包括任何已轉移非現金資產或已承擔負債，均在損益中確認為財務成本。

倘金融負債條款重新協商且實體向債權人發行權益工具以清償全部或部分負債（債務股權置換），則收益或虧損於損益中確認，並按金融負債賬面值與已發行權益工具公平值間之差額計量。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.18 Borrowing (continued)**

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.19 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

2.20 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

2 重要會計政策概要 (續)**2.18 借貸 (續)**

除非本集團有權無條件將債務結算日期遞延至報告期後至少12個月，否則借貸將被分類為流動負債。

2.19 借貸成本

收購、建設或生產合資格資產直接應佔之一般及特定借貸成本，於完成資產及將資產達致擬定用途或可供出售狀態所需之一段時間內撥充資本。需要一段長時間方達致擬定用途或可供出售狀態之資產為合資格資產。

於特定借貸之臨時投資中賺取之投資收入，視乎彼等於合資格資產之支出而於可予資本化之借貸成本中扣除。

其他借貸成本均於彼等所產生之期間在損益中支銷。

2.20 當期及遞延所得稅

期內所得稅開支或抵免指根據各司法權區之適用所得稅稅率就當期應課稅收入支付之稅項，而該開支或抵免會因暫時差額及未動用稅項虧損所引致之遞延稅項資產及負債變動而作出調整。

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For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Current and deferred income tax (continued)

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its 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

Deferred income tax is provided in full, 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. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

2 重要會計政策概要 (續)

2.20 當期及遞延所得稅 (續)

當期所得稅

當期所得稅支出根據本公司及其附屬公司及聯營公司營運及產生應課稅收入之國家於報告期末已通過或大致上通過之稅法計算。管理層就適用稅務規例詮釋所規限之情況定期評估報稅表之狀況，並在適用情況下根據預期須向稅務機關支付之稅款設定撥備。

遞延所得稅

遞延所得稅以負債法按資產及負債之稅基與其賬面值產生之暫時差額，在綜合財務報表悉數計提撥備。然而，倘遞延稅項負債來自商譽之初步確認，則不予確認；而倘遞延所得稅來自初步確認一項於交易時不影響會計及應課稅損益之交易（業務合併除外）之資產及負債，則遞延所得稅不予入賬。遞延所得稅以報告期末已通過或大致上通過之稅率（及稅法）釐定，預計將於有關遞延所得稅資產變現或遞延所得稅負債清償時應用。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Current and deferred income tax (continued)

Deferred income tax (continued)

The deferred tax liability in relation to investment properties that is measured at fair value is determined by using the tax rates and the tax bases that are consistent with the expected manner of recovery of these investment properties.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in 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.

2 重要會計政策概要 (續)

2.20 當期及遞延所得稅 (續)

遞延所得稅 (續)

按公平值計量之投資物業之遞延稅項負債乃使用與收回該等投資物業預期方式一致的稅率及稅基釐定。

遞延稅項資產僅在未來應課稅金額將可用於抵銷該等暫時差額及虧損時予以確認。

倘本公司能控制撥回暫時差額之時間及該等差額很可能不會於可見將來撥回，則不會就海外業務投資賬面值與稅基之間之暫時差額確認遞延稅項負債及資產。

倘若存在可依法強制執行之權利將當期稅項資產與負債抵銷，及倘遞延稅項結餘與同一稅務機構相關，則可將遞延稅項資產與負債抵銷。倘實體有可依法強制執行抵銷權利且有意按淨值基準清償或同時變現資產及清償負債，則當期稅項資產與稅項負債相互抵銷。

當期及遞延稅項於損益中確認，惟與於其他全面收益或直接於權益確認之項目有關者則除外。在此情況下，稅項亦分別於其他全面收益或直接於權益中確認。

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For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Employee Benefits

Retirement benefit obligations

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the “**Pension Scheme**”) set up pursuant to the Mandatory Provident Fund Schemes Ordinance, for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the consolidated statement of comprehensive income as they become payable in accordance with the rules of the Pension Scheme. The assets of the Pension Scheme are held separately from those of the Group in an independently administrated fund. The Group’s employer contributions vest fully with the employees when contributed to the Pension Scheme, except for the Group’s employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to vesting fully in the contributions, in accordance with the rules of the Pension Scheme.

The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2 重要會計政策概要 (續)

2.21 僱員福利

退休福利責任

本集團根據強制性公積金計劃條例，為全體香港僱員設立界定供款強制性公積金退休福利計劃（「**退休金計劃**」）。供款乃按僱員基本薪金某個百分比計算，於根據退休金計劃之規則須予支付時自綜合全面收益表中扣除。退休金計劃之資產以獨立管理之基金形式與本集團之資產分開持有，本集團之僱主供款於繳入退休金計劃後全數歸屬僱員，惟當本集團之僱主自願供款全數歸屬僱員前而僱員離職，則按退休金計劃之規則撥回本集團。

於供款後，本集團再無其他付款責任。該等供款於到期時確認為僱員福利開支，因僱員在供款全數歸屬前退出計劃而被沒收之僱主供款，將會用作扣減該項供款。預付供款在有現金退款或可扣減未來供款的情況下確認為資產。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Employee Benefits (continued)

Retirement benefit obligations (continued)

In addition to the Mandatory Provident Fund Scheme for the Group's employees in Hong Kong, the Group is required to contribute to central pension schemes for certain Group's employees in the PRC based on applicable rates of monthly salary in accordance with government regulations. The only obligation of the Group with respect to the retirement benefit scheme is to make the specific contributions.

2.22 Share-based payments

The Group operates an equity-settled, share based compensation plans, which the entity receive services from employees as compensation for equity instruments (options) of the Group. The fair value of options granted under the Group is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (eg the requirement for employees to save or holdings shares for a specific period of time).

2 重要會計政策概要 (續)

2.21 僱員福利 (續)

退休福利責任 (續)

除本集團為香港僱員而設之強制性公積金計劃外，本集團須按政府規定，按月薪之適用比率就為本集團中國若干僱員而設之中央退休金計劃供款。本集團就退休福利計劃所承擔之唯一責任為作出特定供款。

2.22 股份付款

本集團運作一項以股本支付之股份報酬計劃，據此，實體以本集團的股本工具（購股權）作為獲得僱員服務的報酬。本集團授出之購股權之公平值確認為僱員福利開支，並於權益作出相應增加。將支銷的總額乃參考所授購股權之公平值釐定，並：

- 包括任何市場表現條件（例如實體股價）；
- 不包括任何服務及非市場表現歸屬條件（例如盈利能力、銷售增長目標及於指定時期仍為該實體服務之僱員）之影響；及
- 包括任何非歸屬條件（例如僱員儲蓄或於特定期間持有股份之規定）之影響。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.22 Share-based payments (continued)

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The employee option plan is administered by the Group. When the options are exercised, the Group transfers the appropriate number of shares to employee. The proceeds received net of any directly attributable transaction costs are credited directly to equity.

2.23 Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2 重要會計政策概要 (續)

2.22 股份付款 (續)

有關總開支於所有指定歸屬條件均達成之歸屬期間確認。於各期間末，實體會根據非市場歸屬及服務條件修訂預期歸屬之購股權數目之估計，並於損益確認修訂原有估計之影響（如有），及於股本作出相應調整。

僱員購股權計劃由本集團管理。當購股權獲行使時，本集團向僱員轉讓適當數目之股份。收取之所得款扣除任何交易直接應佔之成本後直接撥入股本。

2.23 撥備

倘本集團須就過去事項承擔現有法律或推定責任、履行該責任可能導致資源流出、及有關金額能可靠估計，方就法律索償、服務權證及履行義務確認撥備。概不就未來營運虧損確認撥備。

倘出現多項類似責任，因履行責任導致資源流出之可能性乃考慮責任之整體類別後釐定。即使同類責任中有關任何一項可能流出資源之機會不大，仍須確認撥備。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.23 Provisions (continued)**

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

2.24 Revenue recognition**(i) Sales of goods – iron ore**

The Group purchases and sells iron ore in the market. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

2 重要會計政策概要 (續)**2.23 撥備 (續)**

撥備按管理層對報告期末履行現有責任所需支出之最佳估計之現值計量。用於釐定現值之貼現率為反映現時市場對金錢時間值及負債特定風險之評估之稅前利率。隨著時間流逝而增加之撥備確認為利息開支。

2.24 收入確認**(i) 銷售貨品—鐵礦石**

本集團於市場上買賣鐵礦石。銷售在產品的控制權已獲轉移時(即產品已交付予客戶時)確認,客戶可全權酌情決定出售產品的渠道及定價,且概無可能影響客戶接納產品的尚未履行責任。交付直至產品已運送至特定地點、陳舊過時及損失的風險已轉移至客戶,以及客戶已根據銷售合約接受產品、接受條文已失效或本集團有客觀證據顯示所有接受準則均已達成後,方會發生。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.24 Revenue recognition (continued)

(i) Sales of goods – iron ore (continued)

Revenue from these sales is recognised based on the price specified in the contract. No element of financing is deemed present as the sales are made with a credit term of 90 to 180 days, which is consistent with market practice.

As receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Fund management services income

Fund management segment provides fund management service to investment funds. Revenue from management fees are recognised on a time-proportion basis with reference to the net asset value of the investment funds and managed accounts. Performance fees are recognised on the performance fee valuation day of the investment funds and managed accounts when there is a positive performance for the relevant performance period and it is determined that it will not result in significant reversal in a subsequent period, taking into consideration the relevant basis of calculation for the investment funds and managed accounts.

2 重要會計政策概要 (續)

2.24 收入確認 (續)

(i) 銷售貨品–鐵礦石 (續)

該等銷售根據合約訂明之價格確認收入。由於銷售之信貸期為90至180日，符合市場慣例，故並不存在融資因素。

應收賬款於貨品交付時確認，因從那一刻開始，付款之到期僅須時間的流逝，故收取代價成為無條件。

(ii) 基金管理服務收入

基金管理分部向投資基金提供基金管理服務。來自管理費的收入乃按時間比例基準參照投資基金及被管理賬目的資產淨值確認。表現費乃於相關表現期間存在正面表現時於投資基金及被管理賬目的表現費估值日確認，並確定其不會導致後續期間出現重大撥回，並考慮相關投資基金及被管理賬目計算的相關基準。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.24 Revenue recognition (continued)

(iii) Investment income

Investment income includes net gains/losses on financial assets and liabilities at fair value through profit or loss.

Refer to note 2.11 for the recognition policy.

(iv) Carpark income

Refer to note 2.26 for the recognition policy.

(v) Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

2.25 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

2 重要會計政策概要 (續)

2.24 收入確認 (續)

(iii) 投資收入

投資收入包括按公平值計入損益之金融資產及負債之收益／虧損淨額。

有關確認政策請參閱附註2.11。

(iv) 停車場收入

有關確認政策請參閱附註2.26。

(v) 融資部分

本集團預期不會簽訂由轉移承諾貨品或服務予客戶與客戶付款之期間超過一年的任何合約。因此，本集團並無就貨幣時間價值調整任何交易價格。

2.25 每股盈利

(i) 每股基本盈利

每股基本盈利乃通過股東應佔溢利(不包括普通股以外之任何權益成本)除以於財政年度內已發行普通股之加權平均數，並就年內發行之普通股之紅利元素作出調整且不包括庫存股份計算。

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For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.25 Earnings per share (continued)

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2.26 Leases

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

2 重要會計政策概要 (續)

2.25 每股盈利 (續)

(ii) 每股攤薄盈利

每股攤薄盈利調整用於釐定每股基本盈利的數字，以計及佔潛在攤薄普通股有關之利息及其他融資成本之除所得稅影響，及假設所有潛在攤薄普通股獲轉換，則已發行之普通股加權平均數將會增加。

2.26 租賃

凡本集團(作為承租人)持有擁有權的絕大部分風險及回報的物業、廠房及設備租約，均分類為融資租賃。融資租賃在租約開始時按租賃物業的公平值及最低租賃付款現值(倘較低)入賬。相應租賃責任在扣除融資開支後計入其他短期及長期應付款項內。各項租賃付款於負債及融資成本之間分配。融資成本於租期內於損益扣除，使融資成本與每個期間的負債餘額達致常數定期利率。根據融資租賃取得的物業、廠房及設備於資產可使用年期或資產可使用年期與租期兩者的較短者內(倘無法合理確定集團將於租期末取得擁有權)折舊。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**綜合財務報表附註**

For the year ended 31 December 2018 截至2018年12月31日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.26 Leases (continued)**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the consolidated statement of financial position based on their nature.

2.27 Dividend income

Dividends are received from financial assets measured at fair value through profit or loss (FVPL) and at fair value through other comprehensive income (FVOCI). Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in OCI if it relates to an investment measured at FVOCI. However, the investment may need to be tested for impairment as a consequence.

2 重要會計政策概要 (續)**2.26 租賃 (續)**

擁有權的大部分風險及回報尚未轉讓予本集團(作為承租人)的租賃分類為經營租賃。根據經營租賃作出的付款(扣除已收出租人的任何獎勵)以直線基準於租賃期間內自損益扣除。

倘本集團為出租人，則經營租賃所得租賃收入以直線基準於租期內於收入確認。各租賃資產基於其性質計入綜合財務狀況表。

2.27 股息收入

股息來自以按公平值計入損益(按公平值計入損益)及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。股息於收取付款之權利確立時於損益內確認為其他收益。即使股息自收購前溢利撥付，此亦適用，除非股息明確代表收回部分投資成本。於該情況下，倘股息與以按公平值計入其他全面收益計量之投資有關，則於其他全面收益內確認。然而，投資因而可能需要進行減值測試。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including cash flow and fair value interest rate risk and foreign currency risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Company manages its financial risks in accordance with guidelines laid down by its Board of Directors. The Finance Department identifies and evaluates financial risks in close co-operation within the Group to cope with overall risk management, as well as specific areas, such as cash flow and fair value interest rate risk, foreign currency risk, credit risk and liquidity risk.

Market risk

(i) Currency risk

The Group operates principally in Hong Kong and in the PRC. It is exposed to foreign exchange risk primarily with respect to Hong Kong dollar, United States dollar ("US\$") and Chinese Renminbi ("RMB") denominated transactions. Foreign exchange risk arises where future commercial transactions, recognised assets and liabilities are denominated in currency that is not the Company's functional currency.

3 財務風險管理

3.1 財務風險因素

本集團活動面臨多項財務風險：市場風險（包括現金流量及公平值利率風險及外匯風險）、信貸風險及流動資金風險。本集團整體風險管理計劃著重於金融市場的不可預測性，並尋求方法減低對本集團財務表現的潛在不利影響。本公司根據其董事會制定的指引管理其財務風險。財務部門與本集團內部密切合作確認並評估金融風險以進行整體風險管理以及具體領域，比如現金流量、公平值利率風險、外匯風險、信貸風險及流動資金風險。

市場風險

(i) 貨幣風險

本集團主要於香港及中國內地經營。面臨的主要匯率風險與以港元、美元及人民幣計值的交易有關。倘未來商業交易、已確認的資產及負債以非本公司功能貨幣的貨幣計值，則將產生匯率風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

Market risk (continued)

(i) Currency risk (continued)

Several subsidiaries of the Company have foreign currency sales and purchases. Certain trade receivables, amounts due from related companies, amounts due from associates, bank balances, trade payables and borrowings of the Group are denominated in foreign currencies other than the functional currencies of the relevant group entities, which expose the Group to foreign currency risk.

As at 31 December 2018, if RMB had strengthened/weakened by 5% with all other variables held constant, there will be no significant impact on the post tax profit of the Group (2017: Same).

(ii) Interest rate risk

The Group holds interest bearing assets and liabilities including cash at banks, certain bank deposits, borrowings and wealth management products. The Group is mainly exposed to cash flow interest rate risk in relation to variable-rate bank balance and borrowings.

At 31 December 2018 and 2017, if interest rates on cash held at banks had been 25 basis points higher/lower with all other variables held constant, there will be no significant impact on the post tax profit of the Group (2017: Same).

3 財務風險管理 (續)

3.1 財務風險因素 (續)

市場風險 (續)

(i) 貨幣風險 (續)

本公司若干附屬公司有外幣銷售及採購，本集團之若干應收賬款及票據、借予關聯公司之款項、借予聯營公司之款項、銀行結存、應付賬款及借款以相關集團實體的功能貨幣以外之外幣列值，使本集團面臨外匯風險。

於2018年12月31日，倘人民幣在所有其他變量保持不變的情況下升值／貶值5%，則將不會對本集團的除稅後溢利產生重大影響（2017年：相同）。

(ii) 利率風險

本集團持有計息資產及負債，包括銀行現金、若干銀行存款、借款及理財產品。本集團主要面對浮動息率之銀行結存及借款相關之現金流利率風險。

於2018年及2017年12月31日，倘銀行所持現金的利率在所有其他變量保持不變的情況下上升／下跌25個基點，則將不會對本集團的除稅後溢利產生重大影響（2017年：相同）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

Market risk (continued)

(ii) Interest rate risk (continued)

As at 31 December 2018, if interest rates on bank borrowings had been 25 basis points higher/lower with all other variables held constant, there will be no significant impact on the post tax profit of the Group.

The Group has no exposure to interest rate risk on bank borrowings as at 31 December 2017 as there was no borrowings as at 31 December 2017.

(iii) Other market risks

The Group is exposed to foreign currency risk and commodity prices risk through its commodity contracts to purchase iron ore as detailed in note 22.

The Group is required to estimate the fair value of commodity contracts to purchase iron ore at the end of the reporting period with change in fair value to be recognised in the consolidated statement of comprehensive income.

The fair value adjustment will be mainly affected either positively or negatively, amongst others, by the changes in the forecasted Platts Iron Ore Price, the forecasted marketing commission saving, the forecasted annual production of the mines, the lives of mine and the discount rate.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

市場風險 (續)

(ii) 利率風險 (續)

於2018年12月31日，倘銀行借款的利率在所有其他變量保持不變的情況下上升／下跌25個基點，則將不會對本集團的除稅後溢利產生重大影響。

由於於2017年12月31日並無借款，故本集團於2017年12月31日並無面臨銀行借款的利率風險。

(iii) 其他市場風險

由於承購鐵礦石之商品合約，本集團存在外匯風險及商品價格風險（詳情載於附註22）。

本集團須估計於報告期結束時承購鐵礦石之商品合約之公平值，而公平值變動將於綜合全面收益表內確認。

公平值調整將會主要受到（其中包括）普氏鐵礦石價格、預計可節省之市場推廣佣金、礦山預測年產量、礦山年期、貼現率及港幣兌美元匯率預測變動之正面或負面影響。

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For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

Market risk (continued)

(iv) Credit risk

Credit risk arises from deposits with banks and financial institutions, financial assets at fair value through profit or loss (FVPL), deposits and other receivables, as well as credit exposures to trading customers, including outstanding receivables.

(i) Risk management

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt and other receivable at the end of the reporting period to ensure that adequate impairment loss is made for irrecoverable amounts. In this regard, the directors consider that the Group's credit risk is significantly reduced. Besides, the Group has reduced credit risk on trade receivables by requesting trade deposits to be made or settlement by bank bills before delivery, especially in the trading business. The Group mainly deals with companies with a good repayment record and reputation and also has policies in place to assess the credit worthiness of customers.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

市場風險 (續)

(iv) 信貸風險

信貸風險來自銀行及其他金融機構存款、按公平值計入損益之金融資產、按金及其他應收款項及貿易客戶之信貸風險(包括未償還應收款項)。

(i) 風險管理

為將信貸風險減至最低，本集團管理層已委派一組人員負責制訂信貸限額、信貸審批及其他監控程序，以確保採取跟進措施收回逾期未付之債項。此外，於報告期結束時，本集團會審閱各項個別貿易債項及其他應收款項之可收回金額，以確保就不可收回金額計提合適之減值虧損。因此，董事認為，本集團之信貸風險會大幅減少。此外，本集團要求客戶(特別是貿易業務)於交付前支付貿易按金或以銀行票據結價，以減低應收賬款之信貸風險。本集團主要與具有良好還款記錄及具聲譽之公司進行交易，並制定評估客戶信譽度之政策。

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For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

Market risk (continued)

(iv) Credit risk (continued)

(i) Risk management (continued)

The Group has limited credit risk on liquid funds as the counterparties are banks and financial institutions which are reputable and/or with high credit ratings assigned by international credit rating agencies.

Credit risk mainly arises from trade and other receivables.

As at 31 December 2018, the top five debtors and the largest debtor accounted for approximately 78% (2017: 74%) and 27% (2017: 24%) of the Group's trade receivables balance, respectively. The Group has policies in place to ensure that sales of products are made to customers with an appropriate credit history. The Group normally conducts credit checks on new customers and requires them to pay a deposit of certain percentage of the sales amount, or to provide the Group with a letter of credit when placing orders.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

市場風險 (續)

(iv) 信貸風險 (續)

(i) 風險管理 (續)

本集團於流動資金上之信貸風險有限，原因是交易方為具聲譽且／或獲國際信貸評級機構評定為高信貸級別之銀行及金融機構。

信貸風險主要產生於應付賬款及其他應付款項。

於2018年12月31日，五大債務人及最大債務人分別佔本集團應收賬款結餘約78%（2017年：74%）及27%（2017年：24%）。本集團已制定政策以確保向具有適當信用記錄的客戶銷售產品。本集團通常會對新客戶進行信用檢查，並要求彼等支付一定比例的銷售款項，或在下訂單時向本集團提供信用證。

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For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT (continued)**3.1 Financial risk factors (continued)****Market risk (continued)**

(iv) Credit risk (continued)

(ii) Impairment of financial assets

Prior to the adoption of HKFRS 9, the Group reviews the recoverable amount of each individual trade receivable carried at amortised cost at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts. The Group's past experience in collection of trade receivables falls within the recorded allowances.

Upon the adoption of HKFRS 9, the Group's credit risk assessment of these trade receivables carried at amortised cost also takes into account forward looking information, such as general economy measure and changes in macroeconomic indicators, to estimate lifetime expected credit losses.

3 財務風險管理 (續)**3.1 財務風險因素 (續)****市場風險 (續)**

(iv) 信貸風險 (續)

(ii) 金融資產減值

於採納香港財務報告準則第9號之前，本集團於各報告日期審閱各項按攤餘成本列賬的個別應收賬款的可收回金額以確保對不可收回金額作出充分的減值虧損。本集團於收取應收賬款的過往經驗並無超出記錄撥備。

於採納香港財務報告準則第9號後，本集團有關該等按攤餘成本列賬的應收賬款的信貸風險評估亦考慮到如整體經濟計量及宏觀經濟指標的變動等前瞻性資料以估計終生預期信貸虧損。

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For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

Market risk (continued)

(iv) Credit risk (continued)

(ii) Impairment of financial assets (continued)

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. The Group recognised lifetime expected credit loss for trade receivables carried at amortised cost based on either individually customers who are long overdue with significant amounts or known insolvencies or non-response to collection activities, or collectively assessing them for likelihood of recovery based on ageing of the balances with similar risk characteristics taking into account the forward looking information.

On that basis, the loss allowance as at 31 December 2018 and 1 January 2018 (on adoption of revised version of HKFRS 9) was determined as follows for trade receivables:

3 財務風險管理 (續)

3.1 財務風險因素 (續)

市場風險 (續)

(iv) 信貸風險 (續)

(ii) 金融資產減值 (續)

本集團應用簡化方法以為香港財務報告準則第9號規定的預期信貸虧損撥備，該準則容許為所有應收賬款使用終生預期虧損撥備。本集團已根據個別具有長期大額逾期款項或未回應債務追收活動的客戶，或根據具有相似風險特性的結餘的賬齡並考慮前瞻性資料整體評估彼等收回的可能性，確認按攤餘成本列賬的應收賬款的終身預期信貸虧損。

據此基準，於2018年12月31日及2018年1月1日（已採納香港財務報告準則第9號之修訂版）的有關應收賬款的虧損撥備釐定如下：

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3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

Market risk (continued)

(iv) Credit risk (continued)

(ii) Impairment of financial assets
(continued)

		Lifetime expected loss rate	Gross carrying amount	Lifetime expected credit loss	Net carrying amount
As at 31 December 2018 於2018年12月31日		終生預期虧損率	總賬面值	終生預期 信貸虧損	賬面淨值
		%	HK\$'000	HK\$'000	HK\$'000
		%	港幣千元	港幣千元	港幣千元
Individual assessment	個別評估	100%	13,577	(13,577)	-
Collective assessment	整體評估				
0 – 30 days	0至30日	0.8%	117,231	-	117,231
31 – 60 days	31至60日	2.6%	-	-	-
61 – 90 days	61至90日	3.5%	-	-	-
91 – 180 days	91至180日	4.21%	-	-	-
181 – 365 days	181至365日	50%	-	-	-
Over 365 days	365日以上	100%	-	-	-
			130,808	(13,577)	117,231

3 財務風險管理 (續)

3.1 財務風險因素 (續)

市場風險 (續)

(iv) 信貸風險 (續)

(ii) 金融資產減值
(續)

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3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

Market risk (continued)

(iv) Credit risk (continued)

(ii) Impairment of financial assets
(continued)

		Lifetime expected loss rate	Gross carrying amount	Lifetime expected credit loss	Net carrying amount
As at 1 January 2018	於2018年1月1日	終生預期虧損率	總賬面值	信貸虧損	賬面淨值
		%	HK\$'000	HK\$'000	HK\$'000
		%	港幣千元	港幣千元	港幣千元
Individual assessment	個別評估	100%	14,747	(14,747)	-
Collective assessment	整體評估				
0 – 30 days	0至30日	0.8%	622,449	(4,864)	603,111
31 – 60 days	31至60日	2.6%	182,235	(4,738)	177,497
61 – 90 days	61至90日	3.5%	34,141	(1,195)	32,946
91 – 180 days	91至180日	4.4%	8,712	(383)	33,758
181 – 365 days	181至365日	50%	3,642	(1,821)	1,821
Over 365 days	365日以上	100%	-	-	-
			851,179	(27,475)	823,704

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

應收賬款於並無收回的合理預期時予以撇銷。並無收回的合理預期的跡象包括(除其他事項外)債務人未能與本集團訂立還款計劃,及未做出合約付款。應收賬款的減值虧損乃作為經營溢利中的減值虧損而呈列。其後收回先前已撇銷的金額將計入同一項目。

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3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

Market risk (continued)

(v) Liquidity risk

The Group manages its liquidity risk by ensuring it has sufficient liquid cash balances and credit facilities to meet its payment obligations as they fall due.

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. A monthly report on forecasted inflow and outflow of cash is compiled for the directors' review. The management monitors the utilisation of bank and other borrowings.

As at 31 December 2018, the Group has HK\$103,143,000 borrowings outstanding. As at 31 December 2017, the Group has no borrowings outstanding. As at 31 December 2018, the Group has available unutilised trade line facilities of approximately HK\$660 million (2017: HK\$942 million).

3 財務風險管理 (續)

3.1 財務風險因素 (續)

市場風險 (續)

(v) 流動資金風險

本集團透過擁有充足之流動現金結存及信貸額度，確保能履行到期之付款責任，以管理其流動資金風險。

於管理流動資金風險時，本集團會監察及維持現金及現金等價物處於管理層認為合適之水平，以支付本集團之營運所需及減低現金流量波動之影響。每月會編製預測現金流入及流出之報告以供董事審閱。管理層會監察動用銀行及其他借款之情況。

於2018年12月31日，本集團有尚未償還借款港幣103,143,000元。於2017年12月31日，本集團並無尚未償還借款。於2018年12月31日，本集團未動用之貿易貸款額度約為港幣6.6億元（2017年：港幣9.42億元）。

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For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

Market risk (continued)

(v) Liquidity risk (continued)

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest dates on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

In addition, the following table details the Group's liquidity analysis for its commodity contracts as detailed in note 22. The table has been drawn up based on the undiscounted net cash (inflows) and outflows on those commodity contracts that require net settlement and gross (inflows) and outflows on those commodity contracts that require gross settlement. When the amount payable is not fixed, the amount disclosed has been derived from interest rate and foreign currency exchange rates at the end of the reporting period. The liquidity analysis for the Group's financial instruments relating to commodity contracts is prepared based on the contractual maturities as the management considers that the contractual maturities are essential for an understanding of the timing of the cash flows of commodity contracts.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

市場風險 (續)

(v) 流動資金風險 (續)

下表載列本集團之非衍生金融負債餘下合約年期。該表乃根據本集團於應要求償還之最早日期之金融負債未貼現現金流量編製。該表包括利息及本金兩者之現金流量。倘利率為浮動利率，則未貼現金額按報告期末之利率計算。

此外，下表詳述本集團商品合約的流動資金分析（詳情見附註22）。該表乃根據要求淨額結算之該等商品合約之未貼現淨現金（流入）及流出，以及要求全額結算之該等商品合約之總（流入）及流出編製。當應付款項未能確定時，所披露之金額乃由於報告期結束時之利率及外匯匯率得出。本集團之與商品合約有關之金融工具之流動資金分析乃根據合約到期日編製，因管理層認為這對瞭解商品合約現金流量之時間而言實屬必要。

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3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

Market risk (continued)

(v) Liquidity risk (continued)

3 財務風險管理 (續)

3.1 財務風險因素 (續)

市場風險 (續)

(v) 流動資金風險 (續)

		Repayable on demand/ less than 3 months	3 months to 1 year	1-2 years	2-5 years	Total undiscouted cash flows	Carrying amount at 31 December
		按要求償還/三個月以內償還	三個月至一年	一年至兩年	兩年至五年	總計	於2018年12月31日之賬面值
		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
2018	2018年						
Non-derivative financial liabilities	非衍生金融負債						
Trade and bills payables	應付賬款及票據	61,379	-	-	-	61,379	61,379
Other payables	其他應付款項	71,808	-	-	-	71,808	71,808
Borrowings	借款	104,141	-	-	-	104,141	103,143
		237,328	-	-	-	237,328	236,330
Commodity contracts	商品合約						
- gross settlement	- 全額結算						
First Commodity Contracts	第一份商品合約						
- outflow (Note)	- 流出 (附註)	-	-	67,705	159,119	11,288	(150,193)
Second Commodity Contract	第二份商品合約						
- outflow (Note)	- 流出 (附註)	3,555	-	-	-	3,555	(3,425)

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For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

Market risk (continued)

(v) Liquidity risk (continued)

		Repayable on demand or less than 3 months	3 months to 1 year	1-2 years	2-5 years	Over 5 years	Total undiscounted cash flows	Carrying amount at 31 December 2017
		按要求償還或三個月以內償還	三個月至一年	一年至兩年	兩年至五年	超過五年	未貼現現金流量總額	於2017年12月31日之賬面值
		%						
		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
2017	2017年							
Non-derivative financial liabilities	非衍生金融負債							
Trade and bills payables	應付賬款及票據	569,191	-	-	-	-	569,191	569,191
Other payables	其他應付款項	73,859	-	-	-	-	73,859	73,859
		643,050	-	-	-	-	643,050	643,050
Commodity contracts	商品合約							
- gross settlement	- 全額結算							
First Commodity Contracts	第一份商品合約							
- outflow (Note)	- 流出(附註)	-	-	1,064,670	4,615,878	-	5,680,548	(151,244)
Second Commodity Contract	第二份商品合約							
- outflow (Note)	- 流出(附註)	93,700	93,700	-	-	-	187,400	18,853
Third Commodity Contract	第三份商品合約							
- outflow (Note)	- 流出(附註)	73,136	-	-	-	-	73,136	73,136

Note: Cash outflow represents purchase of iron ore under the commodity forward contracts as detailed in note 22.

附註：現金流出指根據商品遠期合約承購鐵礦石（詳情見附註22）。

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

倘若浮動利率之變動不同於報告期結束時所釐定利率之該等估計，則上文所包括之非衍生金融負債之浮動利率工具之款項將可能會變動。

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For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT (continued)**3.2 Capital risk management**

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of borrowings disclosed in note 27 and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors review the capital structure on a semi-annual basis. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debts.

3 財務風險管理 (續)**3.2 資本風險管理**

本集團資本管理乃確保本集團內各實體將可以持續方式經營，同時透過適當平衡債務與資本結構為股東帶來最大回報。本集團與過往年度之整體策略保持不變。

本集團資本結構包括附註27所述之借款及股東應佔權益（包括已發行股本及儲備）。

董事每半年檢討一次資本架構。本集團會根據董事推薦建議，透過派付股息、發行新股、回購股份以及發行新債或贖回現有債務，以平衡其整體資本結構。

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For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value measurements of financial instruments

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

3 財務風險管理 (續)

3.3 金融工具之公平值計量

(i) 公平值層級

本節闡述釐定於財務報表中確認及按公平值計量的金融工具公平值所作出的判斷及估計。為得出有關釐定公平值所用輸入數據之可靠性指標，本集團已按會計準則規定將其金融工具分為三個等級。各等級於下表進行闡述。

		Level 1 第一級級別 HK\$'000 港幣千元	Level 2 第二級級別 HK\$'000 港幣千元	Level 3 第三級級別 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
Recurring fair value measurements as at 31 December 2018	於2018年12月31日經常性公平值計量				
<i>Financial assets at FVPL</i>	<i>按公平值計入損益之金融資產</i>				
Commodity contracts	商品合約	-	3,425	150,193	153,618
Unlisted equity securities	非上市股本證券	-	-	195,416	195,416
Wealth management products	理財產品	-	-	106,399	106,399
Iron ore future swap contracts	鐵礦石期貨掉期合約	38,917	-	-	38,917
Total	合計	38,917	3,425	452,008	494,350

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綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value measurements of financial instruments (continued)

(i) Fair value hierarchy (continued)

		Level 1 第一級級別 HK\$'000 港幣千元	Level 2 第二級級別 HK\$'000 港幣千元	Level 3 第三級級別 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
Recurring fair value measurements as at 31 December 2017	於2017年12月31日經常性公平值計量				
<i>Financial assets at FVPL</i>	<i>按公平值計入損益之金融資產</i>				
Commodity contracts	商品合約	-	-	151,244	151,244
Unlisted equity securities	非上市股本證券	-	-	121,596	121,596
Wealth management products	理財產品	-	-	114,676	114,676
<i>Financial liabilities at FVPL</i>	<i>按公平值計入損益之金融負債</i>				
Commodity contracts	商品合約	-	(73,136)	(18,853)	(91,989)
Total	合計	-	(73,136)	368,663	295,527

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. For transfers in and out of level 3 measurements see (iv) below.

年內，第一級級別與第二級級別之間就經常性公平值計量概無轉撥。有關第三級級別計量之轉入及轉出請參閱下文(iv)。

3 財務風險管理 (續)

3.3 金融工具之公平值計量 (續)

(i) 公平值層級 (續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value measurements of financial instruments (continued)

(i) Fair value hierarchy (continued)

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

3 財務風險管理 (續)

3.3 金融工具之公平值計量 (續)

(i) 公平值層級 (續)

本集團之政策為於報告期間結束時確認公平值層級之間的轉入及轉出。

第一級級別：於活躍市場買賣之金融工具(如公開買賣的衍生工具及股本證券)之公平值乃根據報告期間結束時的市場報價列賬。本集團所持有之金融資產所用之市場報價為現時競標價。該等工具乃計入第一級級別。

第二級級別：非於活躍市場買賣之金融工具(如場外衍生工具)之公平值以估值技術計算。該等估值技術充分利用可獲得之可觀察市場數據，從而盡量減少依賴公司之特有估計數據。若按公平值計量之工具之所有重大數據均可從觀察取得，則該項工具會被列為第二級級別。

第三級級別：若一個或多個重大輸入數據並非根據可觀察市場數據釐定，則該項工具會被列為第三級級別。

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For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT (continued)**3.3 Fair value measurements of financial instruments (continued)****(ii) Valuation techniques used to determine fair values**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- for the commodity contracts – discounted cash flow analysis
- for unlisted equity securities – stated with reference to recent transaction prices or the net asset values of the unlisted equity securities
- for wealth management products – discounted cash flow analysis, and
- for other financial instruments – discounted cash flow analysis.

3 財務風險管理 (續)**3.3 金融工具之公平值計量 (續)****(ii) 用於釐定公平值之估值技術**

用於估評金融工具價值之特定估值技術包括：

- 同類工具之市場報價或交易商報價
- 商品合約－貼現現金流量分析
- 非上市股本證券－參照非上市股本證券的近期交易價或資產淨值列賬
- 理財產品－貼現現金流量分析，及
- 其他金融工具－貼現現金流量分析。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value measurements of financial instruments (continued)

(iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended 31 December 2018 and 31 December 2017:

		Unlisted equity securities 非上市 股本證券 HK\$'000 港幣千元	First Commodity Contracts 第一份 商品合約 HK\$'000 港幣千元	Second Commodity Contract 第二份 商品合約 HK\$'000 港幣千元	Wealth management products 理財產品 HK\$'000 港幣千元
1 January 2017	於2017年1月1日	-	181,716	-	-
Total gains or losses:	收益或虧損總額:				
Gain recognised in profit or loss	於損益確認之收益	-	(30,472)	(18,853)	-
Acquisitions of subsidiaries (Note 30)	收購附屬公司 (附註30)	121,596	-	-	114,676
At 31 December 2017 and 1 January 2018	2017年12月31日及 2018年1月1日	121,596	151,244	(18,853)	114,676
Total gains or losses:	收益或虧損總額:				
Gain/(loss) recognised in the consolidated statement of comprehensive income	於綜合全面收益表確認之 收益/(虧損)	9,222	(1,051)	22,278	8,432
Transfer to level 2	轉至第二級級別	-	-	(3,425)	-
Addition	添置	72,448	-	-	-
Disposal	出售	-	-	-	(10,814)
Acquisition a subsidiary	收購一間附屬公司	97	-	-	-
Exchange difference	匯兌差額	(7,947)	-	-	(5,895)
At 31 December 2018	於2018年12月31日	195,416	150,193	-	106,399

(iv) Transfer between levels 2 and 3

In 2018, the Group transferred the fair value measurement for the Second Commodity Contract from level 3 into level 2 as the remaining iron ore deposit of the relevant mine was fully extracted and to be sold within the coming twelve months. As a result, the key inputs of the fair value measurement are observable at the date of report.

3 財務風險管理 (續)

3.3 金融工具之公平值計量 (續)

(iii) 採用非能觀察性質重要數據輸入之公平值計量 (第三級級別)

下表呈列截至2018年12月31日及2017年12月31日止期間之第三級級別項目之變動:

(iv) 第二級級別與第三級級別之間的轉撥

於2018年，由於相關礦山餘下鐵礦石礦床已悉數開採並將於未來十二個月內出售，本集團將第二份商品合約的公平值計量自第三級級別轉撥至第二級級別。因此，於報告當日，公平值計量的主要數據輸入屬能觀察性質。

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For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value measurements of financial instruments (continued)

(v) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (ii) above for the valuation techniques adopted.

Description 描述	Fair value at 於下列日期之公平值		Un-observable inputs* 非能觀察性質之 數據輸入*	Range of inputs 數據輸入範圍		Relationship of unobservable inputs to fair value 非能觀察性質之數據輸入與公平值之關係
	2018	2017		2018	2017	
	HK\$'000 港幣千元	HK\$'000 港幣千元				
The First Commodity Contracts	150,193	151,244	Forecasted Platts iron ore price	USD58.00/ DMT to USD61.32/ DMT	USD56.12/ DMT to USD59/ DMT	Increase 10% (2017: 10%) of the Platts iron ore price would increase fair value measurement by HK\$3,103,000 (2017: HK\$2,819,000).
第一份商品合約	150,193	151,244	預計普氏鐵礦石 價格	每乾公噸 58.00美元至 每乾公噸 61.32美元	每乾公噸 56.12美元至 每乾公噸 59美元	普氏鐵礦石價格增加10% (2017年: 10%) 將導致公平值計量增加港幣3,103,000元 (2017年: 港幣2,819,000元)。 Decrease 10% (2017: 10%) of the Platts iron ore price would decrease fair value measurement by HK\$3,261,000 (2017: HK\$2,819,000). 普氏鐵礦石價格減少10% (2017年: 10%) 將導致公平值計量減少港幣3,261,000元 (2017年: 港幣2,819,000元)。

3 財務風險管理 (續)

3.3 金融工具之公平值計量 (續)

(v) 估值數據輸入及與公平值的關係

下表概述有關第三級級別公平值計量所用的非能觀察性質重要數據輸入的定量資料。所採納的估值技術請參閱上文(ii)。

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For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value measurements of financial instruments (continued)

(v) Valuation inputs and relationships to fair value (continued)

Description 描述	Fair value at 於下列日期之公平值		Un-observable inputs* 非能觀察性質之 數據輸入*	Range of inputs 數據輸入範圍		Relationship of unobservable inputs to fair value 非能觀察性質之數據輸入與公平值之關係
	2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元		2018	2017	
			Forecasted annual production of the mines 礦山預測年產量	1.2Mtpa- 5.5Mtpa 120萬噸- 550萬噸	2.4Mtpa- 7.1Mtpa 240萬噸- 710萬噸	Increase 10% (2017: 10%) of the forecasted annual production of the mines would increase fair value measurement by HK\$6,475,000 (2017: HK\$15,125,000). 礦山預測年產量增加10% (2017年: 10%) 將導致公平值計量增加港幣6,475,000元 (2017年: 港幣15,125,000元)。 Decrease 10% (2017: 10%) of the forecasted annual production of the mines would decrease the fair value measurement by HK\$6,805,000 (2017: HK\$15,125,000). 礦山預測年產量減少10% (2017年: 10%) 將導致公平值計量減少港幣6,805,000元 (2017年: 港幣15,125,000元)。
			Discount rate 貼現率	19.00%	19.97%	Increase 10% (2017: 10%) of the discount rate would decrease the fair value measure by HK\$5,708,000 (2017: HK\$6,673,000). 貼現率增加10% (2017年: 10%) 將導致 公平值計量減少港幣5,708,000元 (2017年: 港幣6,673,000元)。 Decrease 10% (2017: 10%) of the discount rate would increase the carrying fair measure by HK\$6,106,000 (2017: HK\$6,673,000). 貼現率減少10% (2017年: 10%) 將導致 公平值計量增加港幣6,106,000元 (2017年: 港幣6,673,000元)。

3 財務風險管理 (續)

3.3 金融工具之公平值計量 (續)

(v) 估值數據輸入及與公平值的關 (續)

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3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value measurements of financial instruments (continued)

(v) Valuation inputs and relationships to fair value (continued)

Description 描述	Fair value at 於下列日期之公平值		Un-observable inputs* 非能觀察性質之 數據輸入*	Range of inputs 數據輸入範圍		Relationship of unobservable inputs to fair value 非能觀察性質之數據輸入與公平值之關係
	2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元		2018	2017	
The Second Commodity Contract 第二份商品合約	3,425	18,853	Forecasted Platts iron ore price 預測普氏鐵礦石價格	Transferred to level 2 轉至第二級級別	USD59/DMT 每乾公噸 59美元	2017: Increase/decrease 10% of the Platts iron ore price would increase/decrease fair value measurement by HK\$1,885,000. 2017年: 預測普氏鐵礦石之價格增加/減少10%將導致公平值計量增加/減少港幣1,885,000元。
			Discount rate 貼現率	Transferred to level 2 轉至第二級級別	16.00% 16.00%	2017: Increase/decrease 10% of the discount rate would decrease/increase the fair value measure by HK\$80,000. 2017年: 貼現率增加/減少10%將導致公平值計量減少/增加港幣80,000元。
Wealth management products 理財產品	106,399	114,676	Interest rate 利率	2.30% to 4.15% 2.30% 至4.15%	3.20% to 3.75% 3.20% 至3.75%	Increase/decrease 10% (2017: 10%) of the interest rate would increase/decrease the fair value measure by HK\$800,000 (2017: HK\$860,000). 利率增加/減少10% (2017年: 10%) 將導致公平值計量增加/減少港幣800,000元 (2017年: 港幣860,000元)。

* There were no significant inter-relationships between unobservable inputs that materially affect fair values.

The management determined the fair value of the unlisted equity securities with reference to recent transaction prices or the net asset values of the unlisted equity securities. As at 31 December 2018, the fair value of the unlisted equity securities is determined to be HK\$195,416,000 (2017: HK\$121,596,000).

3 財務風險管理 (續)

3.3 金融工具之公平值計量 (續)

(v) 估值數據輸入及與公平值的關係 (續)

* 非能觀察性質數據輸入之間並無會對公平值造成重大影響之重大相互間關係。

管理層參照非上市股本證券的近期交易價或資產淨值釐定非上市股本證券的公平值。於2018年12月31日，非上市股本證券的公平值釐定為港幣195,416,000元 (2017年: 港幣121,596,000元)。

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For the year ended 31 December 2018 截至2018年12月31日止年度

3 FINANCIAL RISK MANAGEMENT (continued)**3.3 Fair value measurements of financial instruments (continued)****(vi) Valuation processes**

The finance department of the Group includes a team that performs the valuations of financial instruments required for financial reporting purposes, including level 3 fair values. This team reports directly to the senior management and the audit committee. Discussions of valuation processes and results are held between the senior management and the valuation team at least once every six months, in line with the Group's half-yearly reporting periods.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the half-yearly valuation discussion between the senior management, audit committee and the valuation team. As part of this discussion, the team presents a report that explains the reason for the fair value movements.

3.4 Financial assets and financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements

The Group has no such financial assets or financial liabilities outstanding in the consolidated statement of financial position which are under master netting agreements. No material impact on the amounts reported in the Group's consolidated financial statements and respective disclosures relating to the Group's master netting agreements as no such contracts outstanding.

3 財務風險管理 (續)**3.3 金融工具之公平值計量 (續)****(vi) 估值流程**

本集團財務部設有一個小組，專責就財務報告目的對非財產性項目估值，包括第三級級別公平值。此小組直接向高級管理層及審核委員會報告。為配合本集團的半年度報告期，高級管理層與估值小組最少每六個月就估值流程和相關結果展開一次討論。

第二級級別及第三級級別公平值的變動乃由高級管理層、審核委員會及估值小組於各報告期末在半年度估值會議中討論和分析。作為討論的一部分，小組會呈交報告以解釋公平值變動的原因。

3.4 受具有抵銷安排、可強制性執行的統一淨額結算及類近協議所規限的金融資產及金融負債

本集團於綜合財務狀況表並無在統一淨額結算協議下尚未到期之金融資產或金融負債。由於並無該等尚未到期合約，因此對本集團綜合財務報表所載之報告金額及有關本集團統一淨額結算協議之各項披露並無重大影響。

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綜合財務報表附註

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4 CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(a) Impairment of investments in associates

The carrying amount of investments in associates amounting to HK\$5,232,325,000 (2017: HK\$5,073,079,000) is reviewed for impairment in accordance with HKAS 36 ("**Impairment of assets**") whenever certain events or changes in circumstances indicate that the carrying amount may not be recoverable. The Group determines the recoverable amount which is the higher of value in use and fair value less costs of disposal.

The value in use calculation is based on the estimations of future expected cash flows from the associates and a suitable discount rate. Where the actual future cash flows are less than or more than expected, or there are unfavourable events and changes in facts and circumstances which result in downward revision of future estimated cash flows, a material impairment loss may arise or reverse. No impairment loss has been recognised in respect of investments in associates for the year ended 31 December 2018 (2017: nil). Details of the recoverable amount calculation for investments in associates are disclosed in note 18.

4 重大估計及判斷

編製財務報表須使用會計估計，按照定義將很少等於實際結果。管理層於應用本集團會計政策時亦需行使判斷。

估計及判斷會不斷評估。彼等乃基於過往經驗及其他因素，包括對根據情況認為可能對實體造成財務影響，且屬合理的未來事件的預期。

(a) 於聯營公司投資之減值

於聯營公司投資之賬面值為港幣5,232,325,000元（2017年：港幣5,073,079,000元），當某些事件或事況出現變化而顯示賬面值或不能收回時，會按香港會計準則第36號作出減值檢討（「**資產減值**」）。本集團按在用價值與公平值減出售成本兩者中較高者釐定可收回金額。

在用價值計算乃基於聯營公司之預計未來現金流量及按適當貼現率估計。倘實際未來現金流量低於或高於預期，或不利事件及情況及事況出現變動導致需向下修訂估計未來之現金流，則可能會產生或回撥重大減值虧損。於截至2018年12月31日止年度，概無有關於聯營公司投資之已確認減值虧損（2017年：無）。有關計算於聯營公司投資之可收回金額詳情已於附註18披露。

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For the year ended 31 December 2018 截至2018年12月31日止年度

4 CRITICAL ESTIMATES AND JUDGEMENTS (continued)

(b) Income taxes

No deferred tax asset has been recognised in respect of tax losses of approximately HK\$568 million of which HK\$308 million is subject to confirmation by Hong Kong Inland Revenue Department (“IRD”) (2017: HK\$515 million, of which HK\$316 million was subject to confirmation by IRD) due to the unpredictability of future profit streams. In cases where probable taxable profit will be available against which the deductible temporary differences can be utilised and the amounts are confirmed by the IRD, a deferred tax asset may be recognised.

(c) Fair value and classification of assets relating to commodity contracts

The fair value of commodity contracts as detailed in note 22 is determined based on the present value of future cash flows estimated in the valuation model and the fair value for the commodity contracts to purchase iron ore is established by using valuation techniques. The Group has established a process to ensure that valuation techniques are developed by qualified personnel and are validated and reviewed by personnel independent of those that developed the valuation techniques. However, it should be noted that some inputs, such as forecasted Platts Iron Ore price, the forecasted annual production of the mines, the lives of the mines and discount rate, require management estimates.

4 重大估計及判斷 (續)

(b) 所得稅

由於未來溢利來源不可預測，故並無就稅務虧損約港幣5.68億元（其中港幣3.08億元須待香港稅務局（「稅務局」）確認作實）（2017年：港幣5.15億元，其中港幣3.16億元須待稅務局確認作實。）倘將來有可能獲得應課稅溢利而就此可使用可扣減暫時性差異，且有關金額已獲稅務局確認，則可能會確認遞延稅項資產。

(c) 有關商品合約之資產之公平值及分類

商品合約之公平值（詳情載於附註22）是根據按估值模式估計之未來現金流現值釐定，而承購鐵礦石之商品合約之公平值採用估值技術釐定。本集團經已建立程序確保估值技術由合資格人士建立，並由獨立於開發估值技術之人士驗證及評審。然而，應留意部份輸入數據，如所預測之普氏鐵礦石價格、礦山之預測年產量、礦山之可使用年期及貼現率，均需管理層作出估計。

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綜合財務報表附註

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4 CRITICAL ESTIMATES AND JUDGEMENTS

*(continued)***(d) Classification of investment in an associate – Shougang Concord Century Holdings Limited (“Shougang Century”)**

On 21 November 2018, the Group announced that it had entered into a sale and purchase agreement with Shougang Holding, the controlling holding company of the Company, pursuant to which the Company had conditionally agreed to sell, and Shougang Holding had conditionally agreed to purchase, the entire equity interest in Shougang Century held by the Company at a consideration of approximately HK\$205,997,000.

According to HKFRS 5, non-current assets and disposal groups should be classified as held-for-sale if their carrying value will be recovered principally through a sales transaction rather than through continuing use. One of the conditions that must be satisfied for classification as held-for-sale is that the sale is highly probable.

The management assessed that the disposal was subject to the approval of independent shareholders in a general meeting and the approval is not able to be ascertained or determined to be highly probable up to the report date. The management determined that not all of the criteria of HKFRS 5 were met. As a result, the investment in Shougang Century as at 31 December 2018, has not been reclassified as an asset held-for-sale. Had the investment in Shougang Century been regarded as held-for-sale as at 31 December 2018, an impairment loss of approximately HK\$205,200,000 would have been recognised.

4 重大估計及判斷 (續)

(d) 於聯營公司投資之分類－首長寶佳集團有限公司(「首長寶佳」)

於2018年11月21日，本集團宣佈，其已與本公司控股公司首鋼控股訂立買賣協議，據此，本公司已有條件同意出售，及首鋼控股已有條件同意購買本公司持有之首長寶佳之全部股權，代價為約港幣205,997,000元。

根據香港財務報告準則第5號，非流動資產及出售組別於彼等賬面值將主要通過出售交易而非通過持續使用收回時須被分類為持作出售。分類為持作出售之一項必須滿足之條件為出售高度可行。

管理層評定，出售須經獨立股東於股東大會上批准及批准直至報告日期尚未確定或釐定為高度可行，管理層認定，並非香港財務報告準則第5號之所有標準均獲滿足，因此，於2018年12月31日，於首長寶佳之投資尚未重新分類為持作出售資產。倘於首長寶佳之投資於2018年12月31日被視為持作出售，將確認減值虧損約港幣205,200,000元。

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For the year ended 31 December 2018 截至2018年12月31日止年度

5 REVENUE AND SEGMENT INFORMATION

Information reported to the directors, being the chief operating decision makers, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. No operating segments identified by the chief operating decision makers have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's operating and reportable segments under HKFRS 8 are as follows:

Trading business	trading of iron ore;
Car parking assets operation and management business ("Carpark operation")	management and operations of car parking assets; and
Urban renewal-oriented fund management business ("Fund management")	management of private funds.

An analysis of revenue of the Group is as follows:

5 營業額及分部資料

提供予董事（作為主要營運決策人）就資源分配及評估分部表現之資料，乃按各種類之已交付產品或已提供服務而定。於達成本集團之呈報分部時，並無加總經主要營運決策人識別之各營運分部。

具體地，根據香港財務報告準則第8號，本集團之營運及呈報分部如下：

貿易業務	買賣鐵礦石；
停車資產經營管理業務（「停車場經營」）	停車資產管理及經營；及
以城市更新為方向的基金管理業務（「基金管理」）	私募基金管理。

本集團之營業額分析如下：

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Sales of iron ore	銷售鐵礦石	1,499,792	3,812,329
Fund management services income	基金管理服務收入	93,443	—
Investment income – gain on unlisted equity securities	投資收入 — 非上市股本證券收益	9,222	—
Carpark income	停車場收入	62,038	—
Others	其他	11,801	3,816
		1,676,296	3,816,145

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5 REVENUE AND SEGMENT INFORMATION

(continued)

2018

		Sales of iron ore 銷售鐵礦石 HK\$'000 港幣千元	Fund management services income 基金管理 服務收入 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
Timing of revenue recognition	收入確認的時點				
- At a point in time	- 在某一時點	1,499,792	-	-	1,499,792
- Over time	- 在一段時間內	-	93,443	11,801	105,244
Total	合計	1,499,792	93,443	11,801	1,605,036

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating segment.

For the year ended 31 December 2018

5 營業額及分部資料 (續)

2018年

		Sales of iron ore 銷售鐵礦石 HK\$'000 港幣千元	Fund management services income 基金管理 服務收入 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
Timing of revenue recognition	收入確認的時點				
- At a point in time	- 在某一時點	1,499,792	-	-	1,499,792
- Over time	- 在一段時間內	-	93,443	11,801	105,244
Total	合計	1,499,792	93,443	11,801	1,605,036

分部營業額及業績

以下為本集團營業額及業績按經營分部作出之分析。

截至2018年12月31日止年度

		Trading business 貿易業務 HK\$'000 港幣千元	Fund management 基金管理 HK\$'000 港幣千元	Carpark operation 停車場經營 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
Revenue from external customers	來自外部客戶之收入	1,499,792	102,665	62,038	11,801	1,676,296
Segment profit/(losses)	分部溢利/(虧損)	44,270	24,598	(23,479)	(672)	44,717
Other income	其他收入					36,688
Other gains	其他收益					13,612
Central administration costs	中央行政成本					(42,612)
Net gain related to commodity contracts	有關商品合約之 收益淨額					44,713
Finance costs	財務成本					(5,699)
Share of results of associates	攤佔聯營公司之業績					275,363
Profit before income tax	除所得稅前溢利					366,782

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For the year ended 31 December 2018 截至2018年12月31日止年度

5 REVENUE AND SEGMENT INFORMATION
(continued)

Segment revenue and results *(continued)*

For the year ended 31 December 2017

5 營業額及分部資料 (續)

分部營業額及業績 (續)

截至2017年12月31日止年度

		Trading business 貿易業務 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
Revenue from external customers	來自外部客戶之收入	3,812,329	3,816	3,816,145
Segment losses	分部虧損	(19,501)	(5,901)	(25,402)
Other income	其他收入			6,501
Central administration costs	中央行政成本			(32,485)
Net gain related to commodity contracts	有關商品合約之 收益淨額			(122,461)
Finance costs	財務成本			(17,392)
Share of results of associates	攤佔聯營公司之業績			248,525
Profit before income tax	除所得稅前溢利			57,286

The Fund management and Carpark operation segments were acquired by the Group near the year end of 2017. Therefore, no segment revenue and results of the two segments are presented for the year ended 31 December 2017.

基金管理和停車場經營分部為本集團於臨近2017年底所收購。因此，此兩個分部於截至2017年12月31日止年度並無分部營業額及業績。

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綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

5 REVENUE AND SEGMENT INFORMATION

(continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segment:

As at 31 December 2018

5 營業額及分部資料 (續)

分部資產及負債

以下為本集團資產及負債按應呈報分部作出之分析：

於2018年12月31日

		Trading business 貿易業務 HK\$'000 港幣千元	Fund management 基金管理 HK\$'000 港幣千元	Carpark operation 停車場經營 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
Total segment assets	分部資產總額	102,475	326,919	453,878	18,449	901,721
Total segment assets include:	分部資產總額包括：					
Investment in a joint venture	於一家合營公司之投資	-	-	80,216	-	80,216
Investments in associates	於聯營公司之投資					5,232,325
Bank balances and cash	銀行結存及現金					3,034,026
Unallocated assets	未分攤資產					262,313
Consolidated assets	總資產					9,430,385
Total segment liabilities	分部負債總額	55,426	29,995	61,326	7,648	154,395
Unallocated liabilities	未分攤負債					280,534
Consolidated liabilities	總負債					434,929

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

5 REVENUE AND SEGMENT INFORMATION
(continued)

Segment assets and liabilities *(continued)*

As at 31 December 2017

5 營業額及分部資料 (續)

分部資產及負債 (續)

於2017年12月31日

		Trading business 貿易業務 HK\$'000 港幣千元	Fund management 基金管理 HK\$'000 港幣千元	Carpark operation 停車場經營 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
Total segment assets	分部資產總額	844,822	214,016	249,392	13,216	1,321,446
<i>Total segment assets include:</i>	<i>分部資產總額包括:</i>					
Investment in a joint venture	於一家合營公司之投資	-	-	81,299	-	81,299
Investments in associates	於聯營公司之投資					5,073,079
Bank balances and cash	銀行結存及現金					1,389,628
Unallocated assets	未分攤資產					402,156
Consolidated assets	總資產					8,186,309
Total segment liabilities	分部負債總額	601,081	12,544	49,279	2,182	665,086
Unallocated liabilities	未分攤負債					277,571
Consolidated liabilities	總負債					942,657

As at 31 December 2018, there was no unsatisfied performance obligations.

於2018年12月31日，並無未履行的履約義務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

5 REVENUE AND SEGMENT INFORMATION

(continued)

Other segment information

2018	2018年	Trading business 貿易業務 HK\$'000 港幣千元	Fund management 基金管理 HK\$'000 港幣千元	Carpark operation 停車場經營 HK\$'000 港幣千元	Other 其他 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Additions to non-current assets (Note)	添置非流動資產 (附註)	-	-	145,784	-	145,784
Depreciation of property, plant and equipment	物業、廠房及設備折舊	50	553	305	212	1,120
Reversal of provision for impairment losses for trade receivables	應收賬款減值撥備回撥	13,898	-	-	-	13,898
Increase in fair value of investment properties	投資物業之公平值增加	-	-	7,752	200	7,952

5 營業額及分部資料 (續)

其他分部資料

2017	2017年	Trading business 貿易業務 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Additions to non-current assets (Note)	添置非流動資產 (附註)	215	151	366
Depreciation of property, plant and equipment	物業、廠房及設備折舊	35	224	259
Provision for/(reversal of provision for) impairment losses for trade receivables	應收賬款減值撥備 / (撥備回撥)	25,247	(20)	25,227
Increase in fair value of investment properties	投資物業之公平值增加	-	900	900

Note: Non-current assets exclude those assets arising from the acquisitions as detailed in note 30 and financial assets at fair value through profit or loss - non-current, assets relating to commodity contracts and deferred tax assets.

附註：非流動資產不包括收購（詳情見附註30）產生的資產、按公平值計入損益的金融資產—非流動、與商品合約有關的資產及遞延稅項資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

5 REVENUE AND SEGMENT INFORMATION

(continued)

Geographical information

The Group operates in two principal geographical areas – the PRC and Hong Kong.

The Group's revenue from external customers by geographical location at which the goods and services were delivered and information about its non-current assets by geographical location of the assets are detailed below:

5 營業額及分部資料 (續)

地區資料

本集團於兩個主要地區－中國及香港經營業務。

本集團來自外部客戶之收入按貨品及服務交付地區及非流動資產按資產所在地區的資料詳述如下：

		Revenue from external customers from continuing operations 持續經營業務		Non-current assets (Note) 非流動資產 (附註)	
		來自外部客戶之收入		非流動資產 (附註)	
		2018	2017	2018	2017
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
The PRC	中國	1,673,098	3,812,329	1,036,265	413,888
Hong Kong	香港	3,198	3,816	4,877,740	5,082,331
		1,676,296	3,816,145	5,914,005	5,496,219

Note: Non-current assets exclude assets relating to commodity contracts, equity instruments and deferred tax assets.

附註：非流動資產不包括有關商品合約之資產、股本工具及遞延稅項資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

5 REVENUE AND SEGMENT INFORMATION

(continued)

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of total sales of the Group from the continuing operations are as follows:

		2018 <i>HK\$'000</i> 港幣千元	2017 <i>HK\$'000</i> 港幣千元
Customer A ¹	客戶A ¹	243,451	N/A不適用 ²
Customer B ¹	客戶B ¹	198,909	N/A不適用 ²
Customer C ¹	客戶C ¹	186,238	N/A不適用 ²
Customer D ¹	客戶D ¹	N/A不適用 ²	399,963

Note: 1 Revenue from trading business.

2 The corresponding revenue did not contribute over 10% of the total sales of the Group.

5 營業額及分部資料 (續)

有關主要客戶之資料

於相應年度為本集團來自持續經營業務之銷售總額貢獻超過10%之客戶收入如下：

		2018 <i>HK\$'000</i> 港幣千元	2017 <i>HK\$'000</i> 港幣千元
Customer A ¹	客戶A ¹	243,451	N/A不適用 ²
Customer B ¹	客戶B ¹	198,909	N/A不適用 ²
Customer C ¹	客戶C ¹	186,238	N/A不適用 ²
Customer D ¹	客戶D ¹	N/A不適用 ²	399,963

附註： 1 來自貿易業務之收益。

2 相應收益並無為本集團之銷售總額貢獻超過10%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

6 OTHER INCOME

6 其他收入

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Interest income on bank deposits	銀行存款利息收入	36,559	6,501
Sundry income	雜項收入	129	-
		36,688	6,501

7 OTHER GAINS, NET

7 其他收益淨額

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Net foreign exchange gains/(losses)	匯兌收益／(虧損)淨額	2,229	(7,838)
Gain from changes in fair value of investment properties (Note 14)	投資物業公平值變動之收益 (附註14)	7,952	900
Fair value gain on wealth management products	理財產品之公平值收益	8,432	-
Wavier of trade payable to a related party	免除應付一名關聯方賬款	-	8,212
Litigation expenses (Note)	訴訟費用(附註)	(5,460)	-
Others	其他	2,951	(783)
		16,104	491

Note: In 2013, a subsidiary of the Group was involved in a legal case involving in chartering service. During the year ended 31 December 2018, the Group reached an agreement on the settlement amount of USD 2.2 million (equivalent to HK\$17.2 million). Out of the settlement amount, USD 1.5 million (equivalent to HK\$11.7 million) had been provided previously and the remaining USD 0.7 million (equivalent to HK\$5.5 million) was provided for and settled during the year ended 31 December 2018.

附註: 於2013年,本集團一家附屬公司涉入一件涉及租船服務的法律案件。於截至2018年12月31日止年度,本集團就和解費用0.022億美元(相當於港幣0.172億元)達成協議。在和解費中,0.015億美元(相當於港幣0.117億元)已於先前計提撥備,而餘下0.007億美元(相當於港幣0.055億元)已於截至2018年12月31日止年度計提撥備並結清。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

8 EXPENSES BY NATURE

8 按性質劃分之支出

		2018 <i>HK\$'000</i> 港幣千元	2017 <i>HK\$'000</i> 港幣千元
Employee benefit expenses (excluding benefits and interests of directors) (Note 9)	僱員福利支出(不包括董事福利及權益)(附註9)	101,589	20,866
Depreciation of property, plant and equipment (Note 13)	物業、廠房及設備折舊(附註13)	1,120	259
Directors' emoluments (Note 37)	董事酬金(附註37)	5,191	–
Amortisation of other non-current assets (Note 15)	其他非流動資產攤銷(附註15)	16,736	–
Auditor's remuneration	核數師酬金		
– Audit service	– 審計服務	2,820	1,996
– Non-audit service	– 非審計服務	1,278	–
Cost of inventories recognised as an expense	確認為支出之存貨成本	1,515,759	3,807,035
Minimum lease payments under operating leases in respect of land and buildings	土地及樓宇於經營租約項下之最低租金	12,298	4,798
Service and management fees charged by Shougang Group (Note 34)	向首鋼集團支付之服務及管理費用(附註34)	1,640	960
Others	其他	35,403	13,382
Total cost of sales and administrative expenses	銷售成本及行政支出總額	1,693,834	3,849,296

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

**9 EMPLOYEE BENEFIT EXPENSES
 (EXCLUDING BENEFITS AND INTERESTS OF
 DIRECTORS)**

**9 僱員福利支出（不包括董事福利及
 權益）**

		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Basic salaries and allowances	基本薪金及津貼	98,396	20,002
Retirement benefits scheme contributions	退休福利計劃供款	3,193	864
		101,589	20,866

(i) Five highest paid individuals

For the year ended 31 December 2018, the five individuals whose emoluments were the highest in the Group include one (2017: one) director, whose emolument is reflected in the analysis in note 37. The emoluments paid/payable to the remaining four (2017: four) individuals during the years ended 31 December 2017 and 2018 are as follows:

(i) 五名最高薪人士

截至2018年12月31日止年度，本集團酬金最高的五名人士包括一名（2017年：一名）董事，其酬金反映於附註37之分析。截至2017年及2018年12月31日止年度已付／應付餘下四名（2017年：四名）人士之酬金如下：

		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Salaries and other benefits	薪金及其他福利	5,817	5,098
Contributions to retirement benefit schemes	退休福利計劃供款	793	226
		6,610	5,324

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

**9 EMPLOYEE BENEFIT EXPENSES
(EXCLUDING BENEFITS AND INTERESTS OF
DIRECTORS) (continued)**

(i) Five highest paid individuals (continued)

The emoluments of the highest paid individuals fell within the following bands:

		Number of individuals 人數	
		2018	2017
Emolument band	酬金範圍		
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元	2	3
HK\$1,500,001 to HK\$2,000,000	港幣1,500,001元至 港幣2,000,000元	2	1
		4	4

10 FINANCE COSTS

**9 僱員福利支出（不包括董事福利及
權益）（續）**

(i) 五名最高薪人士（續）

最高薪人士之酬金介於以下範圍：

10 財務成本

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Interests on bank borrowings	銀行借款利息	1,886	17,392
Interests on other borrowing	其他借款利息	3,813	—
		5,699	17,392

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

11 INCOME TAX EXPENSE

Hong Kong profits tax is calculated at 16.5% of the assessable profit (2017: 16.5%).

No provision for Hong Kong profits tax have made in the consolidated financial statements as the Group has no Hong Kong assessable profit for both years.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for 2018 (2017: 25%).

The amount of income tax expenses charged to the consolidated statement of comprehensive income represents:

11 所得稅支出

香港利得稅乃根據應課稅溢利按稅率 16.5% 計算 (2017年: 16.5%)。

本集團因未產生香港應課稅溢利，因此綜合財務報表上並無就兩個年度作出香港利得稅撥備。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，在中國之附屬公司於2018年之稅率為25% (2017年: 25%)。

於綜合全面收益表內扣除之所得稅支出款項為：

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Current income tax:	即期所得稅：		
Taxation outside Hong Kong	香港境外稅項		
– The PRC	– 中國	9,338	–
Deferred income tax (Note 28)	遞延所得稅 (附註28)	673	–
		10,011	–

Note: In 2016, the income tax expenses included Hong Kong profits tax of approximately HK\$49,061,000 in relation to the offshore trading profits of iron ore claimed by the Group in prior years (the "Offshore Claim"). The Group received tax assessment demanding notes on the Offshore Claim (the "Assessment") issued by the Inland Revenue Department subsequent to the end of the reporting period of 2016. Although the management of the Group lodged an objection against the Assessment, provision for prior years' Hong Kong profits tax of HK\$49,061,000 was made as the management of the Group was uncertain about the probability of the success of the objection.

In 2017 and 2018, the abovementioned tax objection has not yet been resolved, resulting in the tax certificates of approximately HK\$48,343,000 being purchased as requested by the Inland Revenue Department. The balance of tax certificates and corresponding profits tax payable were presented on a net basis within tax payable as the Group had a legally enforceable right to and intent to settle on a net basis.

附註： 於2016年，所得稅開支包括在過往年度本集團所報稱鐵礦石海外貿易溢利的香港利得稅約港幣49,061,000元(「海外聲請」)。本集團於2016年報告期結束後接獲稅務局就海外聲請發出的評稅通知書(「評稅」)。儘管本集團管理層已對評稅提出反對，惟由於本集團管理層不能肯定能成功反對的可能性，故就過往年度之香港利得稅港幣49,061,000元作出撥備。

於2017年及2018年，上述稅項反對尚未解決，導致因應稅務局要求購買約港幣48,343,000元之儲稅券。儲稅券結餘及相應之應付利得稅乃按淨額基準於本集團應付稅項內呈列，本集團擁有合法可強制執行權利及有意按淨額基準結算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

11 INCOME TAX EXPENSE (continued)

The tax expense for the year can be reconciled to the profit before income tax per the consolidated statement of comprehensive income as follows:

11 所得稅支出 (續)

年內之稅項支出與綜合全面收益表列示之除所得稅前溢利對賬如下：

		2018 <i>HK\$'000</i> 港幣千元	2017 <i>HK\$'000</i> 港幣千元
Profit before income tax	除所得稅前溢利	366,782	57,286
Calculated at domestic tax rates applicable to profits in the respective countries:	按相關地區溢利適用的當地稅率計算的稅項：	59,370	9,452
Tax effect of amount which are not deductible/(taxable) in calculating taxable income:	於計算應課稅收入時屬於不可扣減／(毋須課稅)金額的稅務影響：		
Share of results of associates	攤佔聯營公司業績	(45,435)	(41,007)
Share of result of a joint venture	攤佔合營公司業績	(813)	-
Expenses not deductible for tax purposes	不可扣稅支出	4,028	13,338
Income not taxable for tax purposes	毋須課稅收入	(20,131)	(2,079)
Tax loss not recognised	未確認稅務虧損	17,379	21,800
Utilisation of tax losses previously not recognised	動用過往未被確認稅務虧損	(4,387)	(1,504)
Tax expense for the year	年度稅項支出	10,011	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

12 EARNINGS PER SHARE

(a) Basic

The basic earnings per share for the year is calculated by dividing the profit attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue:

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Profit attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利(港幣千元)	353,097	57,286
Weighted average number of ordinary shares for basic earnings per share (thousands) (Note)	用於計算每股基本盈利的普通股加權平均數(千股)(附註)	20,121,731	10,155,814
Basic earnings per share (expressed in Hong Kong cents per share)	每股基本盈利(以每股港仙列示)	1.75	0.56

Note: The earnings per share and the weighted average number of ordinary shares for 2017 have been adjusted for the bonus element in the Open Offer (as defined in Note 25).

附註：2017年之每股盈利及普通股加權平均數已就公開發售(定義見附註25)中的額外元素作出調整。

(b) Diluted

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.

The Company has no share option outstanding as at 31 December 2018 (year ended 31 December 2017: the share options did not have a dilutive effect on earnings per share).

(b) 攤薄

每股攤薄盈利乃假設已轉換所有具潛在攤薄效應之普通股，通過調整已發行普通股之加權平均數計算。

本公司於2018年12月31日並無尚未行使之購股權(截至2017年12月31日止年度：購股權對每股盈利並無攤薄影響)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

13 PROPERTY, PLANT AND EQUIPMENT

13 物業、廠房及設備

		Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Total
		租賃物業裝修	傢俬、 裝置及設備	汽車	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
COST	成本				
At 1 January 2017	於2017年1月1日	3,977	2,633	2,601	9,211
Additions	添置	103	263	-	366
Disposals	出售	-	(1)	-	(1)
Acquisitions of subsidiaries (Note 30)	收購附屬公司 (附註30)	-	2,497	-	2,497
At 31 December 2017	於2017年12月31日	4,080	5,392	2,601	12,073
Additions	添置	376	3,400	-	3,776
Disposals	出售	(545)	(246)	-	(791)
Acquisitions of subsidiaries (Note 30)	收購附屬公司 (附註30)	-	2,652	-	2,652
Exchange difference	匯兌調整	-	(355)	-	(355)
At 31 December 2018	於2018年12月31日	3,911	10,843	2,601	17,355
DEPRECIATION	折舊				
At 1 January 2017	於2017年1月1日	1,973	2,391	2,601	6,965
Depreciation charged	已扣除折舊	150	109	-	259
Disposals	出售	-	(1)	-	(1)
At 31 December 2017	於2017年12月31日	2,123	2,499	2,601	7,223
Depreciation charged	已扣除折舊	158	962	-	1,120
Disposals	出售	(510)	(183)	-	(693)
Acquisition of subsidiaries (Note 30)	收購附屬公司 (附註30)	-	1,730	-	1,730
Exchange difference	匯兌差額	-	(91)	-	(91)
At 31 December 2018	於2018年12月31日	1,771	4,917	2,601	9,289
CARRYING VALUES	賬面值				
At 31 December 2018	於2018年12月31日	2,140	5,926	-	8,066
At 31 December 2017	於2017年12月31日	1,957	2,893	-	4,850

During the year ended 31 December 2018, no impairment loss (2017: nil) was provided for.

截至2018年12月31日止年度，概無就減值虧損計提撥備（2017年：無）。

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14 INVESTMENT PROPERTIES

14 投資物業

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
At fair value	按公平值		
Opening balance at 1 January	於1月1日之期初結餘	6,900	6,000
Addition	添置	137,146	-
Change in fair value recognised in the consolidated statement of comprehensive income (Note 7)	於綜合全面收益表中確認之公平值變動(附註7)	7,952	900
Exchange differences	匯兌差額	(296)	-
Closing balance at 31 December	於12月31日之期末結餘	151,702	6,900

Amounts recognised in the consolidated statement of comprehensive income for investment properties:

就投資物業於綜合全面收益表內確認之金額：

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Rental income	租金收入	2,679	216
Direct operating expenses from properties that generated rental income	來自產生租金收入之物業之直接經營支出	(1,806)	-

As at 31 December 2018, the Group had no unprovided contractual obligations for future repairs and maintenance (2017: Nil).

於2018年12月31日，本集團並無關於進一步維修及維護之未撥備合約責任(2017年：無)。

Valuation of the Group's investment property situated in Chengdu is performed by the valuation team of the Group, to determine the fair value of the investment property as at 31 December 2018.

本集團位於成都的投資物業的估值乃由本集團的估值小組進行以釐定於2018年12月31日投資物業的公平值。

Independent valuation of the Group's investment property situated in Hong Kong is performed by the valuer, AA Property Services Limited, to determine the fair value of the investment property as at 31 December 2018 and 2017.

本集團位於香港的投資物業的獨立估值乃由估值師環亞物業顧問有限公司進行以釐定於2018年及2017年12月31日投資物業的公平值。

The revaluation gains or losses are included in "Other gains, net" in the consolidated statement of comprehensive income (Note 7).

重估收益及虧損乃計入綜合全面收益表內的「其他收益淨額」(附註7)。

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14 INVESTMENT PROPERTIES (continued)

Fair value hierarchy

The following table analyses the investment properties carried at fair value, by valuation method.

14 投資物業 (續)

公平值層級

下表透過估值方法分析按公平值列賬之投資物業。

		Significant unobservable inputs (Level 3)	
		非能觀察性質之重要輸入數據 (第三級級別)	
		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Recurring fair value measurements	經常性公平值計量		
Investment properties:	投資物業:		
Carpark building – Chengdu	停車場大樓 – 成都	144,602	–
Residential building – Hong Kong	住宅樓 – 香港	7,100	6,900
		151,702	6,900

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that causes the transfer. There were no transfers between Levels 1, 2 and 3 during the year.

本集團的政策為於事項發生或導致轉撥的情況產生變動當日確認公平值層級之間轉入及轉出。年內，第一級級別、第二級級別以及第三級級別之間並無轉撥。

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14 INVESTMENT PROPERTIES (continued)

Fair value measurements using significant unobservable inputs (Level 3)

14 投資物業 (續)

採用非能觀察性質重要數據輸入的公平值計量 (第三級級別)

		Carpark building – Chengdu 停車場大樓 – 成都 HK\$'000 港幣千元	Residential building – Hong Kong 住宅樓 – 香港 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
2018	2018年			
Opening balance at 1 January 2018	於2018年1月1日之 期初結餘	–	6,900	6,900
Addition	添置	137,146	–	137,146
Change in fair value recognised in the consolidated statement of comprehensive income (Note 7)	於綜合全面收益表中 確認之公平值變動 (附註7)	7,752	200	7,952
Exchange differences	匯兌差額	(296)	–	(296)
Closing balance at 31 December 2018	於2018年12月31日之 期末結餘	144,602	7,100	151,702

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14 INVESTMENT PROPERTIES (continued)

Fair value measurements using significant unobservable inputs (Level 3) (continued)

14 投資物業 (續)

採用非能觀察性質重要數據輸入的公平值計量 (第三級級別) (續)

		Carpark building – Chengdu 停車場大樓 – 成都 HK\$'000 港幣千元	Residential building – Hong Kong 住宅樓 – 香港 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
2017	2017年			
Opening balance at 1 January 2017	於2017年1月1日之 期初結餘	–	6,000	6,000
Change in fair value recognised in the consolidated statement of comprehensive income (Note 7)	於綜合全面收益表中 確認之公平值變動 (附註7)	–	900	900
Closing balance at 31 December 2017	於2017年12月31日之 期末結餘	–	6,900	6,900

Valuation processes of the Group

The Group's investment properties were valued at 31 December 2018 by internal valuation team and independent professionally qualified valuers who 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 use equates to the highest and best use.

The Group's senior management reviews the valuations performed by the internal valuation team and independent valuers for financial reporting purposes.

本集團估值流程

本集團之投資物業乃由內部估值小組及持有公認的相關專業資格證書並於近期在投資物業的地點及分部具有估值經驗的獨立專業合資格估值師於2018年12月31日進行估值。就所有投資物業而言，彼等現時使用均為最高及最佳用途。

本集團高級管理層審閱內部估值小組及獨立估值師就財務報告而言所進行的估值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

14 INVESTMENT PROPERTIES (continued)

Valuation processes of the Group (continued)

At each financial year end the senior management:

- verifies all major inputs to the valuation;
- assesses property valuations movements when compared to the prior year valuation;
- holds discussions with the internal valuation team and independent valuers.

Valuation techniques

The Group obtains valuations for its investment properties at least annually.

At the end of each reporting period, the directors update their assessment of the fair value of each property, taking into account the most recent valuations. The directors determine a property's value within a range of reasonable fair value estimates.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the directors consider information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

There were no changes to the valuation techniques during the year.

14 投資物業 (續)

本集團估值流程 (續)

於各財政年度末，高級管理層：

- 驗證估值的所有主要數據輸入；
- 評估物業估值相較於過往年度估值的變動；
- 主持與內部估值小組及獨立估值師的討論。

估值技術

本集團至少每年一次就其投資物業取得估值。

於各報告期末，董事均經考慮最近期估值更新彼等就各物業的公平值的評估。董事於合理公平值估計範圍內釐定物業價值。

公平值的最佳憑證為相類似的物業在活躍市場的當時價格。如未能取得有關資料，董事則會考慮來自多方面的資料，包括：

- 不同性質的物業於活躍市場的當時價格或類似物業在比較不活躍市場中的近期價格（須就反映上述差異作出調整）
- 根據未來現金流量的可靠估計而預測的折算現金流量
- 根據物業估計市場收入淨額以及源自市場證據分析的資本化比率而預測的資本化收入。

年內，估值技術並無變動。

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14 INVESTMENT PROPERTIES (continued)

The following table analyses the level 3 investment properties carried at fair value, by valuation techniques.

14 投資物業 (續)

下表按估值技術分析第三級級別投資物業 (按公平值列值)。

Property	Fair value at 31 December		Valuation technique(s)	Unobservable inputs	Range of unobservable inputs		Relationship of unobservable inputs to fair value
	2018	2017			2018	2017	
物業	於12月31日之公平值 2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元	估值技術	非能觀察性質之 數據輸入	非能觀察性質之數據 輸入範圍	非能觀察性質之 數據輸入與 公平值之關係	
Carpark building – Chengdu 停車場大樓 – 成都	144,602		– Income approach discounted cash flow 收入法 (貼現現金流量)	Comparable's unit selling price 可比物業之 單位售價	RMB110,000- RMB190,000 per parking space 每個停車位 人民幣 110,000元至 人民幣 190,000元	N/A 不適用	The higher the unit selling price, the higher the fair value 單位售價越高， 公平值越高
				Rental rates growth rate 租金費率增長率	5% for the first 1-5 years, and 3% later on 頭1至5年 為5%，往後 為3%	N/A 不適用	The higher the growth rate, the higher the fair value 增長率越高， 公平值越高
				Discounted rate 貼現率	7%	N/A 不適用	The higher the discount rate, the lower the fair value 貼現率越高， 公平值越低

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14 INVESTMENT PROPERTIES (continued)

The following table analyses the level 3 investment properties carried at fair value, by valuation techniques.

14 投資物業 (續)

下表按估值技術分析第三級別投資物業 (按公平值列值)。

Property	Fair value at 31 December	Valuation technique(s)	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value	
物業	於12月31日之公平值	估值技術	非能觀察性質之數據輸入	非能觀察性質之數據輸入範圍	非能觀察性質之數據輸入與公平值之關係	
	2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元		2018 2017		
Residential building - Hong Kong 住宅樓-香港	7,100	6,900	Capitalisation rate 資本化比率	3.2%-4.3%	N/A 不適用 The higher the capitalisation rate, the higher the fair value 資本化比率越高，公平值越高	
			Income approach (term and reversionary method) 收入法 (租期及復歸法)	Term rate 租期比率	2%	3% The higher the term rate, the lower the fair value 租期比率越高，公平值越低
			Reversionary rate 復歸比率	2.5%	3.5% The higher the reversionary rate, the lower the fair value 復歸比率越高，公平值越低	

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15 OTHER NON-CURRENT ASSETS

15 其他非流動資產

		Carpark operating rights (Note a) 停車場 經營權 (附註a) HK\$'000 港幣千元	Funds management contracts (Note b) 基金管理 合約 (附註b) HK\$'000 港幣千元	Goodwill (Note c) 商譽 (附註c) HK\$'000 港幣千元	Others (Note d) 其他 (附註d) HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Cost	成本					
At 1 January 2017	於2017年1月1日	-	-	-	-	-
Acquisitions of subsidiaries (Note 30)	收購附屬公司 (附註30)	56,308	28,586	98,296	25,305	208,495
At 31 December 2017	於2017年12月31日	56,308	28,586	98,296	25,305	208,495
Acquisitions of subsidiaries (Note 30)	收購附屬公司 (附註30)	15,143	-	34,393	-	49,536
Addition	添置	-	-	-	4,985	4,985
At 31 December 2018	於2018年12月31日	71,451	28,586	132,689	30,290	263,016
Amortisation	攤銷					
At 1 January 2018 and 31 December 2017	於2018年1月1日及 2017年12月31日	-	-	-	-	-
Amortisation charged	攤銷費用	(9,009)	(5,126)	-	(2,601)	(16,736)
31 December 2018	於2018年12月31日	(9,009)	(5,126)	-	(2,601)	(16,736)
Carrying values	賬面值					
At 31 December 2018	於2018年12月31日	62,442	23,460	132,689	27,689	246,280
At 31 December 2017	於2017年12月31日	56,308	28,586	98,296	25,305	208,495

Notes:

- (a) Carpark operating rights represent the carpark operating rights held by Shouzhong Investment Management Co., Ltd. ("Shouzhong Investment"), Urban Parking Beijing Limited ("Urban Parking") and their subsidiaries. The rights entitled the Group to operate a number of carparks in the PRC for 3 years to 10 years over which the cost will be amortised.

附註:

- (a) 停車場經營權指首中投資管理有限公司(「首中投資」)、富城(北京)停車管理有限公司(「富城停車」)及彼等的附屬公司持有的停車場經營權。本集團有權在中國經營多個停車場3年至10年，期間將攤餘成本。

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15 OTHER NON-CURRENT ASSETS (continued)

Notes: (continued)

- (b) Funds management contracts represent the contracts entered by a subsidiary acquired by the Group during the year ended 31 December 2017. Beijing-Hebei Co-development Exhibition Zone (Tangshan) Fund Management Co., Ltd. ("Jingji Capital") and its subsidiaries with other parties. The contracts granted the Group to manage the funds held on behalf of other contracting parties and receiving management income as return for 1 year to 10 years over which the cost will be amortised.

- (c) Goodwill is allocated to the following cash generating units:

		Shouzhong Investment 首中投資 HK\$'000 港幣千元	Jingji Capital 京冀資本 HK\$'000 港幣千元	Urban Parking 富城停車 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 January 2017	於2017年1月1日	-	-	-	-
Acquisitions of subsidiaries (Note 30) (Note (e)(i))	收購附屬公司 (附註30) (附註(e)(i))	44,614	53,682	-	98,296
At 31 December 2017	於2017年12月31日	44,614	53,682	-	98,296
Acquisitions of subsidiaries (Note 30) (Note (e)(ii))	收購附屬公司 (附註30) (附註(e)(ii))	-	-	34,393	34,393
At 31 December 2018	於2018年12月31日	44,614	53,682	34,393	132,689

- (d) The balance mainly represents prepayment of expenditures for obtaining operating rights in respect of certain carpark operating projects entered into with independent parties.

15 其他非流動資產 (續)

附註：(續)

- (b) 基金管理合約指本集團於截至2017年12月31日止年度收購之附屬公司(京冀協同發展示範區(唐山)基金管理有限公司(「京冀資本」)及其附屬公司)與其他人士訂立之合約。該等合約授權本集團管理代表其他訂約方持有之基金及收取管理收入作為回報，為期1年至10年，期間將攤餘成本。

- (c) 商譽分配至以下現金產生單元：

- (d) 結餘主要指有關與獨立人士進行之若干停車場經營項目取得經營權開支之預付款項。

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15 OTHER NON-CURRENT ASSETS (continued)

Notes: (continued)

(e) Goodwill impairment assessment

(i) Impairment testing on Shouzhong Investment

For the purpose of impairment testing, the goodwill as set out above with carrying amount of HK\$44,614,000 (2017: HK\$44,614,000) has been allocated to a cash generating unit ("CGU") in the carpark operation segment.

The recoverable amount of the CGU arising from Shouzhong Investment was determined based on value in use calculations. The value in use calculations used cash flow projection based on financial budgets approved by management covering a five-year period and a pre-tax discount rate of 13% (2017: 13%). Cash flows beyond the 5-year period are extrapolated using a steady 3% (2017: 3%) growth rate for this CGU.

The key assumptions are budgeted revenue, discount rate and growth rate determined based on the management's expectations for the market development.

No impairment on this CGU was made for the years ended 31 December 2018 and 2017 as the recoverable amounts, which were the value in use, exceeded the carrying amount. The directors believed that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of the CGU to exceed the recoverable amount of the CGU.

15 其他非流動資產 (續)

附註：(續)

(e) 商譽減值評估

(i) 首中投資減值測試

為進行減值測試，上文所載之商譽之賬面值港幣44,614,000元(2017年：港幣44,614,000元)已於停車場經營分部分配至現金產生單元(「現金產生單元」)。

首中投資所產生的現金產生單元的可收回金額乃根據使用價值計算釐定。使用價值計算採用基於管理層批准的五年期財務預算及13%(2017年：13%)稅前貼現率的現金流量預測。超過五年期之現金流量採用穩定的3%(2017年：3%)增長率推算。

主要假設為根據管理層之市場發展預期釐定之預算收入、貼現率及增長率。

由於可收回金額(即使用價值)超過賬面值，故此於截至2018年及2017年12月31日止年度並無就此現金產生單元作出減值。董事相信，任何該等假設之任何合理可能變動將不會導致現金產生單元之賬面總值超過現金產生單元之可收回金額。

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15 OTHER NON-CURRENT ASSETS (continued)

Notes: (continued)

(e) Goodwill impairment assessment (continued)

(ii) For the goodwill relating to Urban Parking (Note 30(a)), the goodwill was determined provisionally as at 31 December 2018. The directors considered that no provision for impairment loss was necessary as at 31 December 2018.

(iii) Impairment testing on Jingji Capital

For the purpose of impairment testing, the goodwill as set out above with carrying amount of HK\$53,682,000 (2017: HK\$53,682,000) has been allocated to CGU in the fund management segment.

The recoverable amount of the CGU arising from Jingji Capital was determined based on value in use calculations. The value in use calculations use cash flow projection based on financial budgets approved by management covering a five-year period and a pre-tax discount rate of 15% (2017: 15%). Cash flows beyond the 5-year period are extrapolated using a steady 3% (2017: 3%) growth rate for this CGU. The key assumptions are budgeted revenue, discount rate and growth rate determined based on the management's expectations for the market development.

No impairment on this CGU was made for the years ended 31 December 2018 and 2017 as the recoverable amounts, which were the value in use, exceeded the carrying amount. The directors believed that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of the CGU to exceed the recoverable amount of CGU.

15 其他非流動資產 (續)

附註：(續)

(e) 商譽減值評估 (續)

(ii) 就富城停車之商譽(附註30(a))而言,商譽乃於2018年12月31日暫時釐定。董事認為,於2018年12月31日,毋須就減值虧損計提撥備。

(iii) 京冀資本減值測試

為進行減值測試,上文所載之商譽之賬面值港幣53,682,000元(2017年:港幣53,682,000元)已於基金管理分部分配至現金產生單元。

京冀資本所產生的現金產生單元的可收回金額乃根據使用價值計算釐定。使用價值計算採用基於管理層批准的五年期財務預算及15%(2017年:15%)稅前貼現率的現金流量預測。超過五年期之現金流量採用穩定的3%(2017年:3%)增長率推算。主要假設為根據管理層之市場發展預期釐定之預算收入、貼現率及增長率。

由於可收回金額(即使用價值)超過賬面值,故此於截至2018年及2017年12月31日止年度並無就此現金產生單元作出減值。董事相信,任何該等假設之任何合理可能變動將不會導致現金產生單元之賬面總值超過現金產生單元之可收回金額。

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16 FINANCIAL INSTRUMENTS BY CATEGORY

16 按類別劃分之金融工具

		2018 <i>HK\$'000</i> 港幣千元	2017 <i>HK\$'000</i> 港幣千元
Financial assets	金融資產		
Financial assets at FVTL	按公平值計入損益之金融資產	494,350	387,516
Financial assets at amortised cost (including cash and cash equivalents)	按攤餘成本入賬之金融資產 (包括現金及現金等價物)	3,202,769	2,342,408
Financial liabilities	金融負債		
Financial liabilities at FVTL	按公平值計入損益之金融負債	-	91,989
Financial liabilities at amortised cost	按攤餘成本入賬之金融負債	226,753	643,050

17 PRINCIPAL SUBSIDIARIES

17 主要附屬公司

The following is a list of the principal subsidiaries at 31 December 2018:

下表載列於2018年12月31日之主要附屬公司：

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 成立或註冊/ 經營地點	Issued and fully paid share 已發行及 已繳足股份	Proportion of issued share/ registered capital held by the Company 本公司持有已發行股份/ 註冊資本比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2018 %	2017 %	2018 %	2017 %	
Shougang Concord Management Company Limited 首長鋼鐵管理有限公司	Hong Kong 香港	HK\$100,000 Ordinary shares 港幣100,000元 普通股	100	100	-	-	Provision of management services 提供管理服務
Shougang Concord Shipping Services Limited 首長航運服務有限公司	Hong Kong 香港	HK\$2 Ordinary shares 港幣2元普通股	-	-	100	100	Provision of management services 提供管理服務
SCIT Services Limited	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 Ordinary share 1美元普通股	-	-	100	100	Provision of management services 提供管理服務
SCIT Trading Limited 首長航運貿易有限公司	Hong Kong 香港	HK\$1 Ordinary share 港幣1元普通股	-	-	100	100	Trading of iron ore 鐵礦石貿易

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17 PRINCIPAL SUBSIDIARIES (continued)

17 主要附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 成立或註冊/ 經營地點	Issued and fully paid share 已發行及 已繳足股份	Proportion of issued share/ registered capital held by the Company 本公司持有已發行股份/ 註冊資本比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2018 %	2017 %	2018 %	2017 %	
Shougang Concord Services Limited 首長服務有限公司	Hong Kong 香港	HK\$2 Ordinary shares 港幣2元 普通股	100	100	-	-	Provision of management services 提供管理服務
Shougang Concord International Trading Limited 首長國際貿易有限公司	Hong Kong 香港	HK\$1 Ordinary share 港幣1元 普通股	-	-	100	100	Trading of iron ore 鐵礦石貿易
京冀協同發展示範區(唐山)基金管理有限公司 Jingji Capital ^{△△}	The PRC 中國	RMB266,000,000 人民幣 266,000,000元	-	-	100	100	Provision of private fund management services 提供私募基金管理服務
首中投資管理有限公司 Shouzhong Investment ^{△#}	The PRC 中國	RMB400,000,000 人民幣 400,000,000元	-	-	100	44.94	Carpark operation 停車場經營
北京京祥本盛經濟諮詢有限公司 ^{△△}	The PRC 中國	-	-	-	100	100	Provision of private fund management services 提供私募基金管理服務
北京恆泰盛源投資管理有限公司 ^{△△}	The PRC 中國	RMB26,000,000 人民幣 26,000,000元	-	-	100	100	Provision of private fund management services 提供私募基金管理服務
首鋼東北振興產業基金管理有限公司 ^{△△}	The PRC 中國	RMB50,000,000 人民幣 50,000,000元	-	-	100	100	Provision of private fund management services 提供私募基金管理服務
北京僑創投資管理有限公司 ^{△△}	The PRC 中國	RMB5,000,000 人民幣 5,000,000元	-	-	100	100	Provision of private fund management services 提供私募基金管理服務
北京智投匯文創科技有限公司 ^{△△}	The PRC 中國	RMB10,000,000 人民幣 10,000,000元	-	-	80	80	Provision of private fund management services 提供私募基金管理服務
成都首鋼絲路股權投資基金管理有限公司 ^{△△}	The PRC 中國	RMB5,000,000 人民幣 5,000,000元	-	-	70	70	Provision of private fund management services 提供私募基金管理服務
北京首元新能投資管理有限公司 ^{△△}	The PRC 中國	RMB10,000,000 人民幣 10,000,000元	-	-	60	60	Provision of private fund management services 提供私募基金管理服務

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17 PRINCIPAL SUBSIDIARIES (continued)

17 主要附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 成立或註冊/ 經營地點	Issued and fully paid share 已發行及 已繳足股份	Proportion of issued share/ registered capital held by the Company 本公司持有已發行股份/ 註冊資本比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2018 %	2017 %	2018 %	2017 %	
北京路通順捷停車場管理 有限公司 ^{△#}	The PRC 中國	RMB20,851,500 人民幣 20,851,500元	-	-	80	35.95	Carpark operation 停車場經營
上海暢行停車管理有限公司 ^{△#}	The PRC 中國	RMB20,000,000 人民幣 20,000,000元	-	-	90	40.45	Carpark operation 停車場經營
北京首中易泊停車場管理 有限公司 ^{△#}	The PRC 中國	-	-	-	100	44.94	Carpark operation 停車場經營
成都首中易泊停車場管理 有限公司 ^{△#}	The PRC 中國	RMB5,000,000 人民幣 5,000,000元	-	-	100	100	Carpark operation 停車場經營
上海訊發企業管理 有限公司 ^{△#}	The PRC 中國	RMB30,000,000 人民幣 30,000,000元	-	-	100	-	Education & training 教育及培訓
成都首中首泊停車場 管理有限公司 ^{△#}	The PRC 中國	RMB300,000 人民幣300,000元	-	-	100	-	Carpark operation 停車場經營
富城(北京)停車管理 有限公司 ^{△#}	The PRC 中國	RMB1,110,000 人民幣 1,110,000元	-	-	100	-	Carpark operation 停車場經營
富城(上海)停車管理 有限公司 ^{△#}	The PRC 中國	RMB1,717,214 人民幣 1,717,214元	-	-	100	-	Carpark operation 停車場經營
天津首中長興股權投資基金 管理有限公司 ^{△^}	The PRC 中國	-	-	-	51	-	Provision of private fund management services 提供私募基金管理服務
貴陽首中易泊停車場管理 有限公司 ^{△#}	The PRC 中國	RMB5,000,000 人民幣 5,000,000元	-	-	100	-	Carpark operation 停車場經營
天津首中易泊停車場管理 有限公司 ^{△#}	The PRC 中國	RMB5,000,000 人民幣 5,000,000元	-	-	100	-	Carpark operation 停車場經營

△ Limited company established in the PRC

* For identification purpose only

^ Subsidiaries under Jingji Capital Group

Subsidiaries under Shouzhong Investment Group (Note)

△ 於中國成立之有限責任公司

* 僅供識別

^ 京冀資本集團旗下附屬公司

首中投資集團旗下附屬公司(附註)

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17 PRINCIPAL SUBSIDIARIES (continued)

Note: Shouzhong Investment is a subsidiary of the Group although the Group has only approximately 44.94% equity interest and voting rights in Shouzhong Investment as at 31 December 2017 as the directors of the Company concluded that the Group has sufficiently dominate voting interest to direct the relevant activities of Shouzhong Investment and is able to exercise control over Shouzhong Investment.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affect the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year.

As at 31 December 2017 and 2018, there was no subsidiary with non-controlling interests that are material to the Group.

17 主要附屬公司(續)

附註：由於本公司董事認為，本集團擁有足夠的主導投票權益以指導首中投資的相關活動並能夠對首中投資行使控制權，故首中投資為本集團一間附屬公司，儘管本集團於2017年12月31日僅持有首中投資約44.94%股權及表決權。

上表列出董事認為主要影響本集團業績或資產之本公司附屬公司。董事認為，提供其他附屬公司之詳情將導致詳情過於冗長。

該等附屬公司於本年度末概無發行任何債務證券。

於2017年及2018年12月31日，概無其非控股權益對本集團而言屬重大之附屬公司。

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18(A) INVESTMENTS IN ASSOCIATES

Set out below are the associates of the Group as at 31 December 2018 which, in the opinion of the directors, are material to the Group. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

All of these associates are accounted for using the equity method in these consolidated financial statements.

18(A) 於聯營公司之投資

以下載列本集團於2018年12月31日之聯營公司，董事認為該等公司對本集團而言屬重大。下列公司之股本僅由普通股組成，且由本集團直接持有。該等公司之註冊成立或註冊國家亦為彼等之主要營業地點，且所有權權益之比例與所持投票權之比例相同。

於綜合財務報表中所有此等聯營公司，本公司均使用權益法列賬。

Name of entity 公司名稱	Place of incorporation 註冊成立地點	Principal place of operation 主要經營地點	Measurement method 計量方法	Proportion of issued shares/ registered capital held by the Group 本集團持有已發行股份／註冊資本之比例		Proportion of voting power held 持有投票權之比例		Principal activities 主要業務
				2018	2017	2018	2017	
Shougang Fushan Resources Group Limited ("Shougang Resources") 首鋼福山資源集團有限公司 〔首鋼資源〕	Hong Kong 香港	The PRC 中國	Equity method 權益法	27.61%	27.61%	27.61%	27.61%	Coking coal mining, production and sale of coking coal products and side products 焦煤開採、生產及銷售焦煤產品及副產品
Shougang Century (Note) 首長寶佳 (附註)	Hong Kong 香港	The PRC 中國	Equity method 權益法	35.71%	35.71%	35.71%	35.71%	Manufacturing and sales of steel cords and processing and trading of copper and brass products 製造及銷售鋼索及銅與黃銅產品加工及貿易

Note: On 21 November 2018, the Company announced that it had entered into a sale and purchase agreement with Shougang Holding, the controlling shareholding company of the Company, pursuant to which the Company had conditionally agreed to sell, and Shougang Holding had conditionally agreed to purchase, the entire equity interest of Fair Union Holdings Limited ("Fair Union") at a consideration of HK\$205,997,000 (the "Restructuring"). As at the date of announcement, Fair Union holds, directly and indirectly, approximately 35.71% in aggregate of the entire issued share capital of Shougang Century.

The completion of the Restructuring is subject to approval of the independent shareholders of the Company at a general meeting.

附註： 於2018年11月21日，本公司宣佈其與本公司之控股公司首鋼控股訂立買賣協議，據此，本公司有條件地同意出售及首鋼控股有條件地同意購買Fair Union Holdings Limited (「Fair Union」) 之全部股權，代價為港幣205,997,000元 (「重組」)。於該公告日期，Fair Union 直接及間接持有首長寶佳全部已發行股本合共約35.71%權益。

重組須經本公司獨立股東於股東大會上批准後方告完成。

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18(A) INVESTMENTS IN ASSOCIATES (continued)

18(A) 於聯營公司之投資 (續)

		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Cost of investments in associates – listed in Hong Kong	於聯營公司投資之成本 – 於香港上市	6,834,092	6,834,092
Share of post-acquisition losses and other comprehensive losses, impairment loss, net of dividends received	攤佔收購後虧損及 其他全面虧損、 減值虧損，扣除已收股息	(1,601,767)	(1,761,013)
		5,232,325	5,073,079
Fair value of listed investments	上市投資之公平值	2,455,274	2,628,374

Goodwill

Included in the cost of investment in Shougang Resources, associate of the Group, is goodwill of approximately HK\$1,048,488,000 (2017: HK\$1,048,488,000) arising from the acquisition of Shougang Resources. The movement of goodwill is set out below.

商譽

於首鋼資源(本集團之聯營公司)之投資成本中包括因收購首鋼資源而產生之商譽約港幣1,048,488,000元(2017年:港幣1,048,488,000元)。商譽之變動載列如下。

		HK\$'000
		港幣千元
Cost	成本	
At 1 January 2017, 31 December 2017 and 31 December 2018	於2017年1月1日、2017年12月31日及 2018年12月31日	2,257,169
Impairment	減值	
At 1 January 2017, 31 December 2017 and 31 December 2018	於2017年1月1日、2017年12月31日及 2018年12月31日	1,208,681
Carrying values	賬面值	
At 31 December 2017 and 31 December 2018	於2017年12月31日及2018年12月31日	1,048,488

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18(A) INVESTMENTS IN ASSOCIATES (continued)**Impairment assessment**

No impairment loss has been recognised for the year ended 31 December 2018 (2017: nil) in respect of the interest in Shougang Resources with carrying amount of HK\$4,821,128,000 (2017: HK\$4,634,344,000) after considering that the recoverable amount of Shougang Resources is higher than the respective carrying amount. The recoverable amount of the interest in Shougang Resources has been determined by calculating the value in use of the investment. For impairment purpose, the management estimates the Group's share of Shougang Resources' future cash flows which are based on the financial budgets attributable to the equity interest of the Group approved by management covering a 5-year period and using a pre-tax discount rate of 12% (2017: 12.88%), and the cash flows beyond 5 years are extrapolated using a zero terminal growth rate. Other key assumptions for the value in use calculation relate to the estimation of future cash inflows which include revenue growth rates and gross margin. Such estimation is based on the associate's past performance and management's expectations for the market development.

18(A) 於聯營公司之投資 (續)**減值評估**

經考慮首鋼資源之可收回金額高於相應賬面金額後，於截至2018年12月31日止年度，並無就首鋼資源權益之賬面值港幣4,821,128,000元（2017年：港幣4,634,344,000元）確認減值虧損（2017年：無）。於首鋼資源權益之可收回金額已透過計算投資之使用價值釐定。就減值測試而言，管理層以首鋼資源財務預算為基準預估集團所佔份額未來5年的現金流，並使用12%的稅前貼現率（2017年：12.88%），超出5年的現金流按零永續增長率推算。用價值計算方法之其他主要假設與未來現金流入估計有關，當中包括收入增長率及毛利率，而有關估計乃根據該聯營公司過往表現及管理層對市場發展之預測為基準。

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18(A) INVESTMENTS IN ASSOCIATES (continued)

Impairment assessment (continued)

The carrying amount of the Group's investment in Shougang Century amounted to HK\$411,197,000 (2017: HK\$438,735,000) is also tested for impairment in entirety in accordance with HKAS 36 Impairment of Assets as a single asset by comparing the respective recoverable amount. The recoverable amount of the Group's investment in Shougang Century has been determined by calculating the value in use of the investment. The management estimates the Group's share of Shougang Century's future cash flows which are based on financial budgets covering a five-year period at a discount rate of 11.60% (2017: 11.30% to 11.82%). The parameters adopted in Shougang Century's cash flows beyond the five-year period are extrapolated with zero terminal growth rate. Other key assumptions for the value in use calculations relate to the estimation of future cash inflows which include revenue growth rates, gross margin and probability of disposal, such estimation is based on the management's expectations for the market development.

As at 31 December 2018 and 2017, the recoverable amounts of Shougang Resources and Shougang Century are higher than the carrying amounts and thus no impairment loss is recognised regarding the Group's investments in Shougang Resources and Shougang Century.

18(A) 於聯營公司之投資 (續)

減值評估 (續)

本集團於首長寶佳之投資賬面值港幣411,197,000元(2017年:港幣438,735,000元)亦會根據香港會計準則第36號資產減值作為單一資產全數進行減值測試,方法為將個別可收回金額進行比較。本集團於首長寶佳之投資之可收回金額乃透過計算投資之使用價值釐定。管理層根據涵蓋五年期財務預算以貼現率11.60%(2017年:11.30%至11.82%)估計本集團應佔首長寶佳之未來現金流量。就首長寶佳而言,現金流量超過五年期者按零永續增長率推算。計算在用價值之其他主要假設與估計未來現金流入有關,其包括收入增長率、毛利率及出售可能性,有關估計乃按管理層根據市場發展所預測。

於2018年及2017年12月31日,首鋼資源及首長寶佳之可收回金額均高於賬面值,因此本集團並無就於首鋼資源及首長寶佳之投資確認減值虧損。

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18(A) INVESTMENTS IN ASSOCIATES (continued)

Summarised financial information of material associates

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with HKFRSs. They have been amended to reflect adjustments made by the Group when using the equity method, including modifications for differences in accounting policy.

(i) Shougang Resources

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Current assets	流動資產	7,395,292	7,631,105
Non-current assets	非流動資產	13,855,750	14,063,540
Current liabilities	流動負債	2,868,700	2,661,400
Non-current liabilities	非流動負債	1,606,536	1,657,562
		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Revenue	營業額	3,686,176	3,471,922
Profit for the year	年度溢利	1,151,928	1,182,584
Profit for the year attributable to owners of Shougang Resources	首鋼資源擁有人應佔年度溢利	1,100,488	1,080,649
Other comprehensive (loss)/income for the year	年度其他全面(虧損)/收益	(561,275)	879,059
Total comprehensive income for the year	年度全面收益總額	590,653	2,061,643
Dividends received from the associate during the year	年度已收聯營公司股息	319,117	87,838

18(A) 於聯營公司之投資 (續)

主要聯營公司財務資料概要

有關本集團各主要聯營公司之財務資料概要載列如下。下列財務資料概要指聯營公司根據香港財務報告準則編製之財務報表所示金額。這些資料已進行修訂，以反映本集團在使用權益法時所做的調整，包括對會計政策差異的修正。

(i) 首鋼資源

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18(A) INVESTMENTS IN ASSOCIATES (continued)

Summarised financial information of material associates (continued)

(i) Shougang Resources (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

18(A) 於聯營公司之投資 (續)

主要聯營公司財務資料概要 (續)

(i) 首鋼資源 (續)

上述財務資料概要與綜合財務報表內確認於聯營公司之權益賬面值之對賬：

		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Net assets of Shougang Resources	首鋼資源淨資產	16,775,806	17,375,683
Non-controlling interests	非控股權益	(1,391,690)	(1,440,871)
		15,384,116	15,934,812
Proportion of the Group's ownership interest in Shougang Resources	本集團於首鋼資源之擁有權權益比例	27.61%	27.61%
Effect of fair value adjustments at acquisition	於收購時公平值調整之影響	4,247,555	4,399,602
Goodwill	商譽	(355,234)	(329,852)
Other adjustments	其他調整	1,048,488	1,048,488
		(119,681)	(483,894)
Carrying amount of the Group's interest in Shougang Resources	本集團於首鋼資源權益之賬面值	4,821,128	4,634,344

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18(A) INVESTMENTS IN ASSOCIATES (continued)

Summarised financial information of material associates (continued)

(ii) Shougang Century

18(A) 於聯營公司之投資 (續)

主要聯營公司財務資料概要 (續)

(ii) 首長寶佳

		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Current assets	流動資產	2,112,075	2,007,373
Non-current assets	非流動資產	1,154,794	1,313,844
Current liabilities	流動負債	1,776,727	1,706,893
Non-current liabilities	非流動負債	298,590	345,655
		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Revenue	營業額	2,254,170	2,113,258
Loss for the year	年度虧損	(8,681)	(68,518)
Loss for the year attributable to owners of Shougang Century	首長寶佳擁有人應佔年度虧損	(8,681)	(68,518)
Other comprehensive (losses)/income for the year	年度其他全面(虧損)/收益	(68,436)	141,619
Total comprehensive (losses)/income for the year	年度全面(虧損)/收益總額	(77,117)	73,101

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18(A) INVESTMENTS IN ASSOCIATES (continued)

Summarised financial information of material associates (continued)

(ii) Shougang Century (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Net assets of Shougang Century	首長寶佳淨資產	1,191,552	1,268,669
Proportion of the Group's ownership interest in Shougang Century	本集團於首長寶佳之擁有權權益比例	35.71%	35.71%
Share option reserve	購股權儲備	425,504	453,042
Other adjustments	其他調整	(10,671)	(10,671)
		(3,636)	(3,636)
Carrying amount of the Group's interest in Shougang Century	本集團於首長寶佳權益之賬面值	411,197	438,735

18(A) 於聯營公司之投資 (續)

主要聯營公司財務資料概要 (續)

(ii) 首長寶佳 (續)

上述財務資料概要與綜合財務報表內確認於聯營公司之權益賬面值之對賬：

18(B) INVESTMENT IN A JOINT VENTURE

18(B) 於一家合營公司之投資

		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Cost of investment in a joint venture	於一家合營公司之投資成本		
Unlisted investment	非上市投資	81,299	81,299
Share of post-acquisition results and other comprehensive income, net of dividends received	攤佔收購後之業績及其他全面收益 (扣除已收取股息)	3,253	-
Exchange difference	匯兌差額	(4,336)	-
		80,216	81,299

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18(B) INVESTMENT IN A JOINT VENTURE

(continued)

Set out below is the joint venture of the Group as at 31 December 2018. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity 公司名稱	Place of incorporation 註冊地點	Principal place of operation 主要經營地點	Measurement method 計量方法	Proportion of issued shares/registered capital held by the Group 本公司持有已發行股份/註冊資本比例		Proportion of voting power held 持有投票權之比例		Principal activities 主要業務
				2018 2018年	2017 2017年	2018 2018年	2017 2017年	
Beijing Shouzhong Car Parking Management Company Limited [△] (Note) 北京首中停車管理有限公司 [△] (附註)	The PRC 中國	The PRC 中國	Equity method 權益法	48.13%	48.13%	48.13%	48.13%	Carpark management services 停車場管理服務

[△] Limited company established in the PRC.

Note: Beijing Shouzhong Car Parking Management Co., Limited (“**Shouzhong Parking**”) is held by Shouzhong Investment and became a joint venture of the Group upon the acquisition of Shouzhong Investment as disclosed in Note 30 (c). Accordingly, the Group indirectly owns approximately 48.13% equity interest in Shouzhong Parking. Pursuant to certain terms and conditions given in the equity owners’ agreement, the financial and operating policies of Shouzhong Parking require approval from all equity owners. Shouzhong Parking is jointly controlled by the Group and another equity owner and, as such, it is accounted for as a joint venture of the Group.

On 30 December 2018, the Company announced that it had entered into a capital increase agreement with Shougang Fund and other parties, pursuant to which, the Group agreed to contribute RMB76,000,000 to the registered capital of Shouzhong Parking, a joint venture of the Group (the “**Capital Increase**”). Upon completion of the Capital Increase, the equity interest in Shouzhong Parking held by the Group will increase from 48.13% to 66.0% upon the completion.

18(B) 於一家合營公司之投資 (續)

以下載列本集團於2018年12月31日之合營公司。該等公司成立或註冊國家亦為彼等之主要營業地點，且所有權權益之比例與所持投票權之比例相同。

[△] 於中國成立之有限責任公司。

附註： 北京首中停車管理有限公司(「**首中停車**」)由首中投資持有並於收購首中投資時成為本集團之合營公司(如附註30(c)所披露)。因此，本集團間接擁有首中停車約48.13%股權。根據權益擁有人協議所載之若干條款及條件，首中停車之財務及營運政策須經全體權益擁有人批准。首中停車由本集團與另一名權益擁有人共同控制，因此被視為本集團之一家合營公司。

於2018年12月30日，本公司宣佈其已與首鋼基金及其他訂約方訂立增資協議，據此，本集團同意向本集團合營公司首中停車之註冊資本出資人民幣76,000,000元(「**增資**」)。增資完成後，本集團持有之首中停車之股權將於完成後由48.13%增加至66.0%。

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For the year ended 31 December 2018 截至2018年12月31日止年度

18(B) INVESTMENT IN A JOINT VENTURE (continued)

Note: (continued)

Upon the completion of the Capital Increase which is subject to approval of the independent shareholders of the Company at a general meeting, Shouzhong Parking will become a subsidiary of the Group.

Commitments in respect of joint venture

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Commitment to provide fund or joint venture's capital commitment	提供資金的承諾或合營公司資本承諾	-	-

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Cost of investment in a joint venture	於一家合營公司之投資成本		
Unlisted investment	未上市投資	81,299	81,299
Share of post-acquisition results and other comprehensive income, net of dividends received	攤佔收購後之業績及其他全面收益(扣除已收取股息)	(1,083)	-
		80,216	81,299

Summarised financial information of joint venture

Summarised financial information of Shouzhong Parking is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with HKFRSs.

The joint venture is accounted for using the equity method in these consolidated financial statements.

18(B) 於一家合營公司之投資 (續)

附註：(續)

於增資完成(須經本公司獨立股東於股東大會上批准後方可作實)後, 首中停車將成為本集團附屬公司。

有關合營公司的承諾

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
		-	-

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Cost of investment in a joint venture	於一家合營公司之投資成本		
Unlisted investment	未上市投資	81,299	81,299
Share of post-acquisition results and other comprehensive income, net of dividends received	攤佔收購後之業績及其他全面收益(扣除已收取股息)	(1,083)	-
		80,216	81,299

合營公司財務資料概要

首中停車之財務資料概要載列如下。下述之財務資料概要指根據香港財務報告準則編製之合營公司財務報表所示之金額。

合營公司採用權益法於該等綜合財務報表中入賬。

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18(B) INVESTMENT IN A JOINT VENTURE

(continued)

Summarised financial information of joint venture (continued)

18(B) 於一家合營公司之投資 (續)

合營公司財務資料概要 (續)

		2018 <i>HK\$'000</i> 港幣千元	2017 <i>HK\$'000</i> 港幣千元
Current assets	流動資產	62,761	4,928
Non-current assets	非流動資產	545,996	265,630
Current liabilities	流動負債	28,250	758
Non-current liabilities	非流動負債	413,842	100,867
The above amounts of assets and liabilities include the following:	上述資產及負債金額包括以下內容：		
Cash and cash equivalents	現金及現金等價物	2,629	2,557
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債 (不包括應付賬款及其他應付款項及撥備)	27,144	-
Non-current financial liabilities (excluding trade and other payables and provisions)	非流動金融負債 (不包括應付賬款及其他應付款項及撥備)	-	100,867

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements using the equity method of accounting is as follow:

上述財務資料概要與綜合財務報表內使用權益會計法確認於合營公司之權益賬面值之對賬：

		2018 <i>HK\$'000</i> 港幣千元	2017 <i>HK\$'000</i> 港幣千元
Net assets of the joint venture	合營公司淨資產	166,665	168,933
Proportion of the Group's ownership investment in joint venture	本集團於合營公司之擁有權投資比例	48.13%	48.13%
Carrying amount of the Group's investment in joint venture	本集團於合營公司投資之賬面值	80,216	81,299

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

19 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost or FVOCI;
- equity investments that are held for trading, and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

19 按公平值計入損益之金融資產

本集團將以下金融資產分類為按公平值計入損益之金融資產：

- 不符合以按攤餘成本計量或按公平值計入其他全面收益之債務投資；
- 持作交易之股本投資；及
- 未被指定為按公平值計入其他全面收益的股本投資。

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Non-current assets	非流動資產		
Unlisted equity securities (Note a)	非上市股本證券 (附註a)	195,416	121,596
Current assets	流動資產		
Wealth management products (Note b)	理財產品 (附註b)	106,399	114,676
Iron ore future/swap contracts (Note c)	鐵礦石遠期／掉期合約 (附註c)	38,917	-
		145,316	114,676

Note a: It represents unlisted investment funds. The Group has interests in these investment funds and these are also under the Group's management or advisory and from which it earns fees from investment management or advisory activities and fund distribution activities.

Note b: It represents the wealth investment products issued by banks with interests at floating rates ranging from 2.30% to 4.15% (2017: 3.20% to 3.75%) per annum and will mature within one year.

Note c: It represents future/swap contracts on iron ore price traded on active market. Fair value change on these contracts amounted to HK\$27,172,000 (2017: HK\$14,719,000) is recognised in the cost of sales.

附註a：其指非上市投資。本集團於該等投資資金中擁有權益，而該等資金亦屬本集團的管理或顧問，且從投資管理或顧問活動及資金分配活動中獲得費用。

附註b：按公平值計入損益之金融資產指按介乎2.30%至4.15%（2017年：3.20%至3.75%）之浮動年利率範圍發行之理財投資產品，且將於一年內到期。

附註c：其指於活躍市場買賣的鐵礦石價格的遠期／掉期合約。該等合約的公平值變動達港幣27,172,000元（2017年：港幣14,719,000元）於銷售成本中確認。

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20 TRADE AND BILLS RECEIVABLES AND PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

20 應收賬款及票據及預付款項、按金及其他應收款項

		2018 <i>HK\$'000</i> 港幣千元	2017 <i>HK\$'000</i> 港幣千元
Trade and bills receivables	應收賬款及票據	130,808	851,179
Less: Provision for impairment losses	減：減值虧損撥備	(13,577)	(27,475)
		117,231	823,704
Prepayments and deposits	預付款項及按金	48,798	66,548
Value added tax recoverable	可收回增值稅	9,110	3,806
Other receivables	其他應收款項	5,985	4,248
		63,893	74,602
		181,124	898,306

The credit terms of trade receivables are normally 90 to 180 days as at 31 December 2018 (2017: 90 to 180 days). The maturity periods of bills receivables are normally 90 to 180 days as at 31 December 2018 (2017: 90 to 180 days). The following are aging analysis of trade and bills receivables net of provision for impairment losses presented based on the invoice date at the end of the reporting period, which approximate the respective revenue recognition dates:

於2018年12月31日，應收賬款之信貸期一般為90至180日（2017年：90至180日）。於2018年12月31日，應收票據之到期期間一般為90至180日（2017年：90至180日）。應收賬款及票據（扣除減值虧損撥備）於報告期結束時根據發票日期（與各有關營業額之確認日期相若）呈列之賬齡分析如下：

		2018 <i>HK\$'000</i> 港幣千元	2017 <i>HK\$'000</i> 港幣千元
Within 60 days	60日內	117,231	777,169
61 – 90 days	61至90日	–	34,181
91 – 180 days	91至180日	–	8,712
181 – 365 days	181至365日	–	3,642
		117,231	823,704

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

20 TRADE AND BILLS RECEIVABLES AND PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

Due to the short-term nature of the trade and bills receivables, their carrying amounts are considered to be the same as their fair value.

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Movement in the provision for impairment losses for trade and bills receivables is as follow:

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
At 1 January	於1月1日	27,475	2,248
(Reversal of provision for)/ provision for impairment losses	減值(撥備回撥)/ 撥備	(13,898)	25,227
At 31 December	於12月31日	13,577	27,475

The entire balance of the provision for impairment losses for trade and bills receivables with an aggregate amount of HK\$13,577,000 (2017: HK\$27,475,000) are individually impaired trade receivables.

Other receivables are unsecured, interest-free and repayable within one year from the end of the reporting period.

20 應收賬款及票據及預付款項、按金及其他應收款項(續)

由於應收賬款及票據屬於短期性質，其賬面值被視為與其公平值相同。

本集團應用香港財務報告準則第9號簡化方法計量預期信貸虧損，為所有應收賬款使用終生預期虧損撥備。應收賬款及票據之減值虧損撥備之變動載列如下：

應收賬款及票據之減值虧損撥備之所有結餘合共金額為港幣13,577,000元(2017年：港幣27,475,000元)為個別減值之應收賬款。

其他應收款項均為無抵押、免息及須於報告期結束時起計一年內償還。

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21 BALANCES WITH RELATED COMPANIES AND ASSOCIATES

The amounts due from related companies and associates are unsecured, interest-free and repayable on demand as at 31 December 2018 and 2017.

21 與關聯公司及聯營公司之結餘

於2018年及2017年12月31日，借予關聯公司及聯營公司之款項為無抵押、免息及須應要求償還。

22 ASSETS/(LIABILITIES) RELATING TO COMMODITY CONTRACTS

22 有關商品合約之資產／（負債）

		As at 31 December 於12月31日	
		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Assets relating to commodity contracts	有關商品合約之資產		
First Commodity Contracts classified as non-current asset (Notes a)	分類為非流動資產之第一份商品合約 (附註a)	150,193	151,244
Second Commodity Contracts with MGI classified as non-current asset (Note b)	與MGI訂立的分類為非流動資產之第二份商品合約 (附註b)	3,425	—
		153,618	151,244
Liabilities relating to commodity contracts	有關商品合約之負債		
Second Commodity Contract with MGI (Note b)	與MGI訂立的第二份商品合約 (附註b)	—	(18,853)
Third Commodity Contract classified as current liability (Note c)	分類為流動負債之第三份商品合約 (附註c)	—	(73,136)
		—	(91,989)

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22 ASSETS/(LIABILITIES) RELATING TO COMMODITY CONTRACTS (continued)

Notes:

- (a) In November 2008, the Company entered into the commodity contracts (the “**First Commodity Contracts**”) with Mount Gibson Iron Limited (“**MGI**”) to purchase iron ore at the forward price. The forward price is determined with reference to Platts Iron Ore Price.

At 31 December 2018 and 2017, the major terms of the outstanding First Commodity Contracts entered by the Company with MGI are as follows:

Notional amount 名義金額	Period 期間	Forward price 遠期價格
Purchase approximately 80% of total production of a relevant mine in Australia 購買一個澳洲相關礦山總產量約80%	1 November 2010 to the life of the relevant mine 2010年11月1日至相關礦山可使用年期	Platts Iron Ore Prices less operating adjustments and marketing commission for lump and fine ore products per dead weight metric tonne 每淨重公噸塊礦及粉礦之普氏鐵礦石價格減營運調整及市場推廣佣金

On 24 October 2014, MGI announced that there was a slump in the Main Pit seawall in Koolan Island and Main Pit was inundated as a result of the breach of the seawall. Subsequent to the Slump, the production of the Koolan Island mine was suspended. MGI has restarted the production of Koolan Island mine in early 2019 and it is expected to resume iron ore sales in the first half of 2019.

As at 31 December 2018, the fair value of the First Commodity Contracts was determined by the directors with reference to a valuation report carried out by Flagship Appraisals and Consulting Limited (2017: Greater China Appraisal Limited), an independent qualified professional valuer not connected with the Group and the fair value is approximately HK\$150,193,000 (2017: HK\$151,244,000). For the year ended 31 December 2018, a loss of HK\$1,051,000 (2017: HK\$30,472,000) has been recognised in the consolidated statement of comprehensive income.

22 有關商品合約之資產／（負債） （續）

附註：

- (a) 於2008年11月，本公司與Mount Gibson Iron Limited（「**MGI**」）訂立商品合約（「**第一份商品合約**」）以遠期價格購買鐵礦石。遠期價格乃參照普氏鐵礦石價格而釐定。

於2018年及2017年12月31日，本公司與MGI訂立之未完成第一份商品合約之主要條款如下：

於2014年10月24日，MGI宣佈Koolan Island之主要礦山海堤塌陷，而海堤上之缺口導致主要礦山被海水淹沒。塌陷後，Koolan Island礦山之生產停頓。於2019年初MGI已重啟Koolan Island礦山之生產，預計將於2019年上半年恢復鐵礦石銷售。

於2018年12月31日，第一份商品合約之公平值乃由董事經參考與本集團並無關連之獨立合資格專業估值師旗艦資產評估顧問有限公司（2017年：漢華評值有限公司）之估值報告後而釐定，及公平值約為港幣150,193,000元（2017年：港幣151,244,000元）。於截至2018年12月31日止年度，已於綜合全面收益表中確認虧損港幣1,051,000元（2017年：港幣30,472,000元）。

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22 ASSETS/(LIABILITIES) RELATING TO COMMODITY CONTRACTS (continued)

Notes: (continued)

- (b) In December 2016, the Group has entered into another commodity contract (the "Second Commodity Contract") in relation to the production of iron ore in Iron Hill with MGI. Pursuant to the Second Commodity Contract, the Group is entitled to a discount on the purchase of the pre-agreed quantity of iron ore within one year from the date of the first shipment.

In December 2017, the Group renewed the commodity contract to extend the contract term to the life of the relevant mine.

The major terms of the Second Commodity Contract entered by the Group with MGI are as follows:

Notional amount 名義金額	Period 期間
Purchase approximately 23% of total production of a relevant mine in Australia 購買一個澳洲相關礦山總產量約23%	20 December 2017 to life of relevant mine 於2017年12月20日至相關礦山可使用年期

As at 31 December 2018, the fair value of the Second Commodity Contract was determined by the directors with reference to a valuation report carried out by Flagship Appraisals and Consulting Limited (2017: Greater China Appraisal Limited), an independent qualified professional valuer not connected with the Group and the fair value is HK\$1,637,000 (2017: negative fair value of HK\$18,853,000). For the year ended 31 December 2018, a gain of HK\$22,278,000 (2017: loss of HK\$18,853,000) has been recognised in the consolidated statement of comprehensive income.

22 有關商品合約之資產／(負債) (續)

附註：(續)

- (b) 於2016年12月，本集團就有關與MGI訂立一份有關Iron Hill生產之另一商品合約（「第二份商品合約」）。根據第二份商品合約，本集團自首批貨運日期開始後一年內就採購事先協定數量之鐵礦石可享受折扣。

於2017年12月，本集團重續商品合約以延長給予相關礦山可使用年期之合約期限。

本集團與MGI訂立之第二份商品合約之主要條款如下：

Forward price 遠期價格
Platts Iron Ore Prices less operating adjustments and marketing commission for lump and fines ore products per dead weight metric tonne 每淨重公噸塊礦及粉礦之普氏鐵礦石價格減營運調整及市場推廣佣金

於2018年12月31日，第二份商品合約之公平值乃由董事經參考與本集團並無關連之獨立合資格專業估值師旗艦資產評估顧問有限公司（2017年：漢華評值有限公司）之估值報告後釐定而公平值為港幣1,637,000元（2017年：負公平值港幣18,853,000元）。截至2018年12月31日止年度，收益港幣22,278,000元（2017年：虧損港幣18,853,000元）於綜合全面收益表中已確認。

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22 ASSETS/(LIABILITIES) RELATING TO COMMODITY CONTRACTS (continued)

Notes: (continued)

- (c) In December 2016, the Group has entered into another commodity contract (“**Third Commodity Contract**”) with an independent third party and committed to purchase a certain quantity of iron ore at a price calculated which is based on Platts Iron Ore Price Index. The major terms of this commodity contract entered by the Group with the independent third party are as follows:

Notional amount 名義金額	Period 期間	Forward price 遠期價格
Purchase approximately 800,000 metric tonne of a relevant mine in Australia 購買一個澳洲相關礦山約800,000公噸	1 January 2017 to 31 December 2017 於2017年1月1日至2017年12月31日	Platts Iron Ore Prices plus freight cost and agent fee 普氏鐵礦石價格加運費及代理費

The Third Commodity Contract expired on 31 December 2017 and a provision for loss of approximately HK\$73,136,000 has been recognised in the consolidated statement of comprehensive income in 2017 as determined by the directors’ estimation. During the year, the Group negotiated with the independent third party and reached an agreement on the settlement amount of this commodity contract at HK\$49,650,000. Such amount was settled during the year ended 31 December 2018 and provision for loss of HK\$23,486,000 was reversed and recognised as changes in fair value of commodity forward contracts in the consolidated statement of comprehensive income during the year.

23 RESTRICTED AND BANK DEPOSITS

As at 31 December 2018 and 2017, the restricted bank deposits represent bank deposits restricted by certain banks to secure the issuance of letters of credit. The restricted bank deposits amounting to HK\$2,036,000 (2017: HK\$618,000) will be released upon the settlement of the letters of credit, which will be within twelve months from the end of the reporting period and are therefore classified as current assets. The restricted deposits as at 31 December 2018 and 2017 are denominated in USD.

22 有關商品合約之資產／（負債） （續）

附註：（續）

- (c) 於2016年12月，本集團與一名獨立第三方訂立另一份商品合約（「**第三份商品合約**」），承諾按普氏鐵礦石價格指數計算之價格購買若干數量之鐵礦石。本集團與該名獨立第三方訂立之本商品合約之主要條款如下：

第三份商品合約於2017年12月31日屆滿，並於2017年經董事估計釐定之綜合全面收益表中已確認虧損撥備約港幣73,136,000元。於本年度，本集團與獨立第三方磋商達致和解協議，同意該商品合約的和解金額為港幣49,650,000元。有關金額已於截至2018年12月31日止年度支付而有關虧損港幣23,486,000元的撥備獲撥回並於本年度綜合全面收益表內確認為商品遠期合約之公平值變動。

23 受限制銀行存款

於2018年及2017年12月31日，受限制銀行存款指為開具信用證而受若干銀行限制之銀行存款。受限制存款港幣2,036,000元（2017年：港幣618,000元）將於報告期結束時起計十二個月內當信用證獲結清後解除，因此分類為流動資產。受限制存款於2018年及2017年12月31日乃以美元計值。

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24 BANK BALANCES AND CASH AND TIME DEPOSITS WITH ORIGINAL MATURITY OVER THREE MONTHS

24 銀行結存及現金以及原到期日為三個月以上之定期存款

		As at 31 December 於12月31日	
		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Cash at bank and in hand	銀行存款及手頭現金	3,034,026	1,389,628
Short-term bank deposits less than 3 months	三個月以內之短期銀行存款	-	100,000

		As at 31 December 於12月31日	
		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Bank balances and cash and time deposits with original maturity over three months are denominated in the following currencies:	銀行結存及現金以及原到期日為三個月以上之定期存款以下列貨幣列值：		
RMB	人民幣	182,416	169,746
HK\$	港元	635,718	422,305
USD	美元	2,215,770	897,577
Others	其他	122	-
		3,034,026	1,489,628

The time deposits carry interest at market rates which range from 1.50% to 3.50% (2017: 0.05% to 2.25%) per annum.

定期存款附有利息，按介乎1.50%至3.50%（2017年：0.05%至2.25%）之市場年息率計息。

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25 SHARE CAPITAL

25 股本

		Number of share 股份數目 '000 千股	Share capital 股本 HK\$'000 港幣千元
Ordinary shares issued and fully paid:	已發行及已繳足普通股：		
At 31 December 2016	於2016年12月31日	8,957,896	5,345,183
Issue of new shares on 16 November 2017 (Note a)	於2017年11月16日 發行新股份(附註a)	8,957,896	2,015,527
Transaction costs attributable to issue of new shares	發行新股份應佔交易成本	-	(11,165)
At 31 December 2017	於2017年12月31日	17,915,792	7,349,545
Issue of new shares on 26 March 2018 (Note b)	於2018年3月26日 發行新股份(附註b)	1,047,931	227,401
Issue of new shares on 19 September 2018 (Note c)	於2018年9月19日發行新股份 (附註c)	4,903,742	1,225,935
Issue of new shares on 28 December 2018 (Note d)	於2018年12月28日 發行新股份(附註d)	177,426	34,775
Transaction costs attributable to issue of new shares (Note c)	發行新股份應佔交易成本 (附註c)	-	(7,227)
At 31 December 2018	於2018年12月31日	24,044,891	8,830,429

Note a: On 16 November 2017, the Company issued 8,957,896,227 open offer shares at the subscription price of HK\$0.225 per open offer share (the "Open Offer"). The total net proceeds of approximately HK\$2,004,362,000 had resulted an increase in share capital of approximately HK\$2,004,362,000.

附註a：於2017年11月16日，本公司發行8,957,896,227股公開發售股份，認購價為每股公開發售股份港幣0.225元（「公開發售」）。所得款項淨總額約港幣2,004,362,000元已導致股本增加約港幣2,004,362,000元。

Note b: On 26 March 2018, the Company issued 1,047,931,056 shares as a part of the consideration for the acquisition of 44.95% equity interest of Shouzhong Investment, a subsidiary of Group at the closing market price on the transaction completion date of HK\$0.217 per share (Note 31(a)).

附註b：於2018年3月26日，本公司按交易完成日期的收市價每股港幣0.217元之交易完成日收市價發行1,047,931,056股股份作為收購本集團附屬公司首中投資44.95%股權之部分代價（附註31(a)）。

Note c: On 19 September 2018, the Company allotted and issued 2,800,000,000, 600,000,000 and 1,503,741,731 shares at a subscription price of HK\$0.250 per share to Jingxi Holdings Limited (a subsidiary of Shougang Fund), Rocket Parade Limited and ORIX Asia Capital Limited, respectively. The total net proceeds of approximately HK\$1,218,708,000 has resulted an increase in share capital of approximately HK\$1,218,708,000.

附註c：於2018年9月19日，本公司按每股港幣0.250元之認購價向京西控股有限公司（首鋼基金之公司）、Rocket Parade Limited及歐力士亞洲資本有限公司分別配發及發行2,800,000,000股、600,000,000股及1,503,741,731股股份。所得款項淨總額約港幣1,218,708,000元已致使股本增加約港幣1,218,708,000元。

Note d: On 28 December 2018, the Company allotted and issued 177,425,528 shares as part of the consideration for the acquisition of 100% equity interest of Urban Parking at the share price per share of HK\$0.196 (Note 30(a)).

附註d：於2018年12月28日，本公司按每股港幣0.196元之股價配發及發行177,425,528股股份，作為收購富城停車100%股權之部分代價（附註30(a)）。

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26 TRADE AND BILLS PAYABLES, OTHER PAYABLES, PROVISION AND ACCRUED LIABILITIES

26 應付賬款及票據、其他應付款項、撥備及應計負債

		As at 31 December	
		於12月31日	
		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Trade and bills payables	應付賬款及票據	61,379	569,191
Accruals	應計費用	28,601	20,720
Other payables	其他應付款項	46,119	75,175
		74,720	95,895
		136,099	665,086

The following is an aging analysis of trade and bills payables presented based on the invoice dates at the end of the reporting period:

於報告期結束時，根據發票日期呈列之應付賬款及票據之賬齡分析如下：

		As at 31 December	
		於12月31日	
		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Within 90 days	90日內	61,379	567,082
91 – 180 days	91至180日	–	2,109
		61,379	569,191

The average credit period on purchase of goods is 90 days. The Group has financial risk management policies in place to ensure that most of the payables are within the credit timeframe.

採購貨物之平均信貸期為90日。本集團設有財務風險管理政策以確保大部份應付款項處於信貸期限內。

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27 BORROWINGS

27 銀行借款

	Bank borrowing 銀行借款		Other borrowing 其他借款		Total 總計	
	2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元	2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元	2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Repayable within one year and shown under current liabilities	34,827	-	68,316	-	103,143	-
Secured	-	-	68,316	-	68,316	-
Unsecured	34,827	-	-	-	34,827	-
	34,827	-	68,316	-	103,143	-

The exposure of the variable-rate borrowing is as follows:

所承受之浮息借款如下：

	2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Variable-rate borrowing		
Within one year or contain a repayment on demand clause	34,827	-

In 2018, the variable-rate bank borrowing of approximately HK\$34.8 million which carry interest at the London Interbank Offered Rate ("LIBOR") plus a range of 1.8% to 3.5% per annum, which ranged from 2.16% to 4.27% per annum. The bank borrowings are guaranteed by the corporate guarantee of the Company.

於2018年，浮息銀行借款約港幣34,800,000元按倫敦銀行同業拆息（「倫敦銀行同業拆息」）加年息介乎1.8%至3.5%（即介乎年息2.16%至4.27%）。銀行借款乃以本公司的公司擔保作擔保。

The borrowings were denominated in USD.

借款乃以美元計值。

Other borrowing represents HK\$73,740,000 of borrowing under a financing arrangement entered into by the Group with a related party in the form of a sale and leaseback transaction with a repurchase option. The subject sold and leased back under the financing arrangement is an investment property of the Group. As the repurchase price is set at RMB1 which is minimal compared to the expected fair value and the Group is certain that it will exercise the repurchase option, the above financing arrangement has been accounted for as collateralised borrowing of the Group. The average effective interest rate of the arrangement for the year ended 31 December 2018 is 5.5% per annum.

其他借款指本集團與一名關聯方以附帶購回選擇權的售後租回交易所訂立融資安排項下之借款港幣73,740,000元。根據融資安排售後租回之標的物為本集團之投資物業。由於購回價設定為人民幣1元（相比預期公平值而言微乎其微）且本集團確定將行使購回選擇權，故上述融資安排入賬列為本集團之抵押借款。於截至2018年12月31日止年度，該安排之平均實際年利率為5.5%。

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28 DEFERRED INCOME TAX

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		As at 31 December	
		於12月31日	
		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Deferred tax assets	遞延稅項資產	–	(35,212)
Deferred tax liabilities	遞延稅項負債	29,633	25,174
		29,633	(10,038)

The following are the major deferred tax liabilities/(assets) recognised and movements thereon during the current and prior year:

以下為本年及以往年度已確認之主要遞延稅項負債／(資產)及其變動：

		Fair value adjustment and revaluation of properties	Fair value adjustment of other non-current assets	Fair value adjustment of financial assets at FVPL – non-current	Unrealised loss of equity instruments	Tax losses	Total
		物業之公平值調整及重估	其他非流動資產之公平值調整	按公平值計入損益之金融資產 – 非流動之公平值調整	股本工具之未變現虧損	稅項虧損	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
At 1 January 2017	於2017年1月1日	614	–	–	(32,291)	(614)	(32,291)
Acquisition of subsidiaries (Note 30)	收購附屬公司(附註30)	–	21,224	3,950	–	–	25,174
Exchange differences	匯兌差額	–	–	–	(2,921)	–	(2,921)
At 31 December 2017	於2017年12月31日	614	21,224	3,950	(35,212)	(614)	(10,038)
Charged to statement of comprehensive income	於全面收益表扣除	1,914	(3,539)	2,348	–	(50)	673
Acquisitions of subsidiaries (Note 30)	收購附屬公司(附註30)	–	–	3,786	–	–	3,786
Realisation of gain from disposal of FVOCI to an associate	變現向一間聯營公司出售按公平值計入其他全面收益之收益	–	–	–	31,837	–	31,837
Exchange differences	匯兌差額	–	–	–	3,375	–	3,375
At 31 December 2018	於2018年12月31日	2,528	17,685	10,084	–	(664)	29,633

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28 DEFERRED INCOME TAX (continued)

As at 31 December 2018, the Group has unused tax losses of approximately HK\$568 million (2017: HK\$519 million), of which HK\$308 million (2017: HK\$316 million) is subject to IRD's confirmation. A deferred tax asset has been recognised in respect of approximately HK\$4 million of such losses for the year ended 31 December 2018 and 2017. No deferred tax asset has been recognised in respect of the HK\$564 million (2017: HK\$515 million) tax losses due to the unpredictability of future profit streams. Except for tax losses of HK\$92 million (2017: HK\$35 million) will be expired in 5 years, such tax losses do not have expiry date.

29 DIVIDENDS

On 26 March 2019, the Board has recommended a final dividend in the total amount of HK\$700 million for the year ended 31 December 2018 (2017: Nil). Based on the enlarged total number of issued shares of 27,428,933,903 shares of the Company immediately following the completion of the subscriptions of shares pursuant to the subscription agreements announced by the Company on 19 March 2019, such a final dividend would amount to HK2.55 cents per share. The final dividend is subject to the shareholders' approval at the forthcoming annual general meeting. The final dividend proposed after 31 December 2018 has not been recognised as a liability as at 31 December 2018.

28 遞延所得稅 (續)

於2018年12月31日，本集團未動用稅務虧損約為港幣5.68億元（2017年：港幣5.19億元），其中港幣3.08億元（2017年：港幣3.16億元）須待稅務局確認作實。截至2018年及2017年12月31日止年度，已就該等虧損中約港幣0.04億元確認遞延稅項資產。由於無法預測未來溢利流，故並無就港幣5.64億元（2017年：港幣5.15億元）稅項虧損確認遞延稅項資產。除稅項虧損港幣0.92億元（2017年：港幣0.35億元）將於五年內到期外，稅項虧損並無到期日。

29 股息

於2019年3月26日，董事會建議派發截至2018年12月31日止年度末期股息合共港幣7億元（2017年：無）。根據本公司於2019年3月19日公告的認購協議，按緊隨認購股份完成後本公司經擴大已發行股份總數27,428,933,903股，該末期股息將為每股2.55港仙。該末期股息須待於即將舉行之股東周年大會上提呈股東批准。於2018年12月31日後擬派之末期股息於2018年12月31日並未確認為負債。

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30 BUSINESS COMBINATION

(a) Acquisition of 100% equity interest in Urban Parking in 2018

On 1 November 2018, the Group entered into a sale and purchase agreement with Urban Parking Limited, a limited liability company established in Hong Kong, to acquire 100% of the equity interest in Urban Parking, a limited liability company established in the PRC. The acquisition was completed on 28 December 2018. The principal activity of Urban Parking and its subsidiaries (collectively referred to as the "Urban Parking Group") is provision of the management services of car parking lots.

Consideration transferred

		<i>HK\$'000</i> 港幣千元
Equity consideration (Note 25(d))	權益代價 (附註25(d))	34,775
Cash consideration	現金代價	11,903
		46,678

Assets acquired and liabilities recognised at the date of acquisition are as follows:

於收購日期所收購之資產及確認之負債如下：

		<i>HK\$'000</i> 港幣千元
Property, plant and equipment	物業、廠房及設備	880
Fair value through profit or loss	按公平值計入損益	97
Other non-current assets	其他非流動資產	15,143
Trade receivables	應收賬款	1,234
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	1,349
Bank balances and cash	銀行結存及現金	17,384
Trade payables	應付賬款	(3,387)
Other payables, provision and accrued liabilities	其他應付款項、撥備及應計負債	(15,089)
Tax payable	應付稅項	(1,540)
Deferred income tax liabilities	遞延所得稅負債	(3,786)
		12,285

30 業務合併

(a) 於2018年收購富城停車之100%權益

於2018年11月1日，本集團與富城停車場管理有限公司（一間在香港成立之有限責任公司）訂立一份買賣協議，以收購富城停車（一間在中國成立之有限責任公司）之100%股權。是次收購於2018年12月28日完成。富城停車及其附屬公司（統稱為「富城停車集團」）之主要業務為提供停車場管理服務。

轉讓代價

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

30 BUSINESS COMBINATION (continued)

(a) Acquisition of 100% equity interest in Urban Parking in 2018 (continued)

Consideration transferred (continued)

The fair value of assets and liabilities have been determined on a provisional basis as the fair value of identifiable assets and liabilities acquired may be adjusted upon the completion of initial accounting year which shall not exceed one year from the respective acquisition date. The fair value is being valued by the internal valuation team of the Group.

The fair value of trade receivables of the Urban Parking Group at the date of acquisition amounted to approximately HK\$1,234,000, which approximates to the gross contractual amounts. Based on the best estimate at acquisition date, the contractual cash flows are expected to be fully collected.

Goodwill arising on the acquisition:

30 業務合併 (續)

(a) 於2018年收購富城停車之100%權益 (續)

轉讓代價 (續)

資產及負債之公平值乃按暫定基準釐定，乃由於已收購之可識別資產及負債之公平值或會於初始會計年度結束後進行調整，而初始會計年度自各收購日期起計不得超過一年。有關公平值是由本集團內部估值團隊進行估值。

富城停車集團之應收賬款於收購日期之公平值約為港幣1,234,000元，與總合約金額相若。根據於收購日期之最佳估計，預期可以全數收回合約現金流量。

收購事項產生之商譽：

		HK\$'000 港幣千元
Consideration transferred	轉讓代價	46,678
Less: net assets acquired	減：所收購資產淨值	(12,285)
Goodwill arising from acquisition	收購事項產生之商譽	34,393

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綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

30 BUSINESS COMBINATION (continued)

(a) Acquisition of 100% equity interest in Urban Parking in 2018 (continued)

Consideration transferred (continued)

Goodwill arose in the acquisition because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively includes amounts in relation to the benefits of revenue growth, future market development and the assembled workforce of the Urban Parking Group. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on the acquisition is expected to be deductible for tax purposes.

Net cash outflow on the acquisition:

		<i>HK\$'000</i> 港幣千元
Cash consideration paid	已付現金代價	(11,903)
Less: cash and cash equivalent balances acquired	減：所收購之現金及現金等價物結餘	17,384
Net cash inflow	現金流入淨額	5,481

The Urban Parking Group did not have any contribution to the Group's revenue or results for the year ended 31 December 2018 as the completion of the acquisition was just before 31 December 2018.

30 業務合併 (續)

(a) 於2018年收購富城停車之100%權益 (續)

轉讓代價 (續)

由於合併成本包括控制權溢價，故收購事項產生商譽。此外，合併之已付代價實際包括富城停車集團收益增長、未來市場發展及人才資源有關之福利金額。由於該等利益不符合可識別無形資產之確認標準，故不可與商譽分開確認。

預計收購事項產生之商譽概不會視為可扣減稅項之項目。

收購事項產生之現金流出淨額：

由於收購事項於2018年12月31日前完成，富城停車集團對本集團截至2018年12月31日止年度之收益或業績並無任何貢獻。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

30 BUSINESS COMBINATION (continued)

(a) Acquisition of 100% equity interest in Urban Parking in 2018 (continued)

Consideration transferred (continued)

Had the acquisition been completed on 1 January 2018, total group revenue for the year would have been HK\$1,712 million, and profit for the year would have been HK\$358 million. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2018, nor is it intended to be a projection of future results.

(b) Acquisition of 100% equity interest of Jingji Capital in 2017

On 8 September 2017, the Group entered into a sale and purchase agreement with Shougang Fund a limited liability company established in the PRC and a wholly-owned subsidiary of Shougang Group, to acquire 95% of the equity interest in Jingji Capital, a limited liability company established in the PRC. The acquisition was completed on 13 December 2017. On 21 December 2017, the Group entered into another sale and purchase agreement with an independent third party to acquire 5% of the equity interest in Jingji Capital. The principal activity of Jingji Capital and its subsidiaries (collectively referred to as the "Jingji Capital Group") is the provision of private fund management services in the PRC.

Consideration transferred

Cash	現金
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30 業務合併 (續)

(a) 於2018年收購富城停車之100%權益 (續)

轉讓代價 (續)

倘收購事項已於2018年1月1日完成，本年度集團總營業額將約為港幣17.12億元，年內溢利將約為港幣3.58億元。備考資料僅供說明用途，未必能指示倘收購於2018年1月1日完成時本集團將實際取得之收益及經營業績，亦不擬作為未來業績之預測。

(b) 於2017年收購京冀資本之100%權益

於2017年9月8日，本集團與首鋼基金（一間於中國成立之有限責任公司及首鋼集團之全資附屬公司）訂立買賣協議，以收購京冀資本（一間於中國成立之有限責任公司）之95%股權。是次收購於2017年12月13日完成。於2017年12月21日，本集團與一名獨立第三方訂立另一份買賣協議，以收購京冀資本之5%股權。京冀資本及其附屬公司（統稱為「京冀資本集團」）之主要業務為在中國提供私募基金管理服務。

轉讓代價

HK\$'000

港幣千元

Cash	現金	286,985
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綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

30 BUSINESS COMBINATION (continued)

(b) Acquisition of 100% equity interest of Jingji Capital in 2017 (continued)

Consideration transferred (continued)

Assets acquired and liabilities recognised at the date of acquisition are as follows:

		HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	1,877
Financial assets at fair value through profit or loss – non-current	按公平值計入損益之 金融資產 – 非流動	121,596
Other non-current assets	其他非流動資產	28,586
Trade receivables	應收賬款	5,102
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	3,147
Financial assets at fair value through profit or loss – current	按公平值計入損益之 金融資產 – 流動	34,223
Bank balances and cash	銀行結存及現金	74,936
Trade payables	應付賬款	(374)
Other payables, provision and accrued liabilities	其他應付款項、撥備及應計負債	(10,836)
Tax payable	應付稅項	(4,591)
Deferred income tax liabilities	遞延所得稅負債	(11,102)
		242,564

The fair value is being valued by Flagship Appraisals and Consulting Limited, an independent qualified professional valuer, not connected to the Group.

The fair value of trade receivables of the Jingji Capital Group at the date of acquisition amounted to approximately HK\$5,102,000, which approximates to the gross contractual amounts. Based on the best estimate at acquisition date, the contractual cash flows are expected to be fully collected.

30 業務合併 (續)

(b) 於2017年收購京冀資本之100%權益 (續)

轉讓代價 (續)

於收購日期所收購之資產及確認之負債如下：

		HK\$'000 港幣千元
物業、廠房及設備		1,877
按公平值計入損益之 金融資產 – 非流動		121,596
其他非流動資產		28,586
應收賬款		5,102
預付款項、按金及其他應收款項		3,147
按公平值計入損益之 金融資產 – 流動		34,223
銀行結存及現金		74,936
應付賬款		(374)
其他應付款項、撥備及應計負債		(10,836)
應付稅項		(4,591)
遞延所得稅負債		(11,102)
		242,564

有關公平值是由與本集團並無關連之獨立合資格專業估值師旗艦資產評估顧問有限公司進行估值。

京冀資本集團應收賬款於收購日期之公平值約為港幣5,102,000元，與總合約金額相若。根據於收購日期之最佳估計，預期可以全數收回合約現金流量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

30 BUSINESS COMBINATION (continued)

(b) Acquisition of 100% equity interest of Jingji Capital in 2017 (continued)

Consideration transferred (continued)

Goodwill arising on the acquisition:

		HK\$'000 港幣千元
Consideration transferred	轉讓代價	286,985
Plus: non-controlling interests in the Jingji Capital Group	加：於京冀資本集團之非控股權益	9,261
Less: net assets acquired	減：所收購資產淨值	(242,564)
Goodwill arising from acquisition	收購產生之商譽	53,682

Goodwill arose in the acquisition because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively includes amounts in relation to the benefits of revenue growth, future market development and the assembled workforce of the Jingji Capital Group. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on the acquisition is expected to be deductible for tax purposes.

30 業務合併 (續)

(b) 於2017年收購京冀資本之100%權益 (續)

轉讓代價 (續)

收購事項產生之商譽：

		HK\$'000 港幣千元
Consideration transferred	轉讓代價	286,985
Plus: non-controlling interests in the Jingji Capital Group	加：於京冀資本集團之非控股權益	9,261
Less: net assets acquired	減：所收購資產淨值	(242,564)
Goodwill arising from acquisition	收購產生之商譽	53,682

由於合併成本包括控制權溢價，故收購事項產生商譽。此外，合併之已付代價實際包括京冀資本集團收入增長、未來市場發展及人才資源帶來之預期收益金額。由於該等利益不符合可識別無形資產之確認標準，故不可與商譽分開確認。

預計收購事項產生之商譽概不會視為可扣減稅項之項目。

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For the year ended 31 December 2018 截至2018年12月31日止年度

30 BUSINESS COMBINATION (continued)

(b) Acquisition of 100% equity interest of Jingji Capital in 2017 (continued)

Non-controlling interests

The non-controlling interests in subsidiaries of the Jingji Capital Group recognised at the acquisition date were measured by reference to the non-controlling interests' share of the recognised amount of the net assets of respective subsidiaries of Jingji Capital and amounted to approximately HK\$9,261,000.

Net cash outflow on the acquisition:

		<i>HK\$'000</i> 港幣千元
Cash consideration paid	已付現金代價	(286,985)
Less: cash and cash equivalent balances acquired	減：所收購之現金及現金等價物結餘	74,936
Net cash outflow	現金流出淨額	(212,049)

The Jingji Capital Group did not have any contribution to the Group's revenue or results for the year ended 31 December 2017 as the completion of the acquisition was just before 31 December 2017.

Had the acquisition been completed on 1 January 2017, total group revenue for the year would have been HK\$3,857 million, and profit for the year would have been HK\$56 million. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is it intended to be a projection of future results.

30 業務合併 (續)

(b) 於2017年收購京冀資本之100%權益 (續)

非控股權益

於收購日期確認之於京冀資本集團附屬公司之非控股權益乃經參考非控股權益應佔京冀資本各附屬公司資產淨值之已確認金額釐定，達約港幣9,261,000元。

收購事項產生之現金流出淨額：

		<i>HK\$'000</i> 港幣千元
Cash consideration paid	已付現金代價	(286,985)
Less: cash and cash equivalent balances acquired	減：所收購之現金及現金等價物結餘	74,936
Net cash outflow	現金流出淨額	(212,049)

由於收購事項僅於2017年12月31日前完成，京冀資本集團對本集團截至2017年12月31日止年度之收益或業績並無任何貢獻。

倘收購事項已於2017年1月1日完成，年內集團總營業額將為港幣38.57億元，年內溢利將為港幣0.56億元。備考資料僅供說明用途，未必能指示倘收購已於2017年1月1日完成時本集團將實際取得之收益及經營業績，亦不擬作為未來業績之預測。

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For the year ended 31 December 2018 截至2018年12月31日止年度

30 BUSINESS COMBINATION (continued)

(c) Acquisition of 44.94% equity interest of Shouzhong Investment in 2017

On 8 September 2017, the Group entered into another sale and purchase agreement with Shougang Fund to acquire 40% equity interest in Shouzhong Investment, a limited liability company established in the PRC. The acquisition was completed on 21 December 2017. On 21 December 2017, the Group entered into another sale and purchase agreement with an independent third party to acquire approximately 4.94% equity interest in Shouzhong Investment (collectively referred to as the “**Second Acquisition**”). The principal activity of Shouzhong Investment and its subsidiaries (collectively referred to as the “**Shouzhong Investment Group**”) is provision of design, architecture, operation and management services of car parking lots with a focus on smart car parking system in the PRC.

Upon completion of the acquisition, the Group has the right to nominate three out of the five members of the board of directors of Shouzhong Investment and is regarded as having control over Shouzhong Investment. As such, Shouzhong Investment is accounted for as a non-wholly owned subsidiary of the Company, and the financial results of Shouzhong Investment is consolidated into the results of the Group.

Consideration transferred

Cash	現金
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30 業務合併 (續)

(c) 於2017年收購首中投資之44.94%權益

於2017年9月8日，本集團與首鋼基金訂立另一份買賣協議，以收購首中投資（一間在中國成立之有限責任公司）之40%股權。是次收購於2017年12月21日完成。於2017年12月21日，本集團與一名獨立第三方訂立另一份買賣協議，以收購首中投資約4.94%股權（統稱為「**第二收購事項**」）。首中投資及其附屬公司（統稱為「**首中投資集團**」）之主要業務為於中國以智慧停車場系統為重點提供停車位之設計、建造、營運及管理服務。

於收購事項完成後，本集團有權提名首中投資董事會五名成員中之三名，並被視為擁有首中投資之控制權。因此，首中投資作為本公司之非全資附屬公司入賬，並將首中投資之財務業績綜合併入本集團業績。

轉讓代價

HK\$'000
港幣千元

153,482

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For the year ended 31 December 2018 截至2018年12月31日止年度

30 BUSINESS COMBINATION (continued)

(c) Acquisition of 44.94% equity interest of Shouzhong Investment in 2017 (continued)

Consideration transferred (continued)

Assets acquired and liabilities recognised at the date of acquisition are as follows:

		HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	620
Other non-current assets	其他非流動資產	81,613
Interest in a joint venture	於一間合營公司之權益	81,299
Trade receivables	應收賬款	1,308
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	39,938
Financial assets at fair value through profit or loss – current	按公平值計入損益之金融資產－流動	80,453
Bank balances and cash	銀行結存及現金	96,810
Trade payables	應付賬款	(2,109)
Other payables, provision and accrued liabilities	其他應付款項、撥備及應計負債	(47,390)
Deferred income tax liabilities	遞延所得稅負債	(14,072)
		318,470

The fair value is being valued by Flagship Appraisals and Consulting Limited, an independent qualified professional valuer, not connected to the Group.

The fair value of trade receivables of the Shouzhong Investment Group at the date of acquisition amounted to approximately HK\$1,308,000 which approximates to the gross contractual amounts. Based on the best estimate at acquisition date, the contractual cash flows are expected to be fully collected.

30 業務合併 (續)

(c) 於2017年收購首中投資之44.94%權益 (續)

轉讓代價 (續)

於收購日期所收購之資產及確認之負債如下：

有關公平值是由與本集團並無關連之獨立合資格專業估值師旗艦資產評估顧問有限公司進行估值。

首中投資集團之應收賬款於收購日期之公平值約為港幣1,308,000元，與總合約金額相若。根據於收購日期之最佳估計，預期可以全數收回合約現金流量。

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綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

30 BUSINESS COMBINATION (continued)

(c) Acquisition of 44.94% equity interest of Shouzhong Investment in 2017 (continued)

Consideration transferred (continued)

Goodwill arising on the acquisition:

		HK\$'000 港幣千元
Consideration transferred	轉讓代價	153,482
Plus: non-controlling interests in the Shouzhong Investment Group	加：於首中投資集團之非控股權益	209,602
Less: net assets acquired	減：所收購資產淨值	(318,470)
Goodwill arising from acquisition	收購產生之商譽	44,614

Goodwill arose in the acquisition because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefits of revenue growth, future market development and the assembled workforce of the Shouzhong Investment Group. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on the Second Acquisition is expected to be deductible for tax purposes.

Non-controlling interests

The non-controlling interests in the Shouzhong Investment Group recognised at the acquisition date were measured by reference to the non-controlling interests' proportionate share of the recognised amount of the net assets of Shouzhong Investment and respective subsidiaries of Shouzhong Investment and amounted to approximately HK\$209,602,000.

30 業務合併 (續)

(c) 於2017年收購首中投資之44.94%權益 (續)

轉讓代價 (續)

收購事項產生之商譽：

		HK\$'000 港幣千元
Consideration transferred	轉讓代價	153,482
Plus: non-controlling interests in the Shouzhong Investment Group	加：於首中投資集團之非控股權益	209,602
Less: net assets acquired	減：所收購資產淨值	(318,470)
Goodwill arising from acquisition	收購產生之商譽	44,614

由於合併成本包括控制權溢價，故收購事項產生商譽。此外，合併之已付代價實際包括首中投資集團收入增長、未來市場發展及人才資源帶來之預期收益金額。由於該等利益不符合可識別無形資產之確認標準，故不可與商譽分開確認。

預計第二收購事項產生之商譽概不會視為可扣減稅項之項目。

非控股權益

於收購日期確認之於首中投資集團之非控股權益乃參考非控股權益佔首中投資及首中投資有關附屬公司之資產淨值已確認金額之比例計量，約為港幣209,602,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

30 BUSINESS COMBINATION (continued)

(c) Acquisition of 44.94% equity interest of Shouzhong Investment in 2017

(continued)

Non-controlling interests

Net cash outflow on the acquisition:

		HK\$'000 港幣千元
Cash consideration paid	已付現金代價	(153,482)
Less: cash and cash equivalent balances acquired	減：所收購之現金及現金等價物結餘	96,810
Net cash outflow	現金流出淨額	(56,672)

The Shouzhong Investment Group did not have any contribution to the Group's revenue or results for the year ended 31 December 2017 as the completion of the Second Acquisition was just before 31 December 2017.

Had the acquisition been completed on 1 January 2017, total group revenue for the year would have been HK\$3,821 million, and profit for the year would have been HK\$42 million. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is it intended to be a projection of future results.

(d) Costs of acquisitions

Costs related to acquisition during the year amounting to HK\$925,000 (2017: HK\$3,494,000) have been excluded from the consideration transferred and have been recognised as an expense in current year, within the administrative expenses in the consolidated statement of comprehensive income.

30 業務合併 (續)

(c) 於2017年收購首中投資之44.94%權益 (續)

非控股權益

收購事項產生之現金流出淨額：

	HK\$'000 港幣千元
Cash consideration paid	(153,482)
Less: cash and cash equivalent balances acquired	96,810
Net cash outflow	(56,672)

由於第二收購事項僅於2017年12月31日前完成，首中投資集團對本集團截至2017年12月31日止年度之收益或業績並無任何貢獻。

倘收購事項已於2017年1月1日完成，年內集團總營業額將為港幣38.21億元，年內溢利將為港幣0.42億元。備考資料僅供說明用途，未必能指示倘收購已於2017年1月1日完成時本集團將實際取得之收益及經營業績，亦不擬作為未來業績之預測。

(d) 收購成本

年內收購事項之相關成本港幣925,000元(2017年：港幣3,494,000元)並無計入轉讓代價，並於本年度於綜合全面收益表中之行政開支內確認為一項開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

31 TRANSACTIONS WITH NON-CONTROLLING INTERESTS

- (a) On 23 March 2018, the Group acquired an additional 44.95% equity interest of Shouzhong Investment for a consideration of RMB209.9 million (equivalent to HK\$227.4 million). The consideration was settled by issuance of 1,047,931,056 shares of the Company (Note 25(b)). Upon the completion of this acquisition, the Company's shareholding in Shouzhong Investment increased from 44.94% to 89.89%. The Group recognised a decrease in non-controlling interests of HK\$153,618,000 and decrease in equity of HK\$73,783,000 attributable to owners of the Company.
- (b) On 6 September 2018, the Group's interest in Shouzhong Investment increased from 89.89% to 100% upon a deemed acquisition without consideration transferred. The Group recognised a decrease in non-controlling interests of HK\$37,193,000 and increase in equity of HK\$37,193,000 attributable to the owners of the Company.
- (c) During the year, the Group has completed several transactions with non-controlling interests, which are in the management's opinion not material to the Group, within the Shouzhong Investment Group and Jingji Capital Group. The Group recognised increases in non-controlling interest of HK\$4,836,000 and decrease in equity of HK\$4,836,000 attributable to the owners of the Company.
- (d) There were no transactions with non-controlling interests in 2017.

31 與非控股權益進行之交易

- (a) 於2018年3月23日，本集團收購首中投資的額外44.95%股權，代價為人民幣2.099億元（相當於港幣2.274億元）。代價乃通過發行本公司1,047,931,056股股份的方式支付（附註25(b)）。於該收購完成後，本公司於首中投資的持股由44.94%增至89.89%。本集團確認非控股權益減少港幣153,618,000元及股東應佔權益減少港幣73,783,000元。
- (b) 於2018年9月6日，於一項視同收購的無代價轉讓後，本集團於首中投資的權益由89.89%增至100%。本集團確認非控股權益減少港幣37,193,000元而股東應佔權益增加港幣37,193,000元。
- (c) 年內，本集團已與非控股權益完成若干交易，管理層認為，該等交易對本集團屬非重大，而對首中投資集團及京冀資本集團屬重大。本集團確認非控股權益增加港幣4,836,000元，而股東應佔權益減少港幣4,836,000元。
- (d) 於2017年並無與非控股權益進行交易。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

32 INTERESTS IN COMMITMENTS

32.1 Operating lease commitments – Group company as lessee

		2018 <i>HK\$'000</i> 港幣千元	2017 <i>HK\$'000</i> 港幣千元
Minimum lease payments paid under operating leases during the year are as follows:	年內根據經營租約所支付之最低租金如下：		
Land and buildings	土地及樓宇	4,863	4,798

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2018 <i>HK\$'000</i> 港幣千元	2017 <i>HK\$'000</i> 港幣千元
Within one year	一年內	44,514	6,598
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)	101,346	4,887
		145,860	11,485

The Group leases certain of its office premises in Hong Kong and the PRC under operating lease arrangements. As at 31 December 2018, leases for properties are negotiated for one to three years.

32 承諾之權益

32.1 經營租賃承諾—集團公司作為承租人

於報告期結束時，根據不可撤銷經營租約之未來最低租金，本集團須支付之到期金額如下：

本集團根據經營租約安排租用位於香港及中國之若干寫字樓物業。於2018年12月31日，該等物業之經磋商租期為一至三年。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

32 INTERESTS IN COMMITMENTS (continued)

32.2 Operating lease commitments – Group company as lessor

		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Minimum lease payments received under operating leases during the year are as follows:	年內根據經營租約所收取之最低租金如下：		
Investment properties	投資物業	216	216

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Within one year	一年內	132	193

於報告期結束時，本集團與租戶已訂立合約之未來最低租金如下：

32.3 Capital commitments

32.3 資本承諾

		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of capital injection to investment fund	向投資基金注資之已訂約但未於綜合財務報表體現之資本開支	–	36,024
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of acquisition of carpark properties	收購停車場物業之已訂約但未於綜合財務報表體現之資本開支	–	118,159

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

33 NOTES TO THE CONSOLIDATED STATEMENT OF CASHFLOWS

33 綜合現金流量表附註

33.1 Cash generated from/(used in) operations

33.1 經營業務產生／(所用)之現金

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Cash flows from operating activities	經營業務所產生之現金流量		
Profit before income tax	除所得稅前溢利	366,782	57,286
Adjustments for:	就下列項目作出調整：		
Interest income	利息收入	(36,559)	(6,501)
Interest expenses	利息支出	5,699	17,392
Exchange difference	匯兌差額	(2,229)	7,838
Share of results of associates	攤佔聯營公司之業績	(275,363)	(248,525)
Share of result of a joint venture	攤佔合營公司之業績	(3,253)	-
Gain from changes in fair value of investment properties	投資物業公平值變動之收益	(7,952)	(900)
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	1,120	259
Amortisation of other non-current assets	其他非流動資產攤銷	16,736	-
Fair value change of financial assets at fair value through profit or loss	按公平值計入損益之金融資產之公平值變動	(44,826)	-
Net (gains)/losses relating to commodity contracts	有關商品合約之(收益)／虧損淨額	(44,713)	122,461
(Reversal of provision)/provision for impairment losses for trade and other receivables	應收賬款及其他應收款項(撥備回撥)／撥備	(13,898)	25,227
Wavier of trade payable to a related party	免除應付一名關聯方賬款	-	(8,212)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(38,456)	(33,675)
Trade and bills receivables	應收賬款及票據	719,138	(447,742)
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	(14,869)	(26,102)
Trade receivables from related companies	應收關聯公司賬款減少	-	8,704
Trade and bills payables	應付賬款及票據	(507,583)	290,615
Other payables, provision, accrued liabilities and contract liabilities	其他應付款項、撥備、應計負債及合約負債	(27,074)	(11,162)
Cash generated from/(used in) operations	經營業務產生／(所用)之現金	131,156	(219,362)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

33 NOTES TO THE CONSOLIDATED STATEMENT OF CASHFLOWS (continued)

33.2 Reconciliation of liabilities arising from financing activities

This section sets out an analysis of liabilities arising from financing activities and the movements in liabilities arising from financing activities for each of the years presented.

33 綜合現金流量表附註 (續)

33.2 融資活動之負債對賬

本節分析於所呈列各年度融資活動產生之負債及負債變動情況。

		Borrowings (Note 27) 借款 (附註27) HK\$'000 港幣千元
At 1 January 2017	於2017年1月1日	616,783
Financing cash flows	融資現金流量	(621,154)
Exchange differences	匯兌差額	4,371
At 31 December 2017	於2017年12月31日	-
At 1 January 2018	於2018年1月1日	-
Financing cash flows	融資現金流量	99,331
Exchange differences	匯兌差額	3,812
At 31 December 2018	於2018年12月31日	103,143

33.3 Major non-cash transactions

- (a) During the year ended 31 December 2018, the consideration of HK\$34,775,000 for the acquisition of equity interest of Urban Parking was settled through issue of shares of the Company (Note 30 (a)).
- (b) During the year ended 31 December 2018, the Group acquired an additional equity interest of Shouzhong Investment by issue of shares of the Company (Note 31 (a)).

33.3 主要非現金交易

- (a) 於截至2018年12月31日止年度，收購富城停車股權之代價港幣34,775,000元已透過發行本公司股份支付(附註30(a))。
- (b) 於截至2018年12月31日止年度，本公司通過發行本公司股份收購首中投資之額外股權(附註31(a))。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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34 RELATED PARTY DISCLOSURES

The Group is a subsidiary of Shougang Holding, which is a wholly-owned subsidiary of Shougang Group Co., Ltd. (formerly known as Shougang Corporation), a state-owned enterprise under the supervision of the Beijing State-owned Assets Supervision and Administration Commission. Accordingly, the Company and the Group are significantly influenced by Shougang Group. Shougang Group is part of a larger group of companies under the PRC government. Accordingly, the Group is a government related entity in accordance with HKAS 24. The transactions and balances with Shougang Group and other PRC government related entities are disclosed in note (a) to (c).

(a) Transactions with related parties

34 關聯人士披露

本集團是首鋼控股之附屬公司，其為北京國有資產監督管理委員會監督之國有企業，首鋼集團有限公司（前稱首鋼總公司）之全資附屬公司。因此，本公司及本集團均受到首鋼集團之重大影響。首鋼集團為中國政府旗下一系列大型企業之一。因此，根據香港會計準則第24號，本集團為政府相關實體。與首鋼集團及其他中國政府相關企業進行之交易及結餘於附註(a)至附註(c)內披露。

(a) 與關聯人士進行之交易

		Year ended 31 December	
		截至12月31日止年度	
		2018	2017
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Shougang Group	首鋼集團		
– Sales by the Group (Note (iv))	– 本集團銷售 (附註(iv))	572	2,040
– Other income by the Group (Note (iv))	– 本集團其他收入 (附註(iv))	710	2,040
– Purchases by the Group (Note (i) and (iv))	– 本集團採購 (附註(i)及(iv))	2,086	541,229
– Underwriting commission charged to the Group (Note (ii) and (iv))	– 向本集團收取包銷佣金 (附註(ii)及(iv))	–	10,524
– Finance cost (Note (iv))	– 融資成本 (附註(iv))	4,690	–
– Rental expenses (Note (iv))	– 租金開支 (附註(iv))	4,625	–
– Management fee expenses (Note (iv))	– 管理費開支 (附註(iv))	1,640	960
Associate of the Group	本集團之聯營公司		
– Services provided by the Group (Note (iv))	– 本集團提供服務 (附註(iv))	–	1,560
– Fund management fee income by the group (Note (iii) and (iv))	– 本集團之基金管理費收入 (附註(iii)及(iv))	93,442	–
– Interest income by the Group (Note (iv))	– 本集團其他收入 (附註(iv))	849	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

34 RELATED PARTY DISCLOSURES (continued)

(a) Transactions with related parties (continued)

- Notes:
- (i) Shougang Group provides materials, leasing and management services to the Group.
 - (ii) The commission expenses are charged by Shougang Group in respect of the underwriting of open offer shares by Shougang Group as set out in note 25.
 - (iii) The Group provides fund management services to its associate.
 - (iv) The terms of the transactions are mutually agreed between the Group and the counter parties.

In addition, details of acquisition of subsidiaries from Shougang Group, transaction with non-controlling interest involved Shougang Group and the other borrowing obtained from a related party are disclosed in notes 30, 31 and 27, respectively.

(b) Balances with Shougang Group

Details of balances with the Group's related companies are set out in note 21.

34 關聯人士披露 (續)

(a) 與關聯人士進行之交易 (續)

- 附註:
- (i) 首鋼集團向本集團提供物料、租賃及管理服務。
 - (ii) 誠如附註25所述，首鋼集團就公開發售股份之包銷收取佣金費用。
 - (iii) 本集團向其聯營公司提供基金管理服務。
 - (iv) 交易之條款乃由本集團與對手方相互協定。

此外，自首鋼集團收購附屬公司、涉及首鋼集團與非控股權益方之交易以及從一名關聯方取得其他借款之詳情分別載於附註30、31及27。

(b) 與首鋼集團之結餘

有關與本集團關聯公司之結餘詳情載於附註21。

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34 RELATED PARTY DISCLOSURES (continued)

(c) Compensation of key management personnel

The remuneration of directors and other members of key management personnel during the year is as follows:

Short-term employee benefits	短期僱員福利
Post-employment benefits	退休福利

The remuneration of key management personnel is determined by the Remuneration Committee of the Board of Directors having regard to the market practice, competitive market position and individual performance.

35 SHARE OPTION SCHEMES

The Company adopted a share option scheme (the "2002 Scheme") on 7 June 2002.

The purpose of the 2002 Scheme is to enable the Company to grant share options to selected participants as incentives or rewards for their contribution to the Company and/or its subsidiaries and/or its associated companies (as defined under the 2002 Scheme). The 2002 Scheme was adopted on 7 June 2002 and terminated on 29 May 2012.

34 關聯人士披露 (續)

(c) 主要管理人員之薪酬 (續)

董事及其他主要管理層成員於年內之酬金如下：

Year ended 31 December

截至12月31日止年度

2018 2017

HK\$'000 HK\$'000

港幣千元 港幣千元

Short-term employee benefits	短期僱員福利	5,169	3,620
Post-employment benefits	退休福利	22	18
		5,191	3,638

主要管理人員之酬金由董事會轄下之薪酬委員會釐定，並已考慮市場慣例、競爭激烈之市場狀況及個別人士表現。

35 購股權計劃

本公司於2002年6月7日採納了一項購股權計劃（「2002年計劃」）。

2002年計劃旨在讓本公司向選定參與者授予購股權作為彼等對本公司及／或其附屬公司及／或其聯營公司（定義見2002年計劃）所作貢獻之激勵或獎勵。2002年計劃於2002年6月7日採納及於2012年5月29日終止。

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For the year ended 31 December 2018 截至2018年12月31日止年度

35 SHARE OPTION SCHEMES (continued)

Under the 2002 Scheme, the Board of Directors may, at its discretion, offer directors (including executive and non-executive directors), executives, officers, employees or certain other eligible participants, share options to subscribe for shares of the Company.

The exercise price in relation to each share option was determined by the Board of Directors at its absolute discretion and was not less than the highest of (i) the official closing price of the shares of the Company as stated in the daily quotation sheet of the Stock Exchange on the date of offer of share options; (ii) the average of the official closing prices of the shares of the Company as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date of offer of share options; and (iii) the nominal value of a share of the Company on the date of offer of share options. Each of the grantees was required to pay HK\$1 as consideration for the grant of share options in accordance with the 2002 Scheme. The offer of a grant of share options must be accepted within 60 days from the date of the offer. All the outstanding share options which had been fully vested as at 31 December 2016 were cancelled during the financial year ended 31 December 2017.

During the years ended 31 December 2017, no share options under the 2002 Scheme were exercised.

35 購股權計劃 (續)

根據2002年計劃，董事會可酌情向董事（包括執行及非執行董事）、行政人員、主任、僱員或若干其他合資格參與者授予購股權以認購本公司股份。

各購股權之行使價已由董事會全權釐定，惟該價格不得少於以下之最高者：(i)於授出購股權日期本公司股份於聯交所每日報價表所報之官方收市價；(ii)緊接授出購股權日期前五個營業日本公司股份於聯交所每日報價表所報之平均官方收市價；及(iii)本公司股份於購股權要約日期之面值。根據2002年計劃，各承授人於接納獲授予之購股權時須支付港幣1元作為代價。所提出授予之購股權須於提出要約日期起計60日內接納。於2016年12月31日已全數歸屬之所有未行使購股權均於截至2017年12月31日止財政年度註銷。

截至2017年12月31日止年度，概無根據2002年計劃行使任何購股權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

36 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY 36 本公司之財務狀況表及儲備變動

		As at 31 December 於12月31日	
		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	2,323,740	2,323,740
Investment in an associate	於一間聯營公司之投資	4,876	4,876
Amounts due from subsidiaries	借予附屬公司之款項	7,194,755	3,595,030
Assets relating to commodity contracts – non-current	有關商品合約之資產 – 非流動	150,193	151,244
		9,673,564	6,074,890
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他 應收款項	8,923	3,367
Loan to a subsidiary	貸款予一間附屬公司	–	207,039
Assets relating to commodity contracts – current	有關商品合約之資產 – 流動	3,425	–
Bank balances and cash	銀行結存及現金	2,775,597	995,740
		2,787,945	1,206,146
Total assets	總資產	12,461,509	7,281,063
LIABILITIES	負債		
Current liabilities	流動負債		
Other payables and accrued liabilities	其他應付款項及應計負債	6,701	1,441
Amounts due to subsidiaries	欠附屬公司之款項	–	815,737
Other financial liabilities	其他金融負債	359	359
Liabilities relating to commodity contracts	有關商品合約之負債	–	18,853
		7,060	836,390
Capital and reserves	股本及儲備		
Share capital	股本	8,830,429	7,349,545
Reserves (Note)	儲備(附註)	3,624,020	(904,899)
		12,454,449	6,444,646
Total liabilities and equity	總負債及權益	12,461,509	7,281,036

The statement of financial position of the Company was approved by the Board of Directors on 26 March 2019 and was signed on its behalf by:

Zhao Tianyang

趙天陽

Director

董事

本公司之財務狀況表已於2019年3月26日獲董事會批准，並由下列董事代表簽署：

Liang Hengyi

梁衡義

Director

董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

**36 STATEMENT OF FINANCIAL POSITION AND
 RESERVE MOVEMENT OF THE COMPANY**
(continued)

Note:

**36 本公司之財務狀況表及儲備變動
 (續)**

附註：

		Share option reserve	(Accumulated loss)/retained earning	Total
		購股權儲備	(累計虧損)/ 保留盈利	合計
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
Balance at 1 January 2017	於2017年1月1日之結餘	289,560	(1,048,014)	(758,454)
Loss for the year and total comprehensive expense	年度虧損及全面開支總額	-	(146,445)	(146,445)
Balance at 31 December 2017	於2017年12月31日之結餘	289,560	(1,194,459)	(904,899)
Balance at 1 January 2018	於2018年1月1日之結餘	289,560	(1,194,459)	(904,899)
Profit for the year and total comprehensive income	年度溢利及全面收入總額	-	4,528,919	4,528,919
Reclassification of share option reserve to accumulated loss	重新分類購股權儲備至 累計虧損	(289,560)	289,560	-
Balance at 31 December 2018	於2018年12月31日之結餘	-	3,624,020	3,624,020

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

37 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES)

(A) Directors' and Chief Executive's emoluments

The emoluments paid or payable to each of the nineteen (2017: eight) directors were as follows:

37 董事福利及利益 (按香港公司條例第622章第383條、第622G章公司 (關於董事福利資料披露) 規例及香港上市規則要求披露)

(A) 董事及行政總裁酬金

已付或應付十九名 (2017年: 八名) 董事各人之酬金如下:

		Fees	Salaries and other benefits	Contributions to retirement benefit scheme	Total 2017
		袍金	薪金及其他福利	退休福利計劃供款	2017年合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
2017	2017年				
Executive directors of the Company	本公司執行董事				
LI Shaofeng	李少峰	-	-	-	-
SHU Hong	舒洪	-	2,400	18	2,418
DING Rucai	丁汝才	-	-	-	-
Non-executive directors of the Company	本公司非執行董事				
LEUNG Shun Sang Tony	梁順生	230	-	-	230
ZHANG Bingcheng	張炳成	-	-	-	-
Independent Non-executive directors of the Company	本公司獨立非執行董事				
KAN Lai Kuen Alice	簡麗娟	330	-	-	330
LEUNG Kai Cheung Kenneth	梁繼昌	330	-	-	330
WONG Kun Kim	黃鈞黔	330	-	-	330
Total emoluments	酬金總額	1,220	2,400	18	3,638

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

37 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES)

(continued)

(A) Directors' and Chief Executive's emoluments (continued)

37 董事福利及利益 (按香港公司條例 第622章第383條、第622G章公司 (關於董事福利資料披露)規例及 香港上市規則要求披露) (續)

(A) 董事及行政總裁酬金 (續)

		Fees	Salaries and other benefits	Contributions to retirement benefit scheme	Total 2018
		袍金	薪金及 其他福利	退休福利 計劃供款	2018年 合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
2018	2018年				
Executive directors of the Company	本公司執行董事				
LI Shaofeng	李少峰	-	-	-	-
LIANG Hengyi (Note (a))	梁衡義 (附註(a))	-	2,376	14	2,390
SHU Hong (Note (b))	舒洪 (附註(b))	-	696	8	704
XU Liang (Note (b))	徐量 (附註(b))	-	-	-	-
ZHAO Tianyang (Note (a))	趙天陽 (附註(a))	-	-	-	-
DING Rucai (Note (a))	丁汝才 (附註(a))	-	-	-	-
Non-executive directors of the Company	本公司非執行董事				
HO Gilbert Chi Hang (Note (b))	何智恒 (附註(b))	155	-	-	155
LI Hao (Note (c))	李浩 (附註(c))	39	-	-	39
LI Yinhui (Note (a))	李胤輝 (附註(a))	306	-	-	306
LIU Jingwei (Note (a))	劉景偉 (附註(a))	247	-	-	247
LEUNG Shun Sang Tony (Note (d))	梁順生 (附註(d))	87	-	-	87
ZHANG Bingcheng (Note (a))	張炳成 (附註(a))	-	-	-	-
Independent Non-executive directors of the Company	本公司獨立非執行董事				
KAN Lai Kuen Alice (Note (d))	簡麗娟 (附註(d))	126	-	-	126
DENG Yougao (Note (d))	鄧有高 (附註(d))	200	-	-	200
LEUNG Kai Cheung Kenneth (Note (d))	梁繼昌 (附註(d))	126	-	-	126
WONG Kun Kim (Note (d))	黃鈞黔 (附註(d))	126	-	-	126
CHOI Fan Keung Vic (Note (d))	蔡奮強 (附註(d))	192	-	-	192
WANG Xin (Note (d))	王鑫 (附註(d))	204	-	-	204
ZHANG Quanling (Note (a))	張泉靈 (附註(a))	289	-	-	289
Total emoluments	酬金總額	2,097	3,072	22	5,191

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

37 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES)

(continued)

(A) Directors' and Chief Executive's emoluments *(continued)*

Notes:

- a. Mr. Zhao Tianyang, Mr. Liang Hengyi, Dr. Li Yinhui, Mr. Liu Jingwei and Ms. Zhang Quanling were appointed, and Mr. Ding Rucai and Mr. Zhang Bingcheng resigned, as directors with effect from 6 January 2018.
- b. Mr. Xu Liang and Mr. Ho Gilbert Chi Hang were appointed, and Mr. Shu Hung resigned, as directors with effect from 21 May 2018.
- c. Mr. Li Hao was appointed as a director with effect from 27 September 2018.
- d. Mr. Leung Shun Sang Tony and Ms. Kan Lai Kuen Alice retired, Mr. Wong Kun Kim and Mr. Leung Kai Cheung resigned, and Dr. Wang Xin, Mr. Choi Fan Keung Vic and Mr. Deng Yougao were appointed, as Directors with effect from the conclusion of the 2018 annual general meeting held on 18 May 2018.
- e. The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The non-executive directors' emoluments shown above were mainly for their services as directors of the Company or its subsidiaries. The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

37 董事福利及利益 (按香港公司條例第622章第383條、第622G章公司 (關於董事福利資料披露) 規例及香港上市規則要求披露) (續)

(A) 董事及行政總裁酬金 (續)

附註:

- a. 趙天暘先生、梁衡義先生、李胤輝博士、劉景偉先生及張泉靈女士獲委任為董事，以及丁汝才先生及張炳成先生辭任董事，自2018年1月6日起生效。
- b. 徐量先生及何智恒先生獲委任為董事，以及舒洪先生辭任董事，自2018年5月21日起生效。
- c. 李浩先生獲委任為董事，自2018年9月27日起生效。
- d. 梁順生先生及簡麗娟女士退任董事，黃鈞黔先生及梁繼昌先生辭任董事，及王鑫博士、蔡奮強先生及鄧有高先生獲委任為董事，自2018年5月18日舉行之2018年股東周年大會結束後生效。
- e. 上述執行董事酬金主要就彼等提供與管理本公司及本集團事務相關之服務而支付。上述非執行董事酬金主要就彼等作為本公司或其附屬公司之董事提供服務而支付。上述獨立非執行董事酬金主要就彼等作為本公司董事提供服務而支付。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2018 截至2018年12月31日止年度

37 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES)

(continued)

(A) Directors' and Chief Executive's emoluments (continued)

Notes: (continued)

(e) (continued)

Mr. Li Shaofeng, the Managing Director of the Company, has overall chief executive responsibility for the Group's business development and day-to-day management generally and his emoluments disclosed above include those for services rendered by him as the Managing Director. Mr. Li Shaofeng has voluntarily waived his monthly salary of HK\$315,000 since 1 March 2014.

No emoluments were paid by the Group to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 December 2018 and 2017.

(B) Directors' retirement benefits and termination benefits

During the year ended 31 December 2018, no emoluments, retirement benefits, payments or benefits in respect of termination of Directors' services were paid or made, directly or indirectly, to the Directors; nor are any payable (2017: nil).

37 董事福利及利益 (按香港公司條例 第622章第383條、第622G章公司 (關於董事福利資料披露)規例及 香港上市規則要求披露) (續)

(A) 董事及行政總裁薪金 (續)

附註: (續)

(e) (續)

本公司董事總經理李少峰先生整體上肩負行政總裁的職務，負責本集團整體的業務發展及日常管理，上文所披露之薪金已包括彼擔任董事總經理所提供服務之薪金。李少峰先生自2014年3月1日起自願放棄其薪金每月港幣315,000元。

截至2018年及2017年12月31日止年度，本集團並無向任何董事或五名最高薪酬人士支付任何薪金，以作為彼等於年內加入或加入本集團後之獎勵或離職補償。

(B) 董事的退休福利及辭退福利

於截至2018年12月31日止年度，概無就終止董事服務而直接或間接向董事支付或作出任何薪金、退休福利、付款或福利，亦無任何應付款項(2017年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**綜合財務報表附註**

For the year ended 31 December 2018 截至2018年12月31日止年度

37 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES)*(continued)***(C) Consideration provided to third parties for making available directors' services**

During the year ended 31 December 2018, no consideration was provided to third parties for making available directors' services. (2017: nil)

(D) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

As at 31 December 2018, there are no loans, quasi-loans or other dealings in favour of the Directors, their controlled bodies corporate and connected entities (2017: nil).

(E) Directors' material interests in transactions, arrangements or contracts

Save as disclosed in note 34, no significant transactions, arrangements and contracts in relation to the Group's business to which the Group was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year ended 31 December 2018 or at any time during the year (2017: nil).

38 SUBSEQUENT EVENTS

On 19 March 2019, the Company entered into the subscription agreements with several subscribers, pursuant to which the subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, a total of 3,384,043,134 subscription shares at the subscription price of HK\$0.25 per subscription share.

37 董事福利及利益 (按香港公司條例第622章第383條、第622G章公司 (關於董事福利資料披露) 規例及香港上市規則要求披露) (續)**(C) 就獲得董事服務而向第三方提供的代價**

於截至2018年12月31日止年度，概無就獲得董事服務向任何第三方提供代價 (2017年：無)。

(D) 有關以董事、董事的受控制法團及受控制實體為受益人之貸款、準貸款及其他交易之資料

於2018年12月31日，概無以董事、其受控制法團及受控制實體為受益人之貸款、準貸款及其他交易 (2017年：無)。

(E) 董事於交易、安排或合約中的重大權益

除附註34所披露者外，本公司董事概無於截至2018年12月31日止年度或年內任何時間存續的以本公司作為訂約方且與本集團業務有關之重大交易、安排及合約中擁有直接或間接之重大權益 (2017年：無)。

38 報告期後事項

於2019年3月19日，本公司與多位認購人訂立認購協議，據此，認購人有條件同意認購而本公司有條件同意配發及發行合共3,384,043,134股股份，認購價為每股認購股份港幣0.25元。

FIVE-YEAR FINANCIAL SUMMARY
五年財務摘要

RESULTS

業績

		Year ended 31 December 截至12月31日止年度				
		2014	2015	2016	2017	2018
		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
Revenue	收入	1,906,787	416,121	1,035,606	3,816,145	1,676,296
(Loss) profit for the year	年度(虧損)溢利	(2,038,372)	(3,889,639)	(1,954,220)	57,286	356,771
attributable to:		以下人士應佔:				
Owners of the Company	股東	(1,640,708)	(3,349,310)	(1,621,162)	57,286	353,097
Non-controlling interests	非控股權益	(397,664)	(540,329)	(333,058)	-	3,674
		(2,038,372)	(3,889,639)	(1,954,220)	57,286	356,771

ASSETS AND LIABILITIES

資產與負債

		At 31 December 於12月31日				
		2014	2015	2016	2017	2018
		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
Total assets	總資產	25,887,668	21,262,373	5,847,436	8,186,309	9,430,385
Total liabilities	總負債	(21,644,268)	(21,042,435)	(1,142,226)	(942,657)	(434,929)
		4,243,400	219,938	4,705,210	7,243,652	8,995,456
Equity attributable to						
owners of the Company	股東應佔權益	4,825,802	1,336,312	4,705,210	7,024,789	8,966,257
Non-controlling interests	非控股權益	(582,402)	(1,116,374)	-	218,863	29,199
		4,243,400	219,938	4,705,210	7,243,652	8,995,456

SUMMARY OF INVESTMENT PROPERTIES

投資物業摘要

Particulars of major investment properties held by the Group as at 31 December 2018 are as follows:

本集團於2018年12月31日持有之主要投資物業詳情如下：

Property		Use	Group interest	Category of the lease
物業		用途	集團持有之權益	租約類別
Flat A2 on 8th Floor, Pearl City Mansion, Nos. 22-36 Paterson Street, Causeway Bay, Hong Kong	香港 銅鑼灣 百德新街22-36號 珠城大廈8樓A2室	Residential 住宅	100% 100%	Long-term lease 長期租約
L1-L3 Floor, 222 Jirui Five Road, Chengdu High-tech Zone, Sichuan Province China	四川省 成都市 高新區吉瑞五路 222號地下1-3層	Operation of car parking lot 停車場經營	100% 100%	Self-owned property 自有產權

