



Rosedale Hotel Holdings Limited 珀麗酒店控股有限公司

(Incorporated in Bermuda with limited liability) (Stock Code : 1189)
(於百慕達註冊成立之有限公司)(股份代號 : 1189)

Interim Report 中期報告 2018



Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Dr. Yap, Allan (*Chairman*)
Ms. Chan Ling, Eva (*Managing Director*)
Mr. Chan Pak Cheung, Natalis

Independent Non-executive Directors

Mr. Kwok Ka Lap, Alva
Mr. Poon Kwok Hing, Albert
Mr. Sin Chi Fai

COMPANY SECRETARY

Ms. Law Sau Lai

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Room 3401, 34th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

AUDITOR

Moore Stephens CPA Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

STOCK CODE

Stock Code on The Stock Exchange
of Hong Kong Limited: 1189

WEBSITE

www.rhh.com.hk

董事會

執行董事

葉家海博士(主席)
陳玲女士(董事總經理)
陳百祥先生

獨立非執行董事

郭嘉立先生
潘國興先生
冼志輝先生

公司秘書

羅秀麗女士

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及主要營業地點

香港
灣仔
皇后大道東183號
合和中心
34樓3401室

核數師

大華馬施雲會計師事務所有限公司

股份過戶登記總處

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

股份過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心22樓

股份代號

香港聯合交易所有限公司
股份代號：1189

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Independent Practitioner's Review Report 獨立會計師審閱報告

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大華馬施雲
會計師事務所有限公司

TO THE BOARD OF DIRECTORS OF ROSDALE HOTEL HOLDINGS LIMITED (incorporated in Bermuda with limited liability)

We have reviewed the condensed consolidated financial statements of Rosedale Hotel Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 4 to 38, which comprise the condensed consolidated statement of financial position as of 30 June 2018, and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on condensed consolidated financial statements to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting", and for such internal control as directors determine is necessary to enable the preparation of condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

致珀麗酒店控股有限公司 (於百慕達註冊成立之有限公司) 董事會

吾等已完成審閱載於第4頁至第38頁之珀麗酒店控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之簡明綜合財務報表，其中包括於二零一八年六月三十日之簡明綜合財務狀況報表、截至該日止六個月期間之相關簡明綜合損益及其他全面收益表、股東權益變動表和現金流量表，以及主要會計政策概要及其他解釋資料。

董事就簡明綜合財務報表須承擔 的責任

香港聯合交易所有限公司證券上市規則規定，就簡明綜合財務報表編製的報告必須符合以上規則的有關條文以及香港會計師公會(「香港會計師公會」)頒佈之香港會計準則第34號「中期財務報告」。貴公司董事須負責根據香港會計準則第34號「中期財務報告」編製並呈列該簡明綜合財務報表，及落實其認為編製簡明綜合財務報表所必要的內部控制，以使簡明綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

Independent Practitioner's Review Report

獨立會計師審閱報告

PRACTITIONER'S RESPONSIBILITY

Our responsibility is to express a conclusion on the condensed consolidated financial statements based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2400 (Revised), "Engagements to Review Historical Financial Statements" ("HKSRE 2400 (Revised)") issued by the HKICPA. HKSRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the condensed consolidated financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with HKSRE 2400 (Revised) is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with Hong Kong Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed consolidated financial statements.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

會計師的責任

吾等的責任是根據吾等的審閱對簡明綜合財務報表作出結論，並按照吾等議定之委聘條款僅向閣下報告，除此之外本報告別無其他目的。吾等不會就本報告的內容向任何其他人士負上或承擔任何責任。

吾等已根據香港會計師公會頒佈的香港審閱委聘準則第2400號(修訂本)「審閱過往財務報表之委聘」(「香港審閱委聘準則第2400號(修訂本)」)進行審閱。根據香港審閱委聘準則第2400號(修訂本)的要求，吾等應就任何令吾等相信簡明綜合財務報表在各重大方面並無根據適用財務報告框架編製的事項進行總結，該準則亦要求吾等遵守相關道德規範。

根據香港審閱委聘準則第2400號(修訂本)審閱財務報表為有限鑒證工作。會計師履行的程序主要包括對管理層與實體內的其他人員進行詢問(倘適用)，並實施分析程序以及對取得的證據進行評估。

審閱的範圍遠較根據香港審計準則進行審核的範圍為小，因此，吾等不會就該簡明綜合財務報表發表審核意見。

結論

根據吾等的審閱，吾等並無發現任何事項，致使吾等相信簡明綜合財務報表於所有重大方面並無根據香港會計準則第34號「中期財務報告」編製。

EMPHASIS OF MATTER

Without modifying our conclusion, we draw attention to note 8 to the condensed consolidated financial statements which describes the uncertainties related to the extension of business licence period of Rosedale Hotel Guangzhou Co., Ltd. ("Rosedale Guangzhou"), an indirect non-wholly owned subsidiary of the Company whose business licence to operate its hotel expired on 15 January 2017. Should the Group be unable to successfully extend the business licence period, the hotel operations of Rosedale Guangzhou may be affected and further impairment of the hotel property and related assets may be required. Our conclusion is not modified in respect of this matter.

Moore Stephens CPA Limited

Certified Public Accountants

Hong Kong

29 August 2018

強調事項

在不修改結論的情況下，吾等務請閣下垂注簡明綜合財務報表附註8，該附註說明有關貴公司間接非全資附屬公司廣州珀麗酒店有限公司（「廣州珀麗」）營業執照期延長的不明朗因素，其經營酒店的營業執照已於二零一七年一月十五日屆滿。倘貴集團無法成功延長營業執照期，則廣州珀麗之酒店營運可能會受到影響，而酒店物業及相關資產可能需要作出進一步減值。吾等的結論沒有就此事項進行修改。

大華馬施雲會計師事務所有限公司

執業會計師

香港

二零一八年八月二十九日

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)
		NOTES 附註	
Revenue	收入	3	117,834
Direct operating costs	直接經營成本		(73,244)
Gross profit	毛利		44,590
Interest income	利息收入		4,235
Other income, gains and losses	其他收入、收益及虧損		683
Distribution and selling expenses	分銷及銷售開支		(543)
Administrative expenses	行政開支		(59,942)
Equity-settled share-based payment expenses	以股本結算之以股代款開支	15	(13,715)
Fair value loss on investments held for trading	持作買賣之投資之公平價值虧損		(24,130)
Impairment loss recognised in respect of property, plant and equipment	物業、機器及設備之已確認減值虧損	8	(14,772)
Fair value loss on investment properties	投資物業之公平價值虧損	9	(16,244)
Finance costs	融資成本		(637)
Loss before tax	除稅前虧損	4	(80,475)
Income tax expense	所得稅開支	5	(2,113)
Loss for the period	本期間虧損		(82,588)
Other comprehensive (expense) income for the period	本期間其他全面(開支)收入		
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益之項目：</i>		
Exchange difference arising on translation of financial statements of foreign operations	換算海外公司財務報表時產生之匯兌差額		23,067
Total comprehensive expense for the period	本期間全面開支總額		(59,521)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

		Six months ended 30 June	
		截至六月三十日止六個月	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Loss for the period attributable to:	本期間虧損由下列人士應佔：		
Owners of the Company	本公司擁有人	(42,632)	(77,760)
Non-controlling interests	非控股權益	(2,660)	(4,828)
		(45,292)	(82,588)
Total comprehensive expense for the period attributable to:	本期間全面開支總額由下列人士應佔：		
Owners of the Company	本公司擁有人	(49,554)	(58,274)
Non-controlling interests	非控股權益	(4,021)	(1,247)
		(53,575)	(59,521)
LOSS PER SHARE	每股虧損		
Basic (HK\$)	基本 (港元)	(0.05)	(0.10)
Diluted (HK\$)	攤薄 (港元)	(0.05)	(0.10)

NOTE
附註

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Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況報表

At 30 June 2018

於二零一八年六月三十日

			30 June 2018 於 二零一八年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2017 於 二零一七年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	8	376,149	401,111
Investment properties	投資物業	9	150,000	164,000
Other asset	其他資產		19,800	19,800
			545,949	584,911
Current assets	流動資產			
Inventories	存貨		2,411	2,556
Trade and other receivables	貿易及其他應收賬款	10	52,008	62,899
Investments held for trading	持作買賣之投資	11	14,647	22,343
Bank balances and cash	銀行結餘及現金		1,795,571	1,801,383
			1,864,637	1,889,181
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	12	94,541	108,189
Contract liabilities	合約負債		5,300	-
Tax liabilities	稅項負債		78,066	76,874
			177,907	185,063
Net current assets	流動資產淨額		1,686,730	1,704,118
Total assets less current liabilities	資產總值減流動負債		2,232,679	2,289,029
Non-current liability	非流動負債			
Deferred taxation	遞延稅項		38,379	41,154
Net assets	資產淨值		2,194,300	2,247,875
Capital and reserves	資本及儲備			
Share capital	股本	13	7,892	7,892
Share premium and reserves	股份溢價及儲備		1,998,773	2,048,327
Equity attributable to owners of the Company	本公司擁有人應佔權益		2,006,665	2,056,219
Non-controlling interests	非控股權益		187,635	191,656
Total equity	權益總額		2,194,300	2,247,875

Condensed Consolidated Statement of Changes in Equity

簡明綜合股東權益變動表

For the six months ended 30 June 2018
截至二零一八年六月三十日止六個月

Attributable to owners of the Company

本公司擁有人應佔

		Share capital	Share premium	Special reserve	Other reserves	Share options reserve	Translation reserve	Retained earnings (accumulated losses)	Sub-total	Non-controlling interests	Total
		股本	股份溢價	特別儲備	其他儲備	購股權儲備	匯兌儲備	保留溢利 (累計虧損)	小計	非控股權益	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2017 (audited)	於二零一七年 一月一日(經審核)	7,892	1,360,752	658,303	(70,319)	-	60,291	97,086	2,114,005	192,518	2,306,523
Loss for the period	本期間虧損	-	-	-	-	-	-	(77,760)	(77,760)	(4,828)	(82,588)
Other comprehensive income for the period	本期間其他全面收入	-	-	-	-	-	19,486	-	19,486	3,581	23,067
Total comprehensive income (expense) for the period	本期間全面收入 (開支)總額	-	-	-	-	-	19,486	(77,760)	(58,274)	(1,247)	(59,521)
Recognition of equity-settled share-based payments (Note 15)	確認以股本結算之 以股代款 (附註15)	-	-	-	-	13,715	-	-	13,715	-	13,715
At 30 June 2017 (unaudited)	於二零一七年 六月三十日(未經審核)	7,892	1,360,752	658,303	(70,319)	13,715	79,777	19,326	2,069,446	191,271	2,260,717
At 1 January 2018 (audited)	於二零一八年 一月一日(經審核)	7,892	1,360,752	658,303	(70,319)	13,715	104,918	(19,042)	2,056,219	191,656	2,247,875
Loss for the period	本期間虧損	-	-	-	-	-	-	(42,632)	(42,632)	(2,660)	(45,292)
Other comprehensive expense for the period	本期間其他全面開支	-	-	-	-	-	(6,922)	-	(6,922)	(1,361)	(8,283)
Total comprehensive expense for the period	本期間全面開支總額	-	-	-	-	-	(6,922)	(42,632)	(49,554)	(4,021)	(53,575)
At 30 June 2018 (unaudited)	於二零一八年 六月三十日(未經審核)	7,892	1,360,752	658,303	(70,319)	13,715	97,996	(61,674)	2,006,665	187,635	2,194,300

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)
		NOTES 附註	
Net cash from (used in) operating activities	經營業務所得(所用)之現金淨額		(16,978)
Investing activities	投資活動		
Deposit paid for acquisition of a subsidiary	收購一家附屬公司之已付按金	10(a)	–
Purchase of property, plant and equipment	購買物業、機器及設備	8	(3,409)
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備所得款項		39
Other investing cash flows	其他投資現金流量		4,235
Net cash (used in) from investing activities	投資活動(所用)所得之現金淨額		865
Cash used in a financing activity	融資活動所用之現金		
Interest paid	已付利息		(637)
Net decrease in cash and cash equivalents	現金及現金等值項目之減少淨額		(16,750)
Cash and cash equivalents at beginning of the period	期初之現金及現金等值項目		1,660,949
Effect of foreign exchange rate changes	外匯匯率變動影響		1,964
Cash and cash equivalents at end of the period	期終之現金及現金等值項目		1,646,163
Represented by:	即：		
Bank balances and cash	銀行結餘及現金		1,646,163

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The condensed consolidated financial statements do not include all the information required for a complete set of Hong Kong Financial Reporting Standards financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2017.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and investments held for trading, which are measured at fair values, as appropriate.

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2018 are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2017.

1. 編製基準

本簡明綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則第34號「中期財務報告」以及香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十六之適用披露規定編製。簡明綜合財務報表並不包括整套香港財務報告準則財務報表規定之所有資料，並應與本集團截至二零一七年十二月三十一日止年度之年度綜合財務報表一併閱讀。

2. 主要會計政策

本簡明綜合財務報表乃根據歷史成本基準編製，惟（視適用情況而定）以公平價值計量之投資物業及持作買賣之投資除外。

除應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂所引致之會計政策變動外，截至二零一八年六月三十日止六個月之簡明綜合財務報表所採用之會計政策及計算方式與編製本集團截至二零一七年十二月三十一日止年度之全年綜合財務報表時所依循者一致。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Application of new and amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatorily effective for the annual period beginning on or after 1 January 2018 for the preparation of the Group's condensed consolidated financial statements:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 “Financial Instruments” with HKFRS 4 “Insurance Contracts”
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014 – 2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property

The new and amendments to HKFRSs have been applied in accordance with the relevant transition provisions in the respective standards and amendments which results in changes in accounting policies, amounts reported and/or disclosures as described below.

(a) Impacts and changes in accounting policies of application on HKFRS 15 “Revenue from Contracts with Customers”

The Group has applied HKFRS 15 for the first time in the current interim period. HKFRS 15 superseded HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and the related interpretations.

The Group recognises revenue from the following major sources:

- Hotel operations
- Rental income

2. 主要會計政策 (續)

應用新訂香港財務報告準則及其修訂

於本中期期間，本集團已首次應用下列由香港會計師公會頒佈並於二零一八年一月一日或之後開始之年度期間強制生效之新訂香港財務報告準則及其修訂以編製本集團之簡明綜合財務報表：

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自客戶合約之收入及相關修訂
香港(國際財務報告詮釋委員會) – 詮釋22	外幣交易及預收/付代價
香港財務報告準則第2號之修訂	以股代款交易之分類及計量
香港財務報告準則第4號之修訂	對香港財務報告準則第4號「保險合約」應用香港財務報告準則第9號「金融工具」
香港會計準則第28號之修訂	作為二零一四年至二零一六年週期香港財務報告準則之年度改進之一部分
香港會計準則第40號之修訂	轉撥投資物業

新訂香港財務報告準則及其修訂乃根據有關準則及修訂的相關過渡條文應用，所導致的會計政策、報告金額及/或披露變動載列如下。

(a) 應用香港財務報告準則第15號「來自客戶合約之收入」的影響及會計政策之變動

本集團已於本中期期間首次應用香港財務報告準則第15號。香港財務報告準則第15號取代香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關詮釋。

本集團確認來自以下主要來源的收入：

- 酒店經營
- 租金收入

2. PRINCIPAL ACCOUNTING POLICIES (Continued)**(a) Impacts and changes in accounting policies of application on HKFRS 15 “Revenue from Contracts with Customers”**
(Continued)

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this Standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening accumulated losses and comparative information has not been restated.

Key changes in accounting policies resulting from application of HKFRS 15

HKFRS 15 introduces a 5-step approach when recognising revenue:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

2. 主要會計政策 (續)**(a) 應用香港財務報告準則第15號「來自客戶合約之收入」的影響及會計政策之變動 (續)**

本集團已追溯應用香港財務報告準則第15號，而首次應用該準則的累計影響於二零一八年一月一日首次應用當日確認。首次應用日期的任何差額於期初累計虧損中確認，且並無重列比較資料。

應用香港財務報告準則第15號產生的會計政策主要變動

香港財務報告準則第15號引入五個步驟以確認收入：

- 第1步：識別與客戶訂立的合約
- 第2步：識別合約內的履約責任
- 第3步：釐定交易價格
- 第4步：將交易價格分配至合約內的履約責任
- 第5步：當本集團符合履約責任時確認收入。

根據香港財務報告準則第15號，本集團於履約責任獲履行時確認收入，即當與特定履約責任相關的貨品或服務的「控制權」轉移予客戶時。

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(a) Impacts and changes in accounting policies of application on HKFRS 15 “Revenue from Contracts with Customers”

(Continued)

Key changes in accounting policies resulting from application of HKFRS 15 (Continued)

A performance obligation represents a good and service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct goods or services.

A contract liability represents the Group’s obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

2. 主要會計政策 (續)

(a) 應用香港財務報告準則第15號「來自客戶合約之收入」的影響及會計政策之變動 (續)

應用香港財務報告準則第15號產生的會計政策主要變動 (續)

履約責任指個別的貨品及服務 (或一組貨品或服務) 或一系列大致相同的個別貨品或服務。

倘符合以下其中一項準則，則控制權隨時間轉移，而收入則參照完全履行相關履約責任的進展而隨時間確認：

- 於本集團履約時，客戶同時取得並耗用本集團履約所提供的利益；
- 本集團的履約產生及提升一項資產，而該項資產於本集團履約時由客戶控制；或
- 本集團的履約並未產生讓本集團有替代用途的資產，且本集團對迄今已完成履約的付款具有可強制執行的權利。

否則，收入於客戶獲得個別貨品或服務控制權的時間點確認。

合約負債指本集團因已向客戶收取代價 (或已到期收取代價)，而須向客戶轉移貨品或服務的責任。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)**(a) Impacts and changes in accounting policies of application on HKFRS 15 “Revenue from Contracts with Customers”**
(Continued)**Summary of effects arising from initial application of HKFRS 15**

The revenue of the Group is recognised over time. The application of HKFRS 15 does not have significant impact on the amounts reported in the condensed consolidated financial statements except that as at 1 January 2018, advance receipts from customers of HK\$6,356,000 previously included in “trade and other payables” were reclassified to “contract liabilities” on the condensed consolidated statement of financial position.

(b) Impacts and changes in accounting policies of application of HKFRS 9 “Financial Instruments”

In the current period, the Group has applied HKFRS 9 “Financial Instruments” and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses (“ECL”) for financial assets and 3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018. The difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening accumulated losses and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 “Financial Instruments: Recognition and Measurement”.

2. 主要會計政策 (續)**(a) 應用香港財務報告準則第15號「來自客戶合約之收入」的影響及會計政策之變動 (續)****首次應用香港財務報告準則第15號之影響概述**

本集團的收入隨時間確認。應用香港財務報告準則第15號對簡明綜合財務報表的呈報金額並無產生重大影響，惟於二零一八年一月一日，過往計入「貿易及其他應付賬款」的客戶預付款6,356,000港元重新分類至簡明綜合財務狀況報表中的「合同負債」則除外。

(b) 應用香港財務報告準則第9號「金融工具」的影響及會計政策之變動

於本期間，本集團已應用香港財務報告準則第9號「金融工具」及對其他香港財務報告準則作出的有關相應修訂。香港財務報告準則第9號引進有關1)金融資產及金融負債的分類及計量；2)金融資產的預期信貸虧損（「預期信貸虧損」）；及3)一般對沖會計的新規定。

本集團已按香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即對並無於二零一八年一月一日（首次應用日期）終止確認的工具追溯應用分類及計量規定（包括減值），而並無對已於二零一八年一月一日終止確認的工具應用有關規定。於二零一七年十二月三十一日的賬面值與於二零一八年一月一日的賬面值之間的差額，於期初累計虧損及權益的其他部分確認，毋須重列比較資料。

由於比較資料乃按照香港會計準則第39號「金融工具：確認及計量」編製，因此，若干比較資料可能無法用作比較。

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(b) Impacts and changes in accounting policies of application of HKFRS 9 “Financial Instruments” (Continued)

Key changes in accounting policies resulting from application of HKFRS 9

Impairment under ECL model

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade and other receivables). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

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

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.

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

2. 主要會計政策(續)

(b) 應用香港財務報告準則第9號「金融工具」的影響及會計政策之變動(續)

應用香港財務報告準則第9號所產生的會計政策主要變動

根據預期信貸虧損模型的減值

本集團就根據香港財務報告準則第9號或會減值的金融資產(包括貿易賬款及其他應收賬款)的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各呈報日期更新,以反映自首次確認以來信貸風險的變化。

全期預期信貸虧損指相關工具的預計年期內所有可能的違約事件將產生的預期信貸虧損。相反,12個月預期信貸虧損(「12個月預期信貸虧損」)指預期於呈報日期後12個月內可能發生的違約事件導致的全期預期信貸虧損的一部分。評估乃根據本集團過往信貸虧損經驗進行,並就債務人特有的因素、一般經濟狀況以及對呈報日期的當前狀況及未來狀況預測的評估作出調整。

本集團一向就貿易應收賬款確認全期預期信貸虧損。該等資產的預期信貸虧損乃就具有顯著結餘的應收賬款個別評估及/或使用具有合適組別的撥備矩陣進行整體評估。

對所有其他工具而言,本集團計量等於12個月預期信貸虧損的虧損撥備,除非自首次確認以來信貸風險顯著增加,則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損乃基於自首次確認以來發生違約的可能性或風險是否顯著增加。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(b) Impacts and changes in accounting policies of application of HKFRS 9 “Financial Instruments” (Continued)

Key changes in accounting policies resulting from application of HKFRS 9 (Continued)*Impairment under ECL model (Continued)*

Significant increase in credit risk

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

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

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

2. 主要會計政策 (續)

(b) 應用香港財務報告準則第9號「金融工具」的影響及會計政策之變動 (續)

應用香港財務報告準則第9號所產生的會計政策主要變動 (續)*根據預期信貸虧損模型的減值 (續)*

信貸風險顯著增加

於評估自首次確認以來信貸風險是否顯著增加時，本集團將金融工具於呈報日期發生的違約風險與該金融工具於首次確認日期發生的違約風險進行比較。進行此評估時，本集團考慮合理且有理據的定量及定性資料，包括過往經驗及無需付出不必要的成本或努力而可獲得的前瞻性資料。

特別是，在評估信貸風險是否顯著增加時會考慮以下資料：

- 金融工具的外部 (如有) 或內部信貸評級的實際或預期顯著惡化；
- 信貸風險的外部市場指標顯著惡化，例如債務人的信貸息差及信用違約掉期價格顯著上升；
- 預計將導致債務人履行其債務責任的能力顯著下降的業務、財務或經濟狀況的現有或預測的不利變化；
- 債務人經營業績的實際或預期顯著惡化；
- 導致債務人履行其債務責任的能力顯著下降的債務人監管、經濟或技術環境的實際或預期的重大不利變化。

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(b) Impacts and changes in accounting policies of application of HKFRS 9 “Financial Instruments” (Continued)

Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

Impairment under ECL model (Continued)

Significant increase in credit risk (Continued)

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

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

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

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

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

2. 主要會計政策 (續)

(b) 應用香港財務報告準則第9號「金融工具」的影響及會計政策之變動 (續)

應用香港財務報告準則第9號所產生的會計政策主要變動 (續)

根據預期信貸虧損模型的減值 (續)

信貸風險顯著增加 (續)

不論上述評估的結果，本集團認為，倘合約付款逾期超過30天，則自首次確認以來信貸風險已顯著增加，除非本集團具備合理且有理據的資料作為相反憑證。

本集團認為，倘工具逾期超過90天則已發生違約，除非本集團具備合理且有理據的資料證明更滯後的違約標準屬更合適。

預期信貸虧損之計量及確認

預期信貸虧損之計量為違約概率、違約損失率（即倘發生違約的損失程度）及違約風險之函數。違約概率及違約損失率之評估乃基於經前瞻性資料調整之歷史數據作出。

一般而言，預期信貸虧損估計乃根據合約應付本集團之所有合約現金流量與本集團預期收取之所有現金流量之間的差額，並按首次確認時釐定之實際利率貼現。

利息收入乃根據金融資產之賬面總額計算，除非金融資產發生信貸減值，在此情況下，利息收入則根據金融資產之攤銷成本計算。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(b) Impacts and changes in accounting policies of application of HKFRS 9 “Financial Instruments” (Continued)

Key changes in accounting policies resulting from application of HKFRS 9 (Continued)*Impairment under ECL model (Continued)*

Measurement and recognition of ECL (Continued)

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

As at 1 January 2018, the directors of the Company reviewed and assessed the Group’s existing financial assets for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of HKFRS 9. The results of the assessment and the impact thereof are detailed below.

Summary of effects arising from initial application of HKFRS 9*Impairment under ECL model*

In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under 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.

In the current period, the Group has applied HKFRS 9 simplified approach to measure ECL using lifetime ECL for trade and other receivables. To measure the ECL, trade and other receivables have been grouped based on shared credit risk characteristics.

2. 主要會計政策 (續)

(b) 應用香港財務報告準則第9號「金融工具」的影響及會計政策之變動 (續)

應用香港財務報告準則第9號所產生的會計政策主要變動 (續)*根據預期信貸虧損模型的減值 (續)*

預期信貸虧損之計量及確認 (續)

本集團透過調整賬面值就所有金融工具於損益中確認減值收益或虧損，惟透過虧損撥備賬確認相應調整的貿易應收賬款除外。

於二零一八年一月一日，本公司董事根據香港財務報告準則第9號之規定，使用無需付出不必要成本或努力而可獲得之合理且有理據之資料，審閱及評估本集團現有金融資產是否存在減值。評估結果及其影響詳見下文。

首次應用香港財務報告準則第9號之影響概述*根據預期信貸虧損模型的減值*

就金融資產之減值而言，與香港會計準則第39號項下按已產生信貸虧損模型計算相反，香港財務報告準則第9號規定按預期信貸虧損模型計算。預期信貸虧損模型規定實體於各呈報日期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次確認以來之變動。換言之，毋須再待發生信貸事件後才能確認信貸虧損。

於本期間，本集團應用香港財務報告準則第9號簡化方法對其貿易及其他應收賬款使用全期預期信貸虧損計量預期信貸虧損。為計量預期信貸虧損，貿易及其他應收賬款已根據分估信貸風險特點分類。

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簡明綜合財務報表附註

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(b) Impacts and changes in accounting policies of application of HKFRS 9 “Financial Instruments” (Continued)

Summary of effects arising from initial application of HKFRS 9 (Continued)

Impairment under ECL model (Continued)

Loss allowance for other financial assets at amortised cost mainly comprise of bank balances, and are measured on 12m ECL basis and there had been no significant increase in credit risk since initial recognition.

As at 1 January 2018, no additional credit loss allowance has been recognised in the condensed consolidated financial statements.

3. SEGMENT INFORMATION

Segment information reported internally is analysed on the basis of the types of services provided and activities carried out by the Group’s operating divisions. The Group is currently organised into two operating divisions – hotel operations and securities trading. The information reported to the Group’s chief operating decision maker (the “CODM”) (i.e. executive directors of the Company) for the purposes of resource allocation and assessment of performance is focused on these operating divisions.

Specifically, the Group’s reportable segments under HKFRS 8 “Operating Segments” are as follows:

1. Hotel operations – hotel accommodation, food and banquet operation, and rental income from rentals of shop units situated in the hotels of the Group and from rentals of investment properties; and
2. Securities trading – trading of equity securities.

No operating segments have been aggregated in arriving at the reportable segments of the Group.

2. 主要會計政策 (續)

(b) 應用香港財務報告準則第9號「金融工具」的影響及會計政策之變動 (續)

首次應用香港財務報告準則第9號之影響概述 (續)

根據預期信貸虧損模型的減值 (續)

按攤銷成本計量的其他金融資產虧損撥備主要包括銀行結餘，且乃按12個月預期信貸虧損基準計量，且自首次確認以來，信貸風險概無顯著增加。

於二零一八年一月一日，概無於簡明綜合財務報表中確認額外的信貸損失撥備。

3. 分類資料

對內報告之分類資料乃按本集團營運部門所提供服務及經營業務之類型分析。本集團現時分為兩個營運部門—酒店經營及證券買賣。向本集團主要營運決策者（「主要營運決策者」）（即本公司執行董事）呈報用於分配資源及評估業績之資料乃集中於該等營運部門。

本集團根據香港財務報告準則第8號「經營分類」劃分之特定可報告分類如下：

1. 酒店經營—酒店住宿、餐膳及宴會業務，以及來自位於本集團酒店的商舖單位的租金及來自投資物業的租金收入；及
2. 證券買賣—股本證券買賣。

於達致本集團之可報告分類時，概無合併經營分類。

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簡明綜合財務報表附註

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

3. SEGMENT INFORMATION (Continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

For the six months ended 30 June 2018 (unaudited)

3. 分類資料(續)

分類收入及業績

以下為本集團收入及業績按可報告及經營分類之分析：

截至二零一八年六月三十日止六個月
(未經審核)

		Hotel operations 酒店經營 HK\$'000 千港元	Securities trading 證券買賣 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
REVENUE	收入	127,568	-	127,568
RESULTS	業績			
Segment loss excluding fair value loss on investments held for trading	分類虧損，不包括持作買賣之投資之公平價值虧損	(16,259)	(549)	(16,808)
Fair value loss on investments held for trading	持作買賣之投資之公平價值虧損	-	(7,179)	(7,179)
Segment loss	分類虧損	(16,259)	(7,728)	(23,987)
Directors' emoluments	董事酬金			(1,909)
Interest income	利息收入			1,909
Fair value loss on investment properties	投資物業之公平價值虧損			(12,253)
Finance costs	融資成本			(207)
Central administrative costs and other unallocated corporate expenses	中央行政成本及其他未分配企業開支			(7,112)
Loss before tax	除稅前虧損			(43,559)

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

3. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

For the six months ended 30 June 2017 (unaudited)

3. 分類資料(續)

分類收入及業績(續)

截至二零一七年六月三十日止六個月
(未經審核)

		Hotel operations 酒店經營 HK\$'000 千港元	Securities trading 證券買賣 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
REVENUE	收入	117,834	–	117,834
RESULTS	業績			
Segment (loss) profit excluding impairment loss recognised in respect of property, plant and equipment and fair value loss on investments held for trading	分類(虧損)溢利，不包括物業、機器及設備之已確認減值虧損及持作買賣之投資之公平價值虧損	(7,293)	1,093	(6,200)
Impairment loss recognised in respect of property, plant and equipment	物業、機器及設備之已確認減值虧損	(14,772)	–	(14,772)
Fair value loss on investments held for trading	持作買賣之投資之公平價值虧損	–	(24,130)	(24,130)
Segment loss	分類虧損	(22,065)	(23,037)	(45,102)
Directors' emoluments	董事酬金			(5,965)
Interest income	利息收入			4,235
Fair value loss on investment properties	投資物業之公平價值虧損			(16,244)
Finance costs	融資成本			(637)
Central administrative costs and other unallocated corporate expenses	中央行政成本及其他未分配企業開支			(16,762)
Loss before tax	除稅前虧損			(80,475)

Segment loss represents the loss from each segment without allocation of directors' emoluments, interest income, finance costs, fair value loss on investment properties and central administrative costs and other unallocated corporate expenses. This is the measure reported to the Group's CODM for the purposes of resource allocation and performance assessment.

分類虧損指各分類產生之虧損，當中並未分配董事酬金、利息收入、融資成本、投資物業之公平價值虧損以及中央行政成本及其他未分配企業開支。此乃向本集團之主要營運決策者呈報供其分配資源及評估業績之計量方法。

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簡明綜合財務報表附註

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

4. LOSS BEFORE TAX

4. 除稅前虧損

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)
Loss before tax has been arrived at after charging (crediting):	除稅前虧損已扣除(計入)下列各項:		
Depreciation of property, plant and equipment	物業、機器及設備之折舊	19,919	18,459
Impairment loss recognised in respect of property, plant and equipment	物業、機器及設備之已確認減值虧損	–	14,772
Loss on disposal of property, plant and equipment	出售物業、機器及設備之虧損	2	7
Equity-settled share-based payment expenses	以股本結算之以股代款開支	–	13,715
Minimum lease payments in respect of rented premises	租賃物業之最低租金付款	19,319	19,394
Bank and other interest income	銀行及其他利息收入	(1,909)	(4,235)

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簡明綜合財務報表附註

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

8. PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent approximately HK\$346,000 (six months ended 30 June 2017: HK\$3,409,000) on acquisition of property, plant and equipment of which nil (six months ended 30 June 2017: HK\$1,691,000) was in relation to leasehold improvement for hotel properties.

Rosedale Hotel Guangzhou Co., Ltd. (“Rosedale Guangzhou”)

Included in the hotel properties in the PRC is a hotel property of approximately HK\$141,093,000, net of accumulated impairment loss of HK\$6,322,000 (31 December 2017: HK\$152,305,000, net of accumulated impairment loss of HK\$6,322,000) situated in Guangzhou, in which the Group holds land use rights and property right of the hotel property for a term expiring in January 2037, under the name of Rosedale Guangzhou.

Pursuant to a co-operative agreement between Allied Glory Investment Limited (“Allied Glory”), an indirect non-wholly owned subsidiary of the Company, and the minority shareholder (the “PRC Partner”) of Rosedale Guangzhou, the co-operative period for Rosedale Guangzhou is 50 years commencing from 15 January 1987.

Rosedale Guangzhou is a sino-foreign co-operative joint venture incorporated in the PRC and its major asset is a hotel property located in Guangzhou (the “Rosedale Guangzhou Hotel”), which it owns and operates. The rights and ownership of Rosedale Guangzhou Hotel would be transferred to the PRC Partner upon the completion of the co-operative period. Pursuant to the approval issued by the Foreign Economic and Trade Commission (the “FETC”), Rosedale Guangzhou was granted an initial co-operative period of 30 years and such approval also stated that, subject to the satisfaction of certain conditions, the co-operative period could be extended for a further period of time but not more than 20 years. Rosedale Guangzhou was then granted a business licence with a period of 30 years which expired on 15 January 2017. Upon expiry of the business licence, the PRC Partner refused to cooperate with Allied Glory to jointly apply for the extension of the business licence to 15 January 2037.

8. 物業、機器及設備

本集團於期內動用約346,000港元(截至二零一七年六月三十日止六個月: 3,409,000港元)購買物業、機器及設備,當中並無(截至二零一七年六月三十日止六個月: 1,691,000港元)涉及酒店物業之租賃物業裝修。

廣州珀麗酒店有限公司(「廣州珀麗」)

於中國之酒店物業包括一座位於廣州市約為141,093,000港元(扣除累計減值虧損6,322,000港元)(二零一七年十二月三十一日: 152,305,000港元(扣除累計減值虧損6,322,000港元))之酒店物業,該酒店物業之土地使用權及房屋產權由本集團以廣州珀麗之名義持有而年期將於二零三七年一月屆滿。

根據合榮投資有限公司(「合榮」,其為本公司之間接非全資附屬公司)與廣州珀麗之少數股東(「中國夥伴」)訂立之合作經營合同書,廣州珀麗的合作期為一九八七年一月十五日起計五十年。

廣州珀麗為在中國註冊成立的中外合作經營企業,其主要資產為一項位於廣州之酒店物業(「廣州珀麗酒店」)而廣州珀麗酒店由廣州珀麗擁有及經營。廣州珀麗酒店之權利及擁有權將於合作期完成後轉移至中國夥伴。根據對外經濟貿易委員會發出之批准,廣州珀麗的初步合作期為三十年,而該批准亦訂明,在符合若干條件之情況下,合作期可進一步延長不多於二十年期。廣州珀麗當時所取得的三十年期營業執照已於二零一七年一月十五日屆滿。於營業執照屆滿後,中國夥伴拒絕與合榮合作共同申請將營業執照延期至二零三七年一月十五日。

8. PROPERTY, PLANT AND EQUIPMENT

(Continued)

Rosedale Hotel Guangzhou Co., Ltd. (“Rosedale Guangzhou”) (Continued)

Allied Glory applied for an arbitral award (the “Arbitral Award”) to restate the co-operative period to 50 years and require the PRC Partner to cooperate in the application process of the relevant licence of Rosedale Guangzhou for an extension to 15 January 2037.

On 3 May 2017, Allied Glory received an Arbitral Award issued by the China International Economic and Trade Arbitration Commission (the “CIETAC”) pursuant to which the co-operative period for Rosedale Guangzhou under the co-operative agreement made shall be extended until 15 January 2027 and the PRC Partner shall provide all necessary assistance to Rosedale Guangzhou in the application process for extending its business licence.

The Arbitral Award, being a final award, took effect on the date of issue and is legally binding on all parties to the arbitration. The PRC Partner had, however, refused and/or failed to cooperate with Allied Glory to apply for such extension. Allied Glory then submitted an application to Guangzhou Intermediate People’s Court (the “Intermediate Court”) for enforcement of the Arbitral Award and the application was accepted by the Intermediate Court in July 2017. The Intermediate Court directed such application to Guangzhou Haizhu Court which subsequently issued an execution order (the “Execution Order”) to Bureau of Guangzhou Haizhu Industry and Information Technology (廣州市海珠區科技工業商務和信息化局) and Bureau of Guangzhou Haizhu Market and Quality Supervision (廣州市海珠區市場和質量監督管理局) on 14 September 2017 enabling Allied Glory to apply for the relevant business licence. On 30 November 2017, the Execution Order was suspended due to the fact that, based on the reply from the Bureau of Guangzhou Haizhu Market and Quality Supervision, the unilateral application for the extension of the business licence could not proceed as it is subject to further re-submission with relevant extension documents.

8. 物業、機器及設備 (續)

廣州珀麗酒店有限公司 (「廣州珀麗」) (續)

合榮申請裁決書 (「裁決書」) 以將合作期重列至五十年並要求中國夥伴須在將廣州珀麗的相關執照延期至二零三七年一月十五日之申請過程中合作。

於二零一七年五月三日，合榮收到中國國際經濟貿易仲裁委員會 (「仲裁委員會」) 發出的裁決書，據此，合作經營合同書項下的廣州珀麗合作期須延長至二零二七年一月十五日，且中國夥伴在廣州珀麗辦理申請延長其營業執照的過程中須提供一切必須協助。

裁決書屬最終裁決，於發出日期生效並且對參與仲裁各方具有法律約束力。然而，中國夥伴已拒絕及/或未有與合榮合作以申請有關延期。合榮繼而向廣州市中級人民法院 (「中級法院」) 提出申請執行裁決書，而申請已獲得中級法院於二零一七年七月接納。中級法院將該申請指示廣州市海珠區人民法院處理，並其後於二零一七年九月十四日向廣州市海珠區科技工業商務和信息化局及廣州市海珠區市場和質量監督管理局發出執行令 (「執行令」)，讓合榮申請相關營業執照。於二零一七年十一月三十日，執行令遭撤銷，原因是根據廣州市海珠區市場和質量監督管理局的回覆，單方面申請延長營業執照須待進一步再次呈交相關延期文件後方可進行。

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8. PROPERTY, PLANT AND EQUIPMENT

(Continued)

Rosedale Hotel Guangzhou Co., Ltd. (“Rosedale Guangzhou”) (Continued)

Management of the Group is currently taking appropriate steps to enforce the Arbitral Award in accordance with all applicable laws and regulations. As of the date of this report, the renewal of the business licence is still being held up by the PRC Partner and cannot be further proceeded. Management is in the process of evaluating certain legal options so as to obtain the extension of the business licence. However, should the Group be unable to successfully extend the business licence period, the hotel operations of Rosedale Guangzhou may be affected and further impairment of the hotel property and related assets may be required.

Impairment assessment on hotel properties

The Group incurred operating losses in its hotel operations segment in the PRC, and there were certain adverse changes in the market and economic environment in the PRC in which the hotel operations of the Group are located. Accordingly, management has reviewed the recoverability of the relevant carrying amounts of the cash generating units (“CGUs”) in the hotel operations segment in the PRC and the recoverability of the relevant carrying amounts of the individual assets of property, plant and equipment if their fair value less costs of disposal is available, as appropriate. Each CGU represents each of the hotel operations that generate independent cash flows.

The recoverable amounts have been determined based on higher of fair value less cost of disposal or value-in-use calculations. The recoverable amount of the CGU of each hotel operation in the PRC was based on its value in use and was determined with assistance of Asset Appraisal Limited, an independent professional qualified valuer not connected to the Group. The value in use calculation is a discounted cash flow model using cash flow projections based on five-year financial budgets, with reference to past performance and expectations for market development, approved by management and using a discount rate of 10.70% (31 December 2017: 10.41%). Cash flows after the 5-year period were extrapolated using a 2% (31 December 2017: 3%) growth rate in considering the economic condition of the market.

8. 物業、機器及設備 (續)

廣州珀麗酒店有限公司 (「廣州珀麗」) (續)

本集團管理層現正採取合適步驟以根據所有適用法律及法規執行裁決書。於本報告日期，重續營業執照仍然受到中國夥伴阻撓及無法繼續辦理。管理層現正評估若干法律方案以便獲得營業執照延期。然而，倘若本集團無法成功延長營業執照期，則廣州珀麗之酒店營運可能會受到影響，而酒店物業及相關資產可能需要作出進一步減值。

酒店物業的減值評估

本集團於中國酒店經營分類產生經營虧損，而於本集團酒店業務所在的中國市場及經濟環境出現若干不利轉變。因此，管理層已審閱中國酒店經營分類的現金產生單位 (「現金產生單位」) 之相關賬面值之可收回程度，以及物業、機器及設備個別資產之相關賬面值 (倘若為其公平價值減出售成本) (如適用) 之可收回程度。各現金產生單位指產生獨立現金流量之各酒店業務。

可收回金額乃根據公平價值減出售成本或使用價值之較高者釐定。中國各酒店業務之現金產生單位之可收回金額均基於其使用價值，並在與本集團並無關連之獨立專業合資格估值師中誠達資產評估顧問有限公司協助下釐定。使用價值計算為採用經管理層批准之五年期財務預算之現金流量預測及採用10.70%之貼現率 (二零一七年十二月三十一日：10.41%) 之貼現現金流量模式，並參考過往表現及對市場發展之預期。有關五年期後之現金流量則在考慮市場之經濟狀況時，以2% (二零一七年十二月三十一日：3%) 之增長率進行推算。

8. PROPERTY, PLANT AND EQUIPMENT

(Continued)

Impairment assessment on hotel properties

(Continued)

As at 30 June 2018, from the above assessment on each of the hotel operations located in the PRC, there is no impairment loss for the six months ended 30 June 2018 in respect of the hotel properties or the CGUs to which these hotel properties relate. Further, the Group did not identify objective evidence of reversal of impairment loss for the six months ended 30 June 2018. For the year ended 31 December 2017, an impairment loss of HK\$14,772,000 was recognised in relation to the hotel property located in Guangzhou (HK\$6,322,000 allocated to the hotel property based on its fair value less cost of disposal and the remaining HK\$8,450,000 to leasehold improvements), as its recoverable amount was estimated to be lower than its carrying amount. There was no impairment loss identified for the respective hotel properties located in Shenyang and Luoyang, based on the above impairment testing undertaken by management.

9. MOVEMENTS IN INVESTMENT PROPERTIES

The fair value of the Group's investment properties as at 30 June 2018 has been arrived at on the basis of a valuation carried out on that date by Norton Appraisals Holdings Limited, an independent qualified professional valuer not connected to the Group and a member of the Hong Kong Institute of Surveyors with appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation was arrived at using the comparison method based on market observable transactions of similar properties and adjusted to reflect the conditions and location of the subject properties. The resulting decrease in fair value of investment properties of HK\$12,253,000 has been recognised directly in profit or loss for the six months ended 30 June 2018 (six months ended 30 June 2017: HK\$16,244,000).

8. 物業、機器及設備 (續)

酒店物業的減值評估 (續)

於二零一八年六月三十日，從上文對位於中國之各酒店業務之評估，於截至二零一八年六月三十日止六個月，就酒店物業或有關該等酒店物業的現金產生單位概無減值虧損。此外，於截至二零一八年六月三十日止六個月，本集團並無識別客觀證據顯示減值虧損撥回。截至二零一七年十二月三十一日止年度，就位於廣州之酒店物業已確認減值虧損為14,772,000港元（6,322,000港元則分配至酒店物業（根據其公平價值減出售成本而計算）及餘下之8,450,000港元則分配至租賃物業裝修），原因是其可收回金額估計低於其賬面值。根據管理層進行之上述減值測試，對位於瀋陽及洛陽之酒店物業，並無確認的減值虧損出現。

9. 投資物業變動

本集團之投資物業於二零一八年六月三十日之公平價值乃根據與本集團並無關連之獨立合資格專業估值師Norton Appraisals Holdings Limited於該日進行之估值釐定。Norton Appraisals Holdings Limited為香港測量師學會會員，擁有適當資格，最近亦有評估相關地區類似物業價值之經驗。有關估值乃使用比較法達致，比較法建基於類似物業之可觀察市場交易，並作出調整以反映目標物業之狀況及位置，因此導致投資物業之公平價值減少12,253,000港元。該減少已直接於截至二零一八年六月三十日止六個月之損益內確認（截至二零一七年六月三十日止六個月：16,244,000港元）。

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10. TRADE AND OTHER RECEIVABLES

The Group allows an average credit period of 30 days to its trade customers.

The following is an analysis of trade receivables by age, presented based on the invoice date which approximated the revenue recognition date.

0 – 30 days	0至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
Over 90 days	超過90日

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of approximately HK\$1,989,000 (31 December 2017: HK\$873,000) which are past due at the reporting period for which the Group has not provided for impairment loss as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

10. 貿易及其他應收賬款

本集團給予其貿易客戶之平均除賬期為30日。

以下為貿易應收賬款按發票日期(與收入確認日期相若)呈列之賬齡分析。

30 June 2018	31 December 2017
於	於
二零一八年	二零一七年
六月三十日	十二月三十一日
HK\$'000	HK\$'000
千港元	千港元
(unaudited)	(audited)
(未經審核)	(經審核)
5,121	6,222
822	637
497	150
670	86
7,110	7,095

本集團之貿易應收賬款結餘包括總賬面值約1,989,000港元(二零一七年十二月三十一日: 873,000港元)之貿易應收賬款。該等貿易應收賬款於呈報期結束時已逾期,但本集團並無就此作出減值虧損撥備,原因是該等貿易應收賬款之信貸質素並無重大變動,金額仍被視為可收回。本集團並無就該等結餘持有任何抵押品。

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10. TRADE AND OTHER RECEIVABLES (Continued)

Ageing of trade receivables which are past due but not impaired

31 – 60 days	31至60日
61 – 90 days	61至90日
Over 90 days	超過90日
Total	總計

The Group performed assessment on individual trade receivables and no allowance was recognised for both years.

Other receivables and prepayments

- (a) Included in the other receivables as at 30 June 2018 is an amount of first instalment of the consideration paid of Renminbi (“RMB”) 20.0 million (equivalent to approximately HK\$24.8 million) (31 December 2017: nil), in connection to an agreement (the “Agreement”) entered into by the Company and two independent third parties (the “Vendors”) on 27 December 2017. Pursuant to which the Company has conditionally agreed to acquire or procure its nominee to acquire the entire registered capital of a target group from the Vendors at a consideration of RMB280.0 million (equivalent to approximately HK\$334.3 million). The principal asset of the target group is the resort property which is located in Guangdong Province, the PRC, being an area with hot springs and forest in the proximity. The resort property occupies a site area of about 5,000 mu, of which 980 mu are for residential use, 2,200 mu are for commercial use and 1,820 mu are for amenities.

10. 貿易及其他應收賬款(續)

已逾期但未減值之貿易應收賬款之賬齡

30 June 2018	31 December 2017
於 二零一八年 六月三十日	於 二零一七年 十二月三十一日
HK\$'000	HK\$'000
千港元	千港元
(unaudited)	(audited)
(未經審核)	(經審核)

822	637
497	150
670	86
1,989	873

本集團會評估個別貿易應收賬款，並無就兩個年度確認撥備。

其他應收賬款及預付款項

- (a) 於二零一八年六月三十日的其他應收賬款為已付第一期代價的款項人民幣(「人民幣」)20,000,000元(相等於約24,800,000港元)(二零一七年十二月三十一日：無)，該款項為有關本公司於二零一七年十二月二十七日與兩名獨立第三方(「賣方」)訂立的協議(「該協議」)。據此，本公司已有條件地同意收購或促使其代名人收購賣方之目標集團之全部註冊資本，代價為人民幣280,000,000元(相等於約334,300,000港元)。目標集團之主要資產為位於中國廣東省之渡假村物業，附近有溫泉區和森林。渡假村物業之地盤面積佔地約5,000畝，當中980畝為住宅用途、2,200畝為商業用途，另有1,820畝為康樂用途。

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10. TRADE AND OTHER RECEIVABLES (Continued)

Other receivables and prepayments (Continued)

(a) (Continued)

On 27 April 2018, the Company has completed submitting the application to the Guangzhou Arbitration Commission for arbitration of the matter, seeking an arbitral award that, among other things, (i) the Vendors to continue fulfilling the obligations under the Agreement; (ii) the Vendors to cooperate with the Company and provide all necessary documents and information in order to complete the due diligence work pursuant to the Agreement; (iii) the Vendors to cooperate with the Company to complete all conditions precedent to the Agreement on or before 30 October 2018; and (iv) the Vendors to pay the default penalty under the Agreement and the legal costs incurred to the Company.

On 27 April 2018, the Company was served an arbitration application (which together with the arbitration application lodged by the Company as set out above shall be referred to as the "Arbitration Applications") lodged by the Vendors demanding (i) termination of the Agreement; and (ii) payment by the Company for default penalty together with legal costs and arbitration fee.

The details are set out in the announcements of the Company dated 29 December 2017, 22 January 2018, 15 February 2018, 9 March 2018, 28 March 2018, and 27 April 2018. As at the date of this report, after seeking legal advices, the directors considered that the above claims in the Arbitration Applications lodged by the Vendors are not supportable and are in the negotiations process with the Vendors in recovering the deposit paid of RMB20.0 million back to the Company. Hence, management has reviewed the recoverability of this based on the current negotiations with the Vendors and considered no impairment loss identified in this regard.

(b) Included in the remaining other receivables balances are principally prepaid operating expenses, rental deposits, utilities and other deposits in relation to hotels operations and investment properties.

10. 貿易及其他應收賬款(續)

其他應收賬款及預付款項(續)

(a) (續)

於二零一八年四月二十七日，本公司已完成向廣州仲裁委員會提交仲裁申請，就事件作出仲裁，尋求裁定(其中包括)(i)賣方繼續履行該協議項下之責任；(ii)賣方與本公司合作，提供一切所需文件及資料，以根據該協議完成盡職調查工作；(iii)賣方與本公司合作，於二零一八年十月三十日或之前達成該協議之所有先決條件；及(iv)賣方支付該協議項下之違約罰款及本公司所蒙受之法律成本。

於二零一八年四月二十七日，本公司接獲由賣方提交的仲裁申請(連同上文所載本公司提交的仲裁申請，統稱為「該等仲裁申請」)，要求(i)終止該協議；及(ii)本公司支付違約罰款連同法律成本及仲裁費。

詳情載於本公司日期為二零一七年十二月二十九日、二零一八年一月二十二日、二零一八年二月十五日、二零一八年三月九日、二零一八年三月二十八日及二零一八年四月二十七日之公佈。於本報告日期，於尋求法律意見後，董事認為上述賣方提出仲裁申請中的申索缺乏理據，並正就本公司收回已支付人民幣20,000,000元的按金與賣方進行磋商。因此，管理層已經根據目前與賣方的磋商情況審閱該可收回性，並認為就此方面並無確認的減值虧損。

(b) 餘下的其他應收賬款結餘主要包括有關酒店營運及投資物業的預付經營費用、租金、水電及其他按金。

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11. INVESTMENTS HELD FOR TRADING

Listed securities	上市證券
Equity securities listed in Hong Kong	於香港上市之股本證券
Equity securities listed in overseas	於海外上市之股本證券

The fair value was based on the quoted price of the respective securities in active markets.

At 30 June 2018 and 31 December 2017, no investments held for trading have been pledged as security.

12. TRADE AND OTHER PAYABLES

The following is an analysis of trade payables by age, presented based on the invoice date.

0 – 30 days	0至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
Over 90 days	超過90日

The credit period on purchases of goods ranged from 30 to 60 days.

11. 持作買賣之投資

30 June 2018	31 December 2017
於	於
二零一八年	二零一七年
六月三十日	十二月三十一日
HK\$'000	HK\$'000
千港元	千港元
(unaudited)	(audited)
(未經審核)	(經審核)

4,984	8,668
9,663	13,675
14,647	22,343

公平價值乃根據相關證券於活躍市場之報價計算。

於二零一八年六月三十日及二零一七年十二月三十一日，並無持作買賣之投資被抵押作擔保。

12. 貿易及其他應付賬款

以下為貿易應付賬款按發票日期呈列之賬齡分析。

30 June 2018	31 December 2017
於	於
二零一八年	二零一七年
六月三十日	十二月三十一日
HK\$'000	HK\$'000
千港元	千港元
(unaudited)	(audited)
(未經審核)	(經審核)

2,613	3,485
827	796
619	528
790	1,136
4,849	5,945

購貨之賬期介乎30日至60日。

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12. TRADE AND OTHER PAYABLES (Continued)

Included in other payables at 30 June 2018 are balances as follows:

- (a) Deposits received of approximately HK\$8,962,000 (31 December 2017: HK\$9,335,000) from shop tenants in the hotel properties.
- (b) Accrual for direct operating and administrative expenses amounting to approximately HK\$64,832,000 (31 December 2017: HK\$58,722,000) that are expected to be settled within one year.

13. SHARE CAPITAL

12. 貿易及其他應付賬款(續)

於二零一八年六月三十日之其他應付賬款包括下列結餘：

- (a) 已收酒店物業商店租戶按金約8,962,000港元(二零一七年十二月三十一日：9,335,000港元)。
- (b) 預期於一年內償付之應付直接經營及行政開支約64,832,000港元(二零一七年十二月三十一日：58,722,000港元)。

13. 股本

	Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股	
Authorised:	法定：	
At 1 January 2017, 30 June 2017, 1 January 2018 and 30 June 2018	於二零一七年一月一日、 二零一七年六月三十日、 二零一八年一月一日及 二零一八年六月三十日	150,000,000,000
Issued and fully paid:	已發行及繳足：	
At 1 January 2017, 30 June 2017, 1 January 2018 and 30 June 2018	於二零一七年一月一日、 二零一七年六月三十日、 二零一八年一月一日及 二零一八年六月三十日	789,211,046

14. OPERATING LEASE COMMITMENTS

The Group as lessee

At the end of reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

Hotel properties	酒店物業
Within one year	一年內
In the second to fifth years inclusive	第二年至第五年(包括首尾兩年)

Other land and buildings	其他土地及樓宇
Within one year	一年內

Operating lease payments for other land and buildings represent rentals payable by the Group for certain of its office properties.

For hotel properties in Hong Kong, leases are negotiated for an average term of 2 to 5 years.

14. 經營租約承擔

本集團作為承租人

於呈報期結束時，本集團根據各項不可撤銷經營租約之未來最低租金付款作出承擔。此等承擔之到期日如下：

30 June 2018	31 December 2017
於	於
二零一八年	二零一七年
六月三十日	十二月三十一日
HK\$'000	HK\$'000
千港元	千港元
(unaudited)	(audited)
(未經審核)	(經審核)

39,814	39,921
59,400	79,254
99,214	119,175
1,239	531

其他土地及樓宇之經營租約付款指本集團為其若干辦公室物業所應付之租金。

香港酒店物業租約商定為期平均兩年至五年。

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14. OPERATING LEASE COMMITMENTS (Continued)

The Group as lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases for premises within the hotel properties for an average term of 2 to 5 years in the PRC:

Within one year	一年內
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)
Over five years	五年後

30 June 2018	31 December 2017
於 二零一八年 六月三十日	於 二零一七年 十二月三十一日
HK\$'000	HK\$'000
千港元	千港元
(unaudited)	(audited)
(未經審核)	(經審核)

3,311	4,739
6,028	7,114
2,329	3,058
11,668	14,911

15. SHARE-BASED PAYMENT TRANSACTIONS

The Company adopted a share option scheme (the "Scheme") on 30 May 2013 and is valid and effective for a period of 10 years commencing on 3 June 2013 (the date on which the last condition to the Scheme was satisfied) until 2 June 2023, subject to early termination by the Company in general meeting or by the Board.

The purpose of the Scheme is to enable the Company to grant options to subscribe for shares of the Company (the "Options") to any eligible employee (including executive directors) and any non-executive director of the Group or any entity in which the Group holds an equity interest (the "Invested Entity"), any supplier of goods or services to the Group or any Invested Entity, any customer of the Group or any Invested Entity, any consultant, adviser, manager, officer and entity that provides research, development or other technological support to the Group or any Invested Entity, and any shareholder or any member of the Group who has contributed to the business of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity (the "Participant"), as incentives or rewards for their contributions or potential contribution to the Group.

15. 以股代款交易

本公司於二零一三年五月三十日採納了一項購股權計劃(「計劃」)。計劃於二零一三年六月三日(計劃之最後一項條件達成之日期)起計十年內有效至二零二三年六月二日止,惟若本公司在股東大會上或董事會提早終止除外。

計劃旨在讓本公司可向本集團或本集團持有股本權益之任何實體(「投資實體」)之任何合資格僱員(包括執行董事)及任何非執行董事、任何向本集團或任何投資實體提供貨品或服務之供應商、本集團或任何投資實體之任何客戶、任何向本集團或任何投資實體提供研究、開發或其他科技支援之專業顧問、諮詢人、經理、行政人員和實體、對本集團或任何投資實體之業務作出貢獻之本集團任何股東或任何成員公司或本集團任何成員公司或任何投資實體所發行任何證券之任何持有人(「參與者」)授出購股權(「購股權」)以認購本公司之股份,作為彼等對本集團所作出或可能作出貢獻之獎勵或回報。

15. SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

During the six months ended 30 June 2018, no share options had been granted under the Scheme (six months ended 30 June 2017: 65,600,000 share options had been granted, representing 8.3% of the shares of the Company in issue at the date of grant). The number of share options remained outstanding as at 30 June 2018 was 65,600,000 (31 December 2017: 65,600,000).

Details of specific categories of options were as follows:

Date of grant 授出日期	Vesting date 歸屬日期	Exercise period 行使期	Exercise price 行使價
24 April 2017 二零一七年 四月二十四日	24 April 2017 二零一七年 四月二十四日	24 April 2017 to 23 April 2022 二零一七年四月二十四日至 二零二二年四月二十三日	HK\$0.59 0.59港元

The following table discloses movements of the number of the Company's share options held by the eligible participants during the period:

Category of participants 參與者類別	Outstanding at 1 January 2018 於 二零一八年 一月一日 尚未行使	Granted during the period 期內授出	Outstanding at 30 June 2018 於 二零一八年 六月三十日 尚未行使
Directors 董事	19,100,000	–	19,100,000
Employee and other eligible participants 僱員及其他合資格參與者	46,500,000	–	46,500,000
	65,600,000	–	65,600,000
Exercisable at the end of the period 期末可行使			65,600,000
Weighted average exercise price (HK\$) 加權平均行使價(港元)	0.59	N/A 不適用	0.59

15. 以股代款交易(續)

於截至二零一八年六月三十日止六個月，概無根據計劃授出購股權(截至二零一七年六月三十日止六個月：已授出65,600,000份購股權，佔本公司於授出日期之已發行股份8.3%)。於二零一八年六月三十日尚未行使之購股權數目為65,600,000份(二零一七年十二月三十一日：65,600,000份)。

購股權之特定類別詳情如下：

下表披露合資格參與者於期內所持本公司購股權之數目變動：

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15. SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

15. 以股代款交易 (續)

Category of participants	Outstanding at 1 January 2017 於 二零一七年 一月一日 尚未行使	Granted during the period 期內授出	Outstanding at 30 June 2017 於 二零一七年 六月三十日 尚未行使
Directors 董事	–	19,100,000	19,100,000
Employee and other eligible participants 僱員及其他合資格參與者	–	46,500,000	46,500,000
	–	65,600,000	65,600,000
Exercisable at the end of the period 期末可行使			65,600,000
Weighted average exercise price (HK\$) 加權平均行使價 (港元)	N/A 不適用	0.59	0.59

The estimated fair value of the options granted during the six months ended 30 June 2017 on the date of grant was HK\$13,715,000, and the Group recognised such expenses of HK\$13,715,000 for the six months ended 30 June 2017 in relation to share options granted by the Company.

於截至二零一七年六月三十日止六個月內所授出之購股權於授出日期之估計公平價值為13,715,000港元，而本集團於截至二零一七年六月三十日止六個月確認與本公司所授出購股權有關之該等開支為13,715,000港元。

The fair value was calculated using the Binomial model. The inputs into the model were as follows:

公平價值乃採用二項式期權定價模式計算。該模式之輸入數據如下：

Share price	HK\$0.59	股價	0.59港元
Exercise price	HK\$0.59	行使價	0.59港元
Expected volatility	41.12%	預期波幅	41.12%
Expected life	5 years	預期有效期	5年
Risk-free rate	1.114%	無風險利率	1.114%
Expected dividend yield	0%	預期股息率	0%

Expected volatility was determined by using the historical volatility of the Company's share price movement over the previous one year. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

預期波動乃採用本公司股價變動於上一年之歷史波幅而釐定。該模式使用之預期有效期已根據管理層之最佳估計，就不可轉讓性、行使限制及行為考慮因素之影響予以調整。

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簡明綜合財務報表附註

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

16. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

The remuneration of key management personnel, which are the directors of the Company, during the period was as follows:

Short-term benefits	短期福利
Equity-settled share-based payment expenses	以股本結算之 以股代款開支

16. 關連人士交易

主要管理人員之薪酬

身兼本公司董事之主要管理人員於本期間之薪酬如下：

Six months ended 30 June

截至六月三十日止六個月

2018	2017
二零一八年	二零一七年
HK\$'000	HK\$'000
千港元	千港元
(unaudited)	(unaudited)
(未經審核)	(未經審核)

		1,909	1,859
		-	4,106
		1,909	5,965

17. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Certain of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 input are quoted prices (unadjusted) in active markets for identical assets that the entity can access at the measurement date;

17. 金融工具之公平價值計量

以循環基準按公平價值計量之本集團金融資產公平價值

於各呈報期結束時，本集團若干金融資產按公平價值計量。下表提供該等金融資產公平價值之釐定方法（尤其是所採用估值方法及輸入數據），以及按照公平價值計量輸入數據之可觀察程度，劃分公平價值計量之公平價值架構層級（第一至三級）。

- 第一級輸入數據指實體於計量日期就相同資產於活躍市場上獲得之報價（未經調整）；

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截至二零一八年六月三十日止六個月

17. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

(Continued)

- Level 2 input are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset.

17. 金融工具之公平價值計量(續)

以循環基準按公平價值計量之本集團金融資產公平價值(續)

- 第二級輸入數據指可直接或間接從觀察資產之資料而得出之輸入數據(不包括第一級之報價); 及
- 第三級輸入數據指不可從觀察資產得出之輸入數據。

Financial assets	Fair value as at 於以下日期之公平價值		Fair value hierarchy	Valuation technique(s) and key input(s)
	30 June 2018 (unaudited) 於二零一八年 六月三十日(未經審核)	31 December 2017 (audited) 於二零一七年 十二月三十一日(經審核)		
金融資產			公平價值層級	估值方法及主要輸入數據
Investments held for trading	Listed equity securities in Hong Kong – HK\$4,984,000	Listed equity securities in Hong Kong – HK\$8,668,000	Level 1	Quoted bid price in active market
持作買賣之投資	香港上市股本證券 –4,984,000港元	香港上市股本證券 –8,668,000港元	第一級	活躍市場買入報價
	Listed equity securities in overseas – HK\$9,663,000	Listed equity securities in overseas – HK\$13,675,000		
	海外上市股本證券 –9,663,000港元	海外上市股本證券 –13,675,000港元		

Fair value measurements and valuation process

The board of directors of the Company has closely monitored and determined the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available.

Information about the valuation techniques and inputs used in determining the fair value of various assets are disclosed above.

公平價值計量及估值程序

本公司董事會密切監察及釐定公平價值計量的適當估值方法及輸入數據。

於估計資產或負債之公平價值時，本集團使用可觀察市場數據(在可取得之範圍內)。

有關釐定不同資產之公平價值所用估值方法及輸入數據的資料於上文披露。

Management Discussion and Analysis

管理層論述及分析

MARKET REVIEW

For the first six months of 2018, the hotel market continued to recover steadily but great market volatility and uncertainties in the global financial markets emerged every time the United States President Trump announced new political views and economic measures, such as the outbreak of trade war following the impositions of tariff by the United States on European Union, Canada and China and the positions taken in respect of the tension between North Korea and the United States, as well as unfortunate terrorist events affecting tourism and hotel businesses in global markets. Under these overall economic circumstances given, it is a constant challenge to drive revenues, control costs and maintain or improve our operating margins.

Despite signs of stabilisation, operating environment remained challenging as the pressures posed by the global economic downturn and the continued economic transition in the People's Republic of China (the "PRC") are set to linger. The GDP of the PRC advanced 6.8% year-on-year in 2018, reflecting a decrease of about 0.1% as compared to 2017. In the meanwhile, Hong Kong's economy expanded moderately by 4.0% year-on-year and its GDP for 2018 is expected to grow by 3.0% to 4.0% in real terms, as adjusted downwards due to the slowdown in the local economy. In view of the first half of 2018, total visitors arrivals to Hong Kong amounted to approximately 30.6 million, representing an increase of 10.1%, after rising by 3.2% in 2017, which accounting for 77.4% of the total were visitors from the PRC. Of the total visitors arrivals, overnight visitors accounted for approximately 13.9 million, which was an increase of 6.2% when compared on a year-on-year basis. The average hotel room occupancy level for all the surveyed hotels under different categories in Hong Kong for the six months ended 30 June 2018 was 91.0%, representing an increase of 4.0% as compared to year-on-year in 2017.

市場回顧

於二零一八年首六個月，酒店市場持續穩定復甦，惟每當美國總統特朗普公佈新的政治主張及經濟措施，例如美國因向歐盟、加拿大及中國徵收關稅而引發貿易戰，以及在北韓與美國的緊張關係中採取的立場等，勢必在環球金融市場引起市場大幅波動及產生不確定因素，而不幸的恐怖分子襲擊事件亦影響環球市場的旅遊及酒店業務。鑒於整體經濟環境，我們於增加收入、控制成本以及維持或提升經營利潤率方面一直面對挑戰。

儘管出現穩定跡象，經營環境仍然充滿挑戰，原因在於環球經濟逆轉帶來沉重壓力及中華人民共和國（「中國」）的持續經濟轉型預計仍將繼續。中國於二零一八年之國內生產總值按年上升6.8%，反映較二零一七年減少約0.1%。在此期間，香港經濟按年溫和擴張4.0%，於二零一八年之本地生產總值以實質計算預期增長3.0%至4.0%，乃由於本港經濟放緩而導致本地生產總值向下調整。鑒於二零一八年上半年，訪港旅客總數達約30,600,000人次，繼二零一七年上升3.2%後再上升10.1%，中國旅客佔總旅客人次約77.4%。在訪港旅客總數中，過夜旅客人數達約13,900,000人次，按年上升6.2%。截至二零一八年六月三十日止六個月，香港不同類別之所有受訪酒店之平均酒店房間入住率為91.0%，較二零一七年按年上升4.0%。

FINANCIAL REVIEW

Given the challenging business environment, but with the gradual recovery in the tourist markets, the Group had reported stable business development with steady performance in respect of its overall hotel investment during the period under review. Revenue of the Group attained HK\$127.6 million for the six months ended 30 June 2018, representing an increase of 8.3% as compared to HK\$117.8 million for the six months ended 30 June 2017. The results of the Group for the six months ended 30 June 2018 was a loss of HK\$45.3 million (Six months ended 30 June 2017: loss of HK\$82.6 million) which was mainly attributable to gross profit of HK\$49.8 million (Six months ended 30 June 2017: gross profit of HK\$44.6 million); administrative expenses of HK\$75.2 million (Six months ended 30 June 2017: HK\$60.0 million); distribution and selling expenses of HK\$0.7 million (Six months ended 30 June 2017: HK\$0.5 million); finance costs of HK\$0.2 million (Six months ended 30 June 2017: HK\$0.7 million); equity-settled share-based payment expenses of nil (Six months ended 30 June 2017: HK\$13.7 million); impairment loss recognised in respect of property, plant and equipment of nil (Six months ended 30 June 2017: HK\$14.8 million); fair value loss on investment properties of HK\$12.3 million (Six months ended 30 June 2017: HK\$16.2 million); fair value loss on investments held for trading of HK\$7.2 million (Six months ended 30 June 2017: HK\$24.1 million); and income tax expense of HK\$1.7 million (Six months ended 30 June 2017: HK\$2.1 million), partially offset by interest income of HK\$1.9 million (Six months ended 30 June 2017: HK\$4.2 million); and other income of HK\$0.2 million (Six months ended 30 June 2017: HK\$0.7 million).

The performance of the Group's hotels and securities trading during the period under review, the commentary on the hotel sector and the changes in general market conditions and the potential impact on their operating performance and future prospects are contained in the succeeding sections headed "Business Review" and "Prospects".

財務回顧

鑒於經營環境充滿挑戰，但隨著旅客市場逐漸復甦，本集團於回顧期間內的業務穩步發展，整體酒店投資方面亦表現穩定。本集團於截至二零一八年六月三十日止六個月錄得收入127,600,000港元，較截至二零一七年六月三十日止六個月之117,800,000港元增加8.3%。本集團截至二零一八年六月三十日止六個月之業績錄得虧損45,300,000港元（截至二零一七年六月三十日止六個月：虧損82,600,000港元），主要來自毛利49,800,000港元（截至二零一七年六月三十日止六個月：毛利44,600,000港元）、行政開支75,200,000港元（截至二零一七年六月三十日止六個月：60,000,000港元）、分銷及銷售開支700,000港元（截至二零一七年六月三十日止六個月：500,000港元）、融資成本200,000港元（截至二零一七年六月三十日止六個月：700,000港元）、以股本結算之以股代款開支為零（截至二零一七年六月三十日止六個月：13,700,000港元）、物業、機器及設備之已確認減值虧損為零（截至二零一七年六月三十日止六個月：14,800,000港元）、投資物業之公平價值虧損12,300,000港元（截至二零一七年六月三十日止六個月：16,200,000港元）、持作買賣之投資之公平價值虧損7,200,000港元（截至二零一七年六月三十日止六個月：24,100,000港元）及所得稅開支1,700,000港元（截至二零一七年六月三十日止六個月：2,100,000港元），惟由利息收入1,900,000港元（截至二零一七年六月三十日止六個月：4,200,000港元）及其他收入200,000港元（截至二零一七年六月三十日止六個月：700,000港元）部份抵銷。

本集團於回顧期間內之酒店及證券買賣業務之表現、對酒店行業之評論及整體市場情況變化以及對其經營表現之潛在影響及未來展望，載於後繼「業務回顧」及「展望」章節。

BUSINESS REVIEW

Hotel Investment

The hotel investment segment comprises three “Rosedale” branded 4-star rated hotels located in Hong Kong, Guangzhou and Shenyang and the Luoyang Golden Gulf Hotel. Overall revenue generated from hotel investment increased by 8.3% to HK\$127.6 million for the six months ended 30 June 2018 (Six months ended 30 June 2017: HK\$117.8 million). The combined average occupancy rate of the Group slightly decreased by 1.9% to 72.2% for the six months ended 30 June 2018 (Six months ended 30 June 2017: 74.1%). If the operational figures of our hotels are only compared with those of other comparable hotels in similar categories, their performance will be in line with market averages. The gross margin was maintained at 39.1% or increased by 1.3% when compared with the corresponding period in 2017 of 37.8%. To combat the competitive environment, the Group will continue to invest resources to enhancing its market network and positioning and, in the meantime, will further streamline its business operations to contain costs efficiently.

Securities Trading

The segment recorded a loss of HK\$7.7 million for the six months ended 30 June 2018 (Six months ended 30 June 2017: segment loss of HK\$23.0 million), mainly representing fair value loss of investments held for trading, as a result of mark to market valuations as at the balance sheet date.

The Group has no immediate plans for material investments or capital assets, other than those as disclosed in this section and the succeeding section headed “Prospects”.

業務回顧

酒店投資

酒店投資分部由三間分別位於香港、廣州及瀋陽以「珀麗」為品牌之四星級酒店及洛陽金水灣大酒店組成。截至二零一八年六月三十日止六個月，酒店投資產生之整體收入增加8.3%至127,600,000港元（截至二零一七年六月三十日止六個月：117,800,000港元）。於截至二零一八年六月三十日止六個月，本集團的合併平均入住率輕微下跌1.9%至72.2%（截至二零一七年六月三十日止六個月：74.1%）。若集團旗下酒店之營運數據僅與其他同類型可供比較酒店之營運數據相比，集團旗下酒店之表現將與市場平均表現一致。毛利率維持在39.1%或較二零一七年同期之37.8%上升1.3%。為應對競爭環境，本集團將繼續投放資源拓展鞏固其市場網絡及定位，同時亦進一步精簡其業務營運以高效地控制成本。

證券買賣

截至二零一八年六月三十日止六個月，該分部錄得虧損7,700,000港元（截至二零一七年六月三十日止六個月：分類虧損23,000,000港元），此主要為於結算日之按市價計值的估值而產生持作買賣之投資之公平價值虧損。

除於本節及於後繼「展望」一節所披露者外，本集團並無有關重大投資或資本資產的即時計劃。

MATERIAL ACQUISITIONS AND DISPOSALS

On 31 December 2014, the Company entered into a framework agreement (the "Framework Agreement") with two independent third parties (the "Vendors") in relation to the possible acquisition of 51% equity interests in a company owned by the Vendors (the "Possible Acquisition"). Pursuant to the Framework Agreement, among other things, (i) an exclusivity period of three months after the date of the Framework Agreement was granted to the Company; and (ii) the Company and the Vendors shall enter into a loan agreement for a short term interest free loan of HK\$75 million (the "Loan Agreement") to facilitate the Vendors to the acquisition of the entire entity interest in a PRC registered company (the "PRC Company") from all its existing shareholders. The PRC Company owns a parcel of land in Zhuhai, the PRC with a site area of 19,152.69 square metres. The PRC Company also owns a hotel property on the aforesaid land known as Zhuhai Lizhou Holiday Hotel. On 31 March 2015, 30 June 2015, 30 September 2015, 30 December 2015, 30 April 2016, 29 December 2016 and 22 June 2017, supplemental framework agreements and extension letters were signed to further extend the exclusivity period and the repayment date of the Loan Agreement to 30 June 2015, 30 September 2015, 31 December 2015, 29 April 2016, 31 December 2016, 30 June 2017 and 31 December 2017, respectively. No formal agreement was entered into between the Company and the Vendors by 31 December 2017, the Framework Agreement (as supplemented by the aforesaid supplemental framework agreements) lapsed on 1 January 2018. Pursuant to the Loan Agreement (as supplemented by the aforesaid extension letters), the interest free loan of HK\$75 million was repayable on 31 December 2017. On 29 December 2017, the Vendors had repaid it in full to the Company. Further details of the Possible Acquisition are disclosed in the Company's announcements dated 31 December 2014, 31 March 2015, 30 June 2015, 30 September 2015, 30 December 2015, 30 April 2016, 29 December 2016, 22 June 2017 and 2 January 2018.

重大收購及出售事項

於二零一四年十二月三十一日，本公司與兩名獨立第三方（「賣方」）訂立一項框架協議（「框架協議」），內容有關可能收購一家由賣方擁有之公司之51%股本權益（「可能收購」）。根據框架協議，（其中包括）(i)本公司獲授於框架協議日期後為期三個月之獨家談判期；及(ii)本公司與賣方須就金額75,000,000港元之短期免息貸款訂立一項貸款協議（「貸款協議」），以便賣方向一家中國註冊公司（「中國公司」）之全體現有股東收購中國公司之全部股本權益。中國公司於中國珠海擁有一幅地盤面積為19,152.69平方米之土地。中國公司亦於上述土地擁有一項名為珠海立洲度假酒店之酒店物業。於二零一五年三月三十一日、二零一五年六月三十日、二零一五年九月三十日、二零一五年十二月三十日、二零一六年四月三十日、二零一六年十二月二十九日及二零一七年六月二十二日，有關各方簽訂了補充框架協議及延期函件，將獨家談判期及貸款協議之償還日期分別進一步延長至二零一五年六月三十日、二零一五年九月三十日、二零一五年十二月三十一日、二零一六年四月二十九日、二零一六年十二月三十一日、二零一七年六月三十日及二零一七年十二月三十一日。截至二零一七年十二月三十一日，本公司與賣方並無訂立正式協議，框架協議（經上述補充框架協議補充）於二零一八年一月一日失效。根據貸款協議（經上述延期函件補充），免息貸款75,000,000港元須於二零一七年十二月三十一日償還。於二零一七年十二月二十九日，賣方已向本公司悉數償還有關貸款。可能收購之進一步詳情已於本公司日期為二零一四年十二月三十一日、二零一五年三月三十一日、二零一五年六月三十日、二零一五年九月三十日、二零一五年十二月三十日、二零一六年四月三十日、二零一六年十二月二十九日、二零一七年六月二十二日及二零一八年一月二日之公佈內披露。

On 27 December 2017, the Company and independent third parties (the “Vendors”) entered into a share transfer agreement (the “Agreement”), relating to a proposed acquisition (the “Acquisition”) of the entire registered capital of a limited liability company established in the PRC (the “Target”) at a consideration of RMB280.0 million (the “Consideration”, equivalent to approximately HK\$334.3 million). The Company paid the first instalment of the Consideration of RMB20.0 million (equivalent to approximately HK\$24.8 million) to the Vendors. The principal asset of the Target is a resort property located at Guangdong Province, which is an area with hot springs and forest in the proximity (the “Resort Property”). The Resort Property occupies a site area of about 5,000 mu, of which 980 mu are for residential use, 2,200 mu are for commercial use and 1,820 mu are for amenities. Pursuant to the Agreement, the completion of the Acquisition was conditional upon the fulfilment of a number of conditions by 30 April 2018. The Vendors, however refused and failed to cooperate with the Company during the due diligence process, and as a result, the Company’s legal and financial due diligence on the Target could not be finalised. On 27 April 2018, the Company has completed submitting the application to the Guangzhou Arbitration Commission for arbitration of the matter, seeking an arbitral award that, among other things, (i) the Vendors continue fulfilling the obligations under the Agreement; (ii) the Vendors to cooperate with the Company and provide all necessary documents and information in order to complete the due diligence work pursuant to the Agreement; (iii) the Vendors to cooperate with the Company to complete all conditions precedent to the Agreement on or before 30 October 2018; and (iv) the Vendors to pay the default penalty under the Agreement and the legal costs incurred to the Company. At the same time, the Company has also been served an arbitration application (which together with the arbitration application lodged by the Company as set out above shall be referred to as (the “Arbitration Applications”) lodged by the Vendors demanding (i) termination of the Agreement; and (ii) payment by the Company for default penalty together with legal costs and arbitration fee. Further details of the Acquisition are set out in the announcements of the Company dated 29 December 2017, 22 January 2018, 15 February 2018, 9 March 2018, 28 March 2018, and 27 April 2018.

於二零一七年十二月二十七日，本公司與獨立第三方（「賣方」）訂立股份轉讓協議（「該協議」），內容有關建議收購（「收購事項」）一家於中國成立之有限公司（「目標」）之全部註冊資本，代價為人民幣280,000,000元（「代價」，相等於約334,300,000港元）。本公司已向賣方支付第一期代價人民幣20,000,000元（相等於約24,800,000港元）。目標之主要資產為位於廣東省之渡假村物業，附近有溫泉和森林（「渡假村物業」）。渡假村物業之地盤面積佔地約5,000畝，當中980畝為住宅用途、2,200畝為商業用途，另有1,820畝為康樂用途。根據該協議，完成收購事項須待多項條件於二零一八年四月三十日之前達成後，方可作實。然而，賣方拒絕且無法就盡職調查程序與本公司合作。因此，本公司對目標之法律及財務盡職調查未能完結。於二零一八年四月二十七日，本公司已完成向廣州仲裁委員會提交的仲裁申請，就事件作出仲裁，尋求裁定（其中包括）(i)賣方繼續履行該協議項下之責任；(ii)賣方與本公司合作，提供一切所需文件及資料，以根據該協議完成盡職調查工作；(iii)賣方與本公司合作，於二零一八年十月三十日或之前達成該協議之所有先決條件；及(iv)賣方支付該協議項下之違約罰款及本公司所蒙受之法律成本。同時，本公司接獲由賣方提交的仲裁申請（連同上文所載本公司提交的仲裁申請，統稱為「該等仲裁申請」），要求(i)終止該協議；及(ii)本公司支付違約罰款連同法律成本及仲裁費。收購事項的進一步詳情載於本公司日期為二零一七年十二月二十九日、二零一八年一月二十二日、二零一八年二月十五日、二零一八年三月九日、二零一八年三月二十八日及二零一八年四月二十七日之公佈。

Management Discussion and Analysis

管理層論述及分析

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2018, the Group's cash and bank balances and investments held for trading amounted to HK\$1,810.2 million (31 December 2017: HK\$1,823.7 million). The Group has no borrowings as at each of 30 June 2018 and 31 December 2017.

The Group's current assets and current liabilities as at 30 June 2018 were HK\$1,864.6 million and HK\$177.9 million (31 December 2017: HK\$1,889.1 million and HK\$185.1 million), respectively. As a result, the current ratio of the Group as at 30 June 2018 was 10.5 (31 December 2017: 10.2). The gearing ratio as at 30 June 2018, expressed as a percentage of total borrowings to equity attributable to owners of the Company, was nil (31 December 2017: nil).

PLEDGE OF ASSETS

The Group did not have any assets pledged for credit facilities as at each of 30 June 2018 and 31 December 2017.

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at each of 30 June 2018 and 31 December 2017.

FOREIGN CURRENCY EXPOSURE

The majority of the Group's assets and liabilities and business transactions were denominated in Hong Kong dollar and Renminbi. During the six months ended 30 June 2018, the Group has not entered into any hedging arrangements. However, the Group will actively consider the use of relevant financial instruments to manage currency exchange risks in line with our business development.

INTEREST RATE EXPOSURE

During the six months ended 30 June 2018, the Group was not subject to the risk of significant interest rate volatility. The Company will continue to monitor the interest rate markets and actively consider the application of relevant financial instruments to manage risks associated with interest rates.

流動資金及財務資源

於二零一八年六月三十日，本集團之現金及銀行結餘以及持作買賣之投資為1,810,200,000港元（二零一七年十二月三十一日：1,823,700,000港元）。本集團於二零一八年六月三十日及二零一七年十二月三十一日各日並無借貸。

於二零一八年六月三十日，本集團之流動資產及流動負債分別為1,864,600,000港元及177,900,000港元（二零一七年十二月三十一日：1,889,100,000港元及185,100,000港元）。因此，本集團於二零一八年六月三十日之流動比率為10.5（二零一七年十二月三十一日：10.2）。於二零一八年六月三十日，資本負債比率（按借貸總額相對本公司擁有人應佔權益之百分比列示）為零（二零一七年十二月三十一日：無）。

資產抵押

於二零一八年六月三十日及二零一七年十二月三十一日各日，本集團並無將任何資產抵押以取得信貸融資額。

或然負債

於二零一八年六月三十日及二零一七年十二月三十一日各日，本集團並無任何重大或然負債。

外幣風險

本集團大部份資產與負債及業務交易均以港元及人民幣計算。於截至二零一八年六月三十日止六個月內，本集團並無訂立任何對沖安排。然而，本集團將積極考慮使用相關金融工具以因應本身業務發展而管理匯兌風險。

利率風險

於截至二零一八年六月三十日止六個月內，本集團並無面對重大利率波動風險。本公司將繼續監察利率市場並積極考慮使用相關金融工具以管理利率相關風險。

EMPLOYEE AND REMUNERATION POLICY

At 30 June 2018, the Group had 623 employees of which 506 employees were stationed in the PRC. Employees' remuneration packages were determined in accordance with individual's responsibility, competence and skills, qualifications, experience and performance as well as market pay-level. Staff benefits include training programs, provident fund scheme, medical insurance and other competitive fringe benefits.

To provide incentives and rewards to employees, the Company has adopted a share option scheme for the eligible participants (including employees).

PROSPECTS

Looking ahead, in order for the tourism industry to continue to develop in a vigorous way, the support from the Hong Kong Government and its continuing commitment to invest in infrastructural developments are most extremely important. The two mega infrastructure projects, the Guangzhou-Shenzhen-Hong Kong Express Rail Link (the "Express Rail Link") and the Hong Kong-Zhuhai-Macao Bridge (the "HZM Bridge") are scheduled to open soon. A 142-kilometre route of high-speed railway, the Express Rail Link will connect Hong Kong with the National High-speed Rail Network of over 25,000-kilometre in the PRC; the HZM Bridge consists of 55-kilometre bridge and tunnel that will provide a new land transport link between the east and west coasts of the Pearl River Delta region. Moreover, the two major theme parks in Hong Kong, the Disneyland and the Ocean Park are both continuing their expansions. In all, these infrastructure projects stimulate further economic growth and will bring a positive impact on increasing number of visitors to the both ends.

Riding on China's growth story and under tough conditions over the past few years with taking a wider and longer term view, we believe our hotels remain well placed in the markets that they operate and we expect to perform in line with expectations in the traditional autumn high season. Overall with the Group is underpinned by a strong balance sheet comprising high quality and conservatively valued assets coupled with a low level of gearing, as well as our dedicated team of management and staff who understand and respect our heritage and serve the Group with loyalty, we remain cautiously optimistic about the prospects for tourism and other markets that we are seeking to identify suitable investment opportunities, continuing to chart a course which maximizing the quality and value of our portfolio and creating win-win scenarios for all stakeholders.

僱員及薪酬政策

於二零一八年六月三十日，本集團聘用623名僱員，當中506名僱員在國內工作。僱員薪酬組合乃根據僱員之個人職責、能力及技能、資歷、經驗及表現以及市場薪酬水平釐定。員工福利包括培訓課程、公積金計劃、醫療保險及其他具競爭力的福利待遇。

為了激勵及回報僱員，本公司為合資格參與者（包括僱員）採納一項購股權計劃。

展望

展望未來，為使旅遊業繼續蓬勃發展，香港政府的支持及其持續承諾投資基礎設施發展乃屬至關重要。兩個大型基礎設施項目，廣深港高速鐵路（「高速鐵路」）和港珠澳大橋（「港珠澳大橋」）計劃即將啟用。高速鐵路長達142公里，將連接香港與中國超過25,000公里的國家高速鐵路網絡；港珠澳大橋由55公里長的橋樑和隧道組成，將在珠江三角洲地區的東西海岸之間提供新的陸路交通路線。此外，香港的兩大主題公園，迪士尼樂園和海洋公園，均正在不斷擴建。總括，該等基礎設施項目將刺激經濟進一步增長，並對增加內地與香港兩地遊客人數帶來正面影響。

憑藉中國的增長情況，儘管過去數年來環境艱難，從較宏觀及較長遠的角度考慮，我們相信集團旗下各酒店仍然穩踞當地市場有利位置，預期旗下酒店在秋天傳統旺季的表現將可符合預期。總括而言，本集團具備穩健的資產負債狀況，包括優質且保守估值的資產，加上低水平的資本負債比率，配合我們一支熟悉並敬重集團傳統及竭誠效力本集團的管理層及員工團隊，我們仍對旅遊業及其他市場之前景抱持審慎樂觀態度，並正物色投資機會，繼續提升集團資產組合的質素及價值，為全體持份者創造共贏局面。

Supplementary Information

附加資料

INTERESTS AND SHORT POSITIONS OF DIRECTORS

As at 30 June 2018, the interests or short positions of the directors of the Company (“Directors”) in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) (a) as recorded in the register required to be kept under section 352 of the SFO; or (b) as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (“Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) set out in Appendix 10 to the Rules Governing the Listing of Securities (“Listing Rules”) on the Stock Exchange were as follows:

Long positions in the shares and the underlying shares of the Company

董事之權益及淡倉

於二零一八年六月三十日，本公司董事（「董事」）於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）股份、相關股份及債券中擁有(a)根據證券及期貨條例第352條須予備存之登記冊內所記錄；或(b)依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」）附錄十之上市發行人董事進行證券交易的標準守則（「標準守則」）知會本公司及聯交所之權益或淡倉如下：

於本公司股份及相關股份之好倉

Name of Director 董事名稱	Capacity/ Nature of Interest 身份／權益性質	Number of shares held 所持股份數目	Number of underlying shares held 所持相關 股份數目 (Note 1) (附註1)	Total 總計	Approximate percentage of the issued share capital of the Company 佔本公司 已發行股本 之概約百分比 (Note 2) (附註2)
Dr. Yap, Allan 葉家海博士	Beneficial owner 實益擁有人	–	7,800,000	7,800,000	0.99%
Ms. Chan Ling, Eva 陳玲女士	Beneficial owner 實益擁有人	–	7,800,000	7,800,000	0.99%
Mr. Chan Pak Cheung, Natalis 陳百祥先生	Beneficial owner 實益擁有人	–	2,000,000	2,000,000	0.25%
Mr. Kwok Ka Lap, Alva 郭嘉立先生	Beneficial owner 實益擁有人	–	500,000	500,000	0.06%
Mr. Poon Kwok Hing, Albert 潘國興先生	Beneficial owner 實益擁有人	–	500,000	500,000	0.06%
Mr. Sin Chi Fai 冼志輝先生	Beneficial owner 實益擁有人	–	500,000	500,000	0.06%

INTERESTS AND SHORT POSITIONS OF DIRECTORS (Continued)

Notes:

1. All Directors' interests in the underlying shares of the Company were in respect of the share options granted by the Company, details of which are set out under the section headed "Share Option Scheme" below.
2. Based on 789,211,046 issued shares of the Company as at 30 June 2018.

Save as disclosed above, as at 30 June 2018, none of the Directors had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (a) as recorded in the register required to be kept under section 352 of the SFO; or (b) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code set out in the Listing Rules.

董事之權益及淡倉 (續)

附註：

1. 董事在本公司相關股份擁有的權益均為本公司授出之購股權，有關詳情載於下文「購股權計劃」一節。
2. 根據本公司於二零一八年六月三十日之已發行股份789,211,046股計算。

除上文所披露者外，於二零一八年六月三十日，概無董事於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）股份、相關股份或債券中擁有(a)根據證券及期貨條例第352條須予備存之登記冊內所記錄；或(b)依據上市規則標準守則知會本公司及聯交所之任何權益或淡倉。

Supplementary Information 附加資料

SHARE OPTION SCHEME

The Company adopted a share option scheme (“Scheme”) on 30 May 2013 and is valid and effective for a period of 10 years commencing on 3 June 2013 (the date on which the last condition to the Scheme was satisfied) until 2 June 2023, subject to early termination by the Company in general meeting or by the board of Directors (“Board”).

Details of movements in the share options under the Scheme during the period under review are as follows:

購股權計劃

本公司於二零一三年五月三十日採納了一項購股權計劃（「計劃」）。計劃於二零一三年六月三日（計劃之最後一項條件達成之日期）起計十年內有效至二零二三年六月二日止，惟若本公司在股東大會上或董事會（「董事會」）提早終止除外。

於回顧期內，計劃項下購股權之變動詳情如下：

Eligible participant 合資格人士	Number of share options 購股權數目				Outstanding as at 30 June 2018 於二零一八年 六月三十日 尚未行使	Date of grant 授出日期	Exercise price per share 每股 行使價 HK\$ 港元	Exercise period 行使期
	Outstanding as at 1 January 2018 於二零一八年 一月一日 尚未行使	Granted during the period 於期內 授出	Exercised during the period 於期內 行使	Cancelled/ lapsed during the period 於期內 註銷/失效				
Directors 董事								
Dr. Yap, Allan 葉家海博士	7,800,000	-	-	-	7,800,000	24.4.2017	0.590	24.4.2017 - 23.4.2022
Ms. Chan Ling, Eva 陳玲女士	7,800,000	-	-	-	7,800,000	24.4.2017	0.590	24.4.2017 - 23.4.2022
Mr. Chan Pak Cheung, Natalis 陳百祥先生	2,000,000	-	-	-	2,000,000	24.4.2017	0.590	24.4.2017 - 23.4.2022
Mr. Kwok Ka Lap, Alva 郭嘉立先生	500,000	-	-	-	500,000	24.4.2017	0.590	24.4.2017 - 23.4.2022
Mr. Poon Kwok Hing, Albert 潘國興先生	500,000	-	-	-	500,000	24.4.2017	0.590	24.4.2017 - 23.4.2022
Mr. Sin Chi Fai 冼志輝先生	500,000	-	-	-	500,000	24.4.2017	0.590	24.4.2017 - 23.4.2022
Employee(s) 員工	500,000	-	-	-	500,000	24.4.2017	0.590	24.4.2017 - 23.4.2022
Other eligible participants 其他合資格人士	46,000,000	-	-	-	46,000,000	24.4.2017	0.590	24.4.2017 - 23.4.2022
Total 總計	65,600,000	-	-	-	65,600,000			

SHARE OPTION SCHEME (Continued)

Save as disclosed above, at no time during the period under review was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors (including their spouses or children under the age of 18) had any right to subscribe for securities of the Company, or had exercised any such right during the period under review.

購股權計劃(續)

除上文所披露者外，於回顧期內，本公司或其任何附屬公司概無訂立任何安排，致使董事可藉收購本公司或任何其他法人團體之股份或債券而獲益，且董事（包括其配偶或未滿18歲的子女）概無擁有購買本公司證券之任何權利或已行使任何有關權利。

Supplementary Information

附加資料

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

As at 30 June 2018, the interests and short positions of persons, other than Directors, in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO were as follows:

Long positions in the shares of the Company

Name of shareholder	Notes	Capacity/ Nature of interest	Number of shares held	Approximate percentage of the issued share capital of the Company
股東名稱	附註	身份/ 權益性質	所持 股份數目	佔本公司 已發行股本 之概約百分比
(a) Master Glory Group Limited ("MGG") 凱華集團有限公司(「凱華集團」)	1	Interest of controlled corporation 受控法團權益	148,506,000	18.82%
Master Glory Group (B.V.I.) Limited ("MGG BVI")	1	Interest of controlled corporation 受控法團權益	148,506,000	18.82%
Master Glory Investment Group Limited ("MGIG") 凱華投資集團有限公司(「凱華投資集團」)	1	Interest of controlled corporation 受控法團權益	148,506,000	18.82%
Leaptop Investments Limited ("Leaptop")	1	Interest of controlled corporation 受控法團權益	148,506,000	18.82%
Asia Will Limited ("AWL") 得普有限公司(「得普」)	1	Beneficial owner 實益擁有人	148,506,000	18.82%
(b) China Enterprises Limited ("CEL")	2	Interest of controlled corporation 受控法團權益	48,660,424	6.17%
Cosmos Regent Ltd.	2	Beneficial owner 實益擁有人	43,325,554	5.49%

Notes:

- AWL, which held 148,506,000 shares of the Company, was a wholly-owned subsidiary of Leaptop which was in turn a wholly-owned subsidiary of MGIG. MGIG was a wholly-owned subsidiary of MGG BVI which was in turn wholly-owned by MGG. Accordingly, Leaptop, MGIG, MGG BVI and MGG were deemed to be interested in 148,506,000 shares of the Company held by AWL.
- CEL was deemed to be interested in 48,660,424 shares of the Company through its interest in its wholly-owned subsidiaries, Cosmos Regent Ltd. and Million Good Limited, which held 43,325,554 shares of the Company and 5,334,870 shares of the Company respectively.

主要股東及其他人士之權益及淡倉

於二零一八年六月三十日，董事以外人士於本公司股份及相關股份中擁有根據證券及期貨條例第336條須予備存之登記冊內所記錄之權益及淡倉如下：

於本公司股份之好倉

Name of shareholder	Notes	Capacity/ Nature of interest	Number of shares held	Approximate percentage of the issued share capital of the Company
股東名稱	附註	身份/ 權益性質	所持 股份數目	佔本公司 已發行股本 之概約百分比
(a) Master Glory Group Limited ("MGG") 凱華集團有限公司(「凱華集團」)	1	Interest of controlled corporation 受控法團權益	148,506,000	18.82%
Master Glory Group (B.V.I.) Limited ("MGG BVI")	1	Interest of controlled corporation 受控法團權益	148,506,000	18.82%
Master Glory Investment Group Limited ("MGIG") 凱華投資集團有限公司(「凱華投資集團」)	1	Interest of controlled corporation 受控法團權益	148,506,000	18.82%
Leaptop Investments Limited ("Leaptop")	1	Interest of controlled corporation 受控法團權益	148,506,000	18.82%
Asia Will Limited ("AWL") 得普有限公司(「得普」)	1	Beneficial owner 實益擁有人	148,506,000	18.82%
(b) China Enterprises Limited ("CEL")	2	Interest of controlled corporation 受控法團權益	48,660,424	6.17%
Cosmos Regent Ltd.	2	Beneficial owner 實益擁有人	43,325,554	5.49%

附註：

- 得普乃Leaptop之全資附屬公司，其持有148,506,000股本公司股份之權益，而Leaptop則為凱華投資集團之全資附屬公司，凱華投資集團為MGG BVI之全資附屬公司，而MGG BVI則由凱華集團全資擁有。因此，Leaptop、凱華投資集團、MGG BVI及凱華集團被視作擁有得普所持有148,506,000股本公司股份之權益。
- CEL透過其於全資附屬公司Cosmos Regent Ltd.及Million Good Limited(分別持有43,325,554股本公司股份及5,334,870股本公司股份)之權益而被視作擁有48,660,424股本公司股份之權益。

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS (Continued)

Save as disclosed above, as at 30 June 2018, the Company had not been notified of any other persons who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

INTERIM DIVIDEND

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

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2018.

REVIEW OF INTERIM RESULTS

The Audit Committee of the Company has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2018, including the accounting principles and practices adopted by the Group.

Further, a firm of certified public accountants has carried out a review of the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2018 in accordance with Hong Kong Standard on Review Engagements 2400 (Revised) "Engagements to Review Historical Financial Statements" issued by the Hong Kong Institute of Certified Public Accountants.

CHANGE IN INFORMATION OF DIRECTORS

The change in information of Directors required to be disclosed pursuant to Rule 13.51B (1) of the Listing Rules subsequent to the date of the 2017 Annual Report is as follows:

Dr. Yap, Allan is the chairman, chief executive director and director of Burcon NutraScience Corporation, the shares of which are listed on the Toronto Stock Exchange in Canada and the Frankfurt Stock Exchange in Germany, and traded on the OTC Securities Marketplace (formerly listed on the NASDAQ Stock Market) in the United States of America.

主要股東及其他人士之權益及淡倉(續)

除上文所披露者外，於二零一八年六月三十日，本公司並無獲知會任何其他人士於本公司股份及相關股份中擁有權益或淡倉而記錄於根據證券及期貨條例第336條須予備存之登記冊內。

中期股息

董事會已決議不宣派截至二零一八年六月三十日止六個月之中期股息(截至二零一七年六月三十日止六個月：無)。

購買、出售或贖回本公司之上市證券

於截至二零一八年六月三十日止六個月內，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

審閱中期業績

本公司之審核委員會已審閱本集團截至二零一八年六月三十日止六個月之未經審核簡明綜合財務報表，包括本集團採納之會計原則及慣例。

此外，執業會計師事務所已根據由香港會計師公會所頒佈的香港審閱聘用準則第2400號(經修訂)「審閱歷史財務報表之聘用」，審閱本集團截至二零一八年六月三十日止六個月之未經審核簡明綜合財務報表。

董事資料之變更

根據上市規則第13.51B(1)條之規定，於二零一七年年報日期後，須予披露之董事資料變更如下：

葉家海博士為 Burcon NutraScience Corporation 之主席及行政總裁兼董事，該公司之股份於加拿大多倫多證券交易所及德國法蘭克福證券交易所上市，並於美國櫃檯市場買賣(前於納斯達克證券市場上市)。

Supplementary Information

附加資料

CORPORATE GOVERNANCE

In the opinion of the Board, the Company complied with the code provisions set out in the Corporate Governance Code (“Code”) contained in Appendix 14 to the Listing Rules during the six months ended 30 June 2018, except for the following deviations:

Code Provision A.4.1

Code provision A.4.1 of the Code stipulates that non-executive directors should be appointed for a specific term, subject to re-election. The current independent non-executive Directors were not appointed for a specific term. However, all Directors are subject to retirement by rotation and re-election at the annual general meeting in accordance with Bye-Law 99 of the Bye-Laws of the Company (“Bye-Laws”). Every Director is also subject to retirement by rotation at least once every three years according to Code provision A.4.2 of the Code. The Board considers that sufficient measures have been taken to ensure that the Company’s corporate governance practices are no less exacting than those prescribed by Code provision A.4.1, and therefore does not intend to take any steps in this regard at the moment.

Code Provision E.1.2

Code provision E.1.2 of the Code stipulates that the chairman of the board should attend the annual general meeting. The Chairman of the Company, Dr. Yap, Allan, was unable to attend the annual general meeting of the Company held on 7 June 2018 (“2018 AGM”) as he had another business engagement. Ms. Chan Ling, Eva, the Managing Director of the Company, attended and took the chair of the 2018 AGM in accordance with Bye-Law 68 of the Bye-Laws and answered questions from shareholders of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code for dealing in securities of the Company by the Directors. The Company has made specific enquires with all Directors and they have confirmed their compliance with the required standard set out in the Model Code during the six months ended 30 June 2018.

On behalf of the Board

Yap, Allan
Chairman

Hong Kong, 29 August 2018

企業管治

董事會認為，於截至二零一八年六月三十日止六個月內，本公司已遵守上市規則附錄十四所載之企業管治守則（「守則」）之守則條文，惟以下偏離事項除外：

守則條文第A.4.1條

守則之守則條文第A.4.1條規定，非執行董事之委任應有指定任期，並須接受重新選舉。現任獨立非執行董事並非按指定任期委任。然而，所有董事根據本公司之公司細則（「公司細則」）第99條須於股東週年大會上輪席退任及可重選連任。每名董事亦根據守則之守則條文第A.4.2條規定須最少每三年輪席退任一次。董事會認為已採取足夠措施以確保本公司之企業管治常規不遜於守則條文第A.4.1條之相關規定，因此目前無意就此方面採取任何措施。

守則條文第E.1.2條

守則之守則條文第E.1.2條規定，董事會主席應出席股東週年大會。由於本公司主席葉家海博士另有商務，故未能出席於二零一八年六月七日舉行之本公司股東週年大會（「二零一八年股東週年大會」）。本公司董事總經理陳玲女士出席二零一八年股東週年大會，並根據公司細則第68條擔任大會主席，以及回答本公司股東的提問。

遵守上市發行人董事進行證券交易之標準守則

本公司已採納標準守則作為董事於買賣本公司證券之守則。本公司已向所有董事作出具體查詢，彼等已確認於截至二零一八年六月三十日止六個月內遵守標準守則之所需標準。

代表董事會
主席
葉家海

香港，二零一八年八月二十九日



MIX

Paper from responsible sources

源自負責任的森林資源的紙張

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