



# Yan Tat Group Holdings Limited

## 恩達集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 1480

**2017**  
ANNUAL REPORT  
年報





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# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Chan Wing Yin (*Chairman*)  
Mrs. Chan Yung  
Mr. Chan Yan Wing

#### Non-executive Director

Mr. Chan Yan Kwong

#### Independent Non-executive Directors

Mr. Chung Yuk Ming  
Mr. Lau Shun Chuen  
Mr. Yau Wing Yiu

### COMPANY SECRETARY

Mr. Lai Hau Yin, *FCPA, FCPA (Aust.)*

### AUDIT COMMITTEE

Mr. Yau Wing Yiu (*Chairman*)  
Mr. Lau Shun Chuen  
Mr. Chung Yuk Ming

### NOMINATION COMMITTEE

Mr. Lau Shun Chuen (*Chairman*)  
Mr. Chung Yuk Ming  
Mr. Yau Wing Yiu  
Mr. Chan Yan Kwong  
Mr. Chan Yan Wing

### REMUNERATION COMMITTEE

Mr. Chung Yuk Ming (*Chairman*)  
Mr. Lau Shun Chuen  
Mr. Yau Wing Yiu  
Mr. Chan Yan Kwong  
Mr. Chan Yan Wing

### AUTHORISED REPRESENTATIVES

Mr. Chan Yan Wing  
Mr. Lai Hau Yin

### AUDITOR

Ernst & Young

### LEGAL ADVISER

Li & Partners

### REGISTERED OFFICE

Clifton House  
75 Fort Street  
P.O. Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

### 董事會

#### 執行董事

陳榮賢先生 (*主席*)  
陳勇女士  
陳恩永先生

#### 非執行董事

陳恩光先生

#### 獨立非執行董事

鍾玉明先生  
劉順銓先生  
邱榮耀先生

### 公司秘書

黎孝賢先生 · *FCPA, FCPA (Aust.)*

### 審計委員會

邱榮耀先生 (*主席*)  
劉順銓先生  
鍾玉明先生

### 提名委員會

劉順銓先生 (*主席*)  
鍾玉明先生  
邱榮耀先生  
陳恩光先生  
陳恩永先生

### 薪酬委員會

鍾玉明先生 (*主席*)  
劉順銓先生  
邱榮耀先生  
陳恩光先生  
陳恩永先生

### 授權代表

陳恩永先生  
黎孝賢先生

### 核數師

安永會計師事務所

### 法律顧問

李偉斌律師行

### 註冊辦事處

Clifton House  
75 Fort Street  
P.O. Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

# Corporate Information

## 公司資料

### HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 809-810  
Kwong Sang Hong Centre  
151-153 Hoi Bun Road  
Kwun Tong, Kowloon  
Hong Kong

### HEADQUARTERS IN THE PRC

No. 8 Yantat Road  
Pingshan New District  
Shenzhen  
The PRC

### PRINCIPAL BANKERS

The Hongkong and Shanghai Bank Corporation Limited  
Standard Chartered Bank  
DBS Bank (Hong Kong) Limited  
Bank of China (Shenzhen Pingshan Branch)  
Agricultural Bank of China (Shenzhen Pingshan Branch)

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Trust (Cayman) Limited  
Clifton House  
75 Fort Street  
P.O. Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
Level 22  
Hopewell Centre  
183 Queen's Road East  
Hong Kong

### PLACE OF LISTING

The Stock Exchange of Hong Kong Limited  
(the "Stock Exchange")

### STOCK CODE

1480

### COMPANY'S WEBSITE

[www.yantat.com](http://www.yantat.com)

### 總部及香港主要營業地點

香港  
九龍觀塘  
海濱道151-153號  
廣生行中心  
809-810室

### 中國總部

中國  
深圳  
坪山新區  
恩達路8號

### 主要往來銀行

香港上海滙豐銀行有限公司  
渣打銀行  
星展銀行(香港)有限公司  
中國銀行(深圳坪山支行)  
中國農業銀行(深圳坪山支行)

### 股份過戶登記總處

Estera Trust (Cayman) Limited  
Clifton House  
75 Fort Street  
P.O. Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

### 香港股份過戶登記分處

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心  
22樓

### 上市地點

香港聯合交易所有限公司(「聯交所」)

### 股份代號

1480

### 公司網站

[www.yantat.com](http://www.yantat.com)



# Chairman's Statement

## 主席報告

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of Yan Tat Group Holdings Limited (the "Company"), I am pleased to present the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2017.

### PERFORMANCE

Our Group's turnover increased from approximately HK\$591.4 million in 2016 to approximately HK\$633.6 million in 2017, representing an increase of approximately 7.1%. Gross profit was approximately HK\$122.1 million in 2017, representing an increase of approximately 1.9% from that of 2016. Profit attributable to ordinary equity holders of the Company was approximately HK\$24.3 million in 2017, representing an increase of approximately 3.8% from that of 2016. Increase in net profit was primarily due to the increase in sales orders resulting from the improvement and optimization of production facilities, which had a positive impact on the Group's sales.

### FUTURE PROSPECTS

The Group has engaged in manufacturing and sales of printed circuit board ("PCB") for over a quarter of a century. The Group experienced a stable year in 2017. The global political and economic turmoil caused by US President Donald Trump during his first year in office and the geopolitical tensions brought negative impact to the world throughout 2017, and such impact will continue to 2018.

Given the wide range of application and mature development, the PCB industry is less affected by the big market, combined with the diversified marketing strategies of the Group and our focus on the market of long product life cycle, the product offer of the Group is relatively defensive.

Among the PCB customer groups, automotive application segment and smart city ("SMART CITY") are still the most active segments. The increased application of electric components in automotive industry, widespread use of new energy vehicles and auto-driving technology provide enormous business opportunities for the PCB industry.

China is still the world's production base. However, the increase in labor costs year by year and the environmental protection tax implemented on 1 January 2018 will increase the production costs of manufacturers, which will adversely affect the industrial development. Therefore, the business of many manufactures will be developed towards automation and intellectualization.

各位股東：

本人謹代表恩達集團控股有限公司(「本公司」)及其附屬公司(統稱為「本集團」)之董事(「董事」)會(「董事會」)，欣然呈報本集團截至二零一七年十二月三十一日止年度之經審核綜合業績。

### 業績表現

本集團之營業額由二零一六年的約591.4百萬港元，增加約7.1%至二零一七年約633.6百萬港元。於二零一七年，毛利約為122.1百萬港元，較二零一六年上升約1.9%。於二零一七年，本公司普通股權益擁有人應佔溢利約24.3百萬港元，較二零一六年上升約3.8%。純利上升主要由於生產設施條件改善及優化而促使訂單增加，對本集團銷售造成正面影響。

### 未來展望

本集團經營印刷電路板(「印刷電路板」)生產及銷售已超過四份之一世紀，二零一七年對本集團來說是平穩的一年；雖然特朗普上場一周年所引致世界政治及經濟波動，再加上地緣政治局勢緊張等等事端，對二零一七年有不利的影響，這將延續至二零一八年。

由於印刷電路板行業應用層面廣，發展已十分成熟，受大市場所影響較微，加上本集團的多元化市場策略，並針對產品生命周期長的市場，因此本集團的產品更具防守能力。

印刷電路板客戶群中，汽車應用板塊及智慧城市(「SMART CITY」)仍是最活躍的環，汽車產業應用更多電子部件，新能源汽車的廣泛應用，無人駕駛技術推動下，將為印刷電路板行業帶來不少商機。

中國仍是世界生產基地，可是人工成本逐年上升，加上在二零一八年一月一日實施的環境保護稅，這都會增加生產企業的生產成本，不利工業發展，所以不少生產企業將朝著自動化、智能化方向發展。

# Chairman's Statement

## 主席報告

In view of rising raw material prices coupled with the enhanced monitoring efforts on environmental protection, PCB manufacturers failing to meet the required standards and underperformed are likely to be eliminated, and the PCB manufacturing industry will undergo a major integration. In the future, the industry development will be more healthy and fair.

### APPRECIATION

Last but not least, I would like to take this opportunity to extend my sincere gratitude to all fellow directors, management and our staff for their unwavering dedication and contribution to our Group's development. I would also like to thank all of our shareholders, for their trust and continuous support over a challenging but rewarding 2017.

**Yan Tat Group Holdings Limited**  
**Chan Wing Yin**  
*Chairman*  
Hong Kong, 26 March 2018

原材料漲價加上環保督察力度提高，未達標和經營不理想的PCB廠商很可能被淘汰，整個PCB生產行業會進行一個大整合，日後的行業發展會更健康，更平等。

### 致謝

最後，本人謹藉此機會衷心感謝全體董事、管理層及旗下職工的竭誠投入以及對本集團發展的貢獻。本人亦謹此感謝全體股東於充滿挑戰又具意義的二零一七年裡一直給予信任及支持。

**恩達集團控股有限公司**  
**主席**  
**陳榮賢**  
香港，二零一八年三月二十六日

# Financial Highlights

## 財務摘要

### For the year ended 31 December 截至十二月三十一日止年度

Results 業績		2017	2016	Change 變動 (%)
		二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元	
Revenue	收益	633,572	591,407	7.1
Profit before tax	除稅前溢利	29,246	30,413	(3.8)
Profit attributable to ordinary equity holders of the Company	本公司普通權益持有人應佔溢利	24,275	23,383	3.8
Basic earnings per share (expressed in HK cents per share)	每股基本盈利 (以每股港仙列示)	HK10.1 cents 港仙	HK9.7 cents 港仙	4.1
Diluted earnings per share (expressed in HK cents per share)	每股攤薄盈利 (以每股港仙列示)	HK10.1 cents 港仙	HK9.7 cents 港仙	4.1
Dividend per share (expressed in HK cents per share)	每股股息 (以每股港仙列示)	Nil 無	Nil 無	N/A 不適用

### As at 31 December 於十二月三十一日

Financial Position 財務狀況		2017	2016	Change 變動 (%)
		二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元	
Total assets	資產總值	888,256	829,988	7.0
Net debts (excluding cash and bank balances, pledged deposits and restricted cash)	淨債務(不包括現金及銀行結餘, 已抵押存款及限制性現金)	85,726	105,482	(18.7)
Shareholders' equity	股東權益	480,420	421,829	13.9
Net assets per share (expressed in HK\$ per share)	每股資產淨值 (以每股港元列示)	2.00	1.76	13.6
Net debts to total assets	淨債務對資產總值	9.7%	12.7%	(23.6)
Net debts to shareholders' equity	淨債務對股東權益	17.8%	25.0%	(28.8)

# Financial Summary

## 財務概要

		Year ended 31 December 截至十二月三十一日止年度				
in HK\$'000 千港元		2017 二零一七年	2016 二零一六年	2015 二零一五年	2014 二零一四年	2013 二零一三年
<b>RESULTS</b>	<b>業績</b>					
Revenue	收益	633,572	591,407	638,930	663,566	581,557
Profit before tax	除稅前溢利	29,246	30,413	49,724	50,857	42,822
Income tax expense	所得稅開支	(4,971)	(7,030)	(7,311)	(6,649)	(3,055)
Profit for the year	年內溢利	24,275	23,383	42,413	44,208	39,767

		As at 31 December 於十二月三十一日				
in HK\$'000 千港元		2017 二零一七年	2016 二零一六年	2015 二零一五年	2014 二零一四年	2013 二零一三年
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	資產總值	888,256	829,988	863,581	772,814	659,181
Total liabilities	負債總額	407,836	408,159	434,797	354,640	391,356
Net assets	資產淨值	480,420	421,829	428,784	418,174	267,825



# Management Discussion and Analysis

## 管理層討論及分析

### INDUSTRY OVERVIEW

2017 was a fairly stable year for global economic activity, with a growth slightly higher than expected. According to the International Monetary Fund (“IMF”), the global output is estimated to increase by 3.7% in 2017, up by 0.5% as compared with 2016, and the global growth in 2018 and 2019 is forecast to increase to 3.9%.

As shown by statistics, the global output value of printed circuit board (“PCB(s)”) reached US\$54.207 billion in 2016, which is projected to soar to US\$55.3 billion in 2017, and will continue to rise in 2018. After years of eastward shift of the global PCB production capacity, as estimated by a research company, the output value of PCB in China is anticipated to reach US\$28.972 billion in 2017, accounting for more than 50% of the Gross World Product.

PCB is a component necessary for electronic products. With continuous technology advancements, the demand of PCB is steady and is expected to continue to grow. The range of application of PCB is extensive, including communication devices, industrial controller, medical devices, security electronics, national defense and aerospace. In recent years, driven by the demands of emerging sectors such as new energy vehicles, Internet of things, energy conservation and environmental protection, and information security, good business opportunities will be brought to the PCB market.

Automobile electronics becomes a global trend, which promotes the rapid growth of automobile PCB. PCBs are widely used in engine, control, safety, information and in-vehicle systems. Compared with conventional vehicles, the requirement of electronic for new energy vehicle is higher. In view of the immense effort in promoting the development of new energy vehicle by countries around the world, it shall create tremendous business opportunities to the PCB market in the future.

The new applications of PCB will further drive the development of the PCB industry. Given the era of 5G is gradually formed, 5G new communication base station has great demands on high frequency circuit boards. It is expected that 5G development will enter into the mature stage in around 2020, and new prospects will then emerge in the PCB market.

### 行業概覽

二零一七年可說是全球經濟活動平穩的一年，略較預期高一點。據國際貨幣基金組織（「IMF」）估計二零一七年全球產出增長3.7%，比二零一六年提高了0.5%，更預測二零一八年和二零一九年的全球化增長可上升至3.9%。

根據統計資料顯示，全球印刷電路板（「PCB」）二零一六年產值達到542.07億美元，預計二零一七年將達553億美元，二零一八年仍將繼續上升，由全球PCB產能經過多年的東移，根據研究公司預估，二零一七年中國PCB產值將達到289.72億美元，佔全球總產值的50%以上。

PCB作為電子產品中不可或缺的元件，隨著科技水平的不斷提升，其需求穩定且將持續增長，其應用領域之廣，包含了通信設備、工業控制、醫療器械、安防電子、國防及航空航天等，近年來，隨著新能源汽車、物聯網、節能環保、信息安全等新興領域需求的帶動，PCB市場規模將保持不錯的商機。

汽車電子化是大勢所趨，推動汽車PCB高速增長，無論是發動機系統、操縱系統、安全系統、信息系統及車內環境系統等等，都不難找到印刷電路板的蹤影，相比傳統型汽車，新能源汽車對電子程度的要求更高，隨著各國正大力推動新能源汽車的發展，可為未來PCB市場帶來無限商機。

PCB新應用更能推動PCB行業發展，5G時代慢慢成形，5G新建通訊基站對高頻電路板有大量的需求，預計約在二零二零年是5G的成熟期，到時PCB市場將有另一番景象。

# Management Discussion and Analysis

## 管理層討論及分析

Although the PCB market has an encouraging prospect, it also faces numerous difficulties. As the PRC government has strengthened its efforts on environmental protection, following the emission limits and production suspension for rectification in Kunshan and Shanghai at the end of 2017, it is very likely that similar measures will extend to southern China. Coupled with the implementation of “Environmental Protection Tax Law” since 1 January 2018, PCB manufacturers are required to bear additional taxes based on the pollutants and emissions they discharge, which undoubtedly increases the operating costs of PCB manufacturers. Moreover, the rising raw material price was another issue of concern of PCB manufacturers in 2017, in which the prices of copper foil, epoxy resin, ink and packaging materials in the upstream industry increased, thus narrowing the profit margins of manufacturers.

The labor costs in China have been on the rise over the past decade. A phenomenon of “recruitment difficulty, labor shortage” often appears in the developed coastal areas. As a result, many domestic PCB enterprises gradually relocate their production bases to inland provinces and cities, or undertake reform to accelerate the process of production automation and intellectualization to reduce the dependence on manpower and ensure the stability of quality.

### BUSINESS REVIEW AND DEVELOPMENT

The Group is an original equipment manufacturer (“OEM”) provider of PCBs and remains focused on the production of quality PCBs, which meet industrial standards such as IPC Standards, as well as the customers’ requirement.

We remain focused on the conventional PCBs with a well-developed capacity to produce multi-layered and special material PCBs with primary applications in cars, communication equipment, medical devices, industrial automation equipment and consumer electronics.

Our continuous diversification of product mix and market coverage allows the Group to swiftly cater for the changes in demand from certain sectors and adjust our production output accordingly, resulting in reduced reliance on a single product and market. Benefited from the enormous business opportunities generated from automobile electronics in recent years, the sector is therefore becoming increasingly important.

可看到的PCB市場確有不錯的前景，但是也面對不少的困難，隨著中國政府對環保力度加強，二零一七年末繼昆山、上海限排、停產整頓後，大有機會蔓延至華南地區，加自二零一八年一月一日起開始施行「環保稅法」，PCB廠將要根據其排污、排氣的具體情況增交稅負，這是無疑地加重PCB廠商的運營成本，原材料漲價亦是各PCB廠商在二零一七年的熱門話題，行業上游銅箔、環氧樹脂、油墨及包裝物料等紛紛上漲，從而收窄廠商的利潤空間。

中國國內勞動成本在過去十年不斷上升，在沿海發達地區經常出現「招工難，用工荒」的現象，因此國內不少PCB企業將生產基地逐漸遷往內地省市或自面改革，加快加大力度進行生產自動化、智能化，減少人力的依賴，又可保證品質的穩定性。

### 業務回顧及發展

本集團為印刷電路板原設備製造（「OEM」）供應商，依然專注於從事製造高質量印電板，產品皆符合行業標準（例如IPC標準），以及我們客戶的規定。

我們的目標仍然鎖定在傳統印刷電路板，並具備製造多層及特殊物料印刷電板的完備能力，主要應用於汽車、通訊設備、醫療設備、工業自動化設備以及電子消費品。

我們持續多元化的產品組合及市場組合讓集團能夠快速迎合部分行業的需求變化，據此調節我們的產生，從而減少對單一產品及市場的依賴，受惠於近年汽車電子的龐大商機，這部份的比重也會相應提高。

# Management Discussion and Analysis

## 管理層討論及分析

Over the past 28 years of our operation, the Group has established a solid foundation and close relationship with our customers. The Group provided direct and indirect services to OEM customers across Asia, North America, South America, Europe, Africa and Oceania, who are engaged in various industries with many of them running in a multinational model. Certain of our major OEM customers are leading players in their markets. The Group supplied PCB products directly to a number of leading electronic manufacturing service providers, in order to assemble finished goods of OEM for the Group's indirect OEM customers. To date, the Group has built up long-term relationship with major customers, and some of them have been working with us for over a decade. The Company believed that these customers also considered the Group as their important partner for their supply chain. Therefore, our profound and long-term relationship with customers will enable the Group to know the trend of customers' demand more quickly.

The Group is of the view that product and process quality are integral to its business. The Group complies with various international quality standards and systems, including ISO9001, ISO14001 and ISO/TS16949 certifications. The Group has put in place a number of quality measures and simplification plan to promote a culture of quality product. Quality is of paramount importance to the business of the Group and is regularly reviewed and improved by dedicated personnel to enhance customer satisfaction. In addition, the Group obtained AS9100 certification in 2009 to qualify for the provision of advanced and reliable PCBs for the aerospace industry. This is a testament to our product quality.

The impact caused by the rising raw material prices from the previous year continued to affect the current year. Followed by the sweep of emission limits and environmental protection measures across China, PCB manufacturers are facing steep challenges. As a PCB manufacturer, the Group needs to consider formulating appropriate responses and increasing the capital input in respect of environmental protection in the future. Coupled with the implementation of the Environmental Protection Tax Law, part of the profits would be eaten away; however, viewing from another perspective, manufacturers failing to meet the required standards would be eliminated or would greatly increase their costs for the compliance with the required standards, whereas the Group has realized the need for environmental protection and has made relevant investment many years ago. Therefore, compared with those failing to meet the standards, the Group is under less pressure in such new setting in the PCB market and better positioned to seize opportunities.

在過去超過二十八年的經營，本集團建立了穩固的根基及深厚的客戶關係，本集團向遍佈在亞洲、北美洲、南美洲、歐洲、非洲及大洋洲的原設備製造商客戶提供直接及間接的服務，該等客戶在各行各業經營，許多更以跨國模式運作。若干主要原設備製造商客戶為其所屬市場中的表表者。本集團亦向多家領先電子製造服務提供者，直接供應印刷電路板產品，藉以為本集團的間接原設備製造商客戶組裝原設備製造商製成品。迄今，本集團與主要客戶建立長遠關係，當中部份已合作逾十載，而本公司相信彼等亦視本集團為其供應鏈上的重要夥伴。因此，與客戶所建立的深厚長久關係，可使本集團更快掌握客戶需求的動向。

本集團認為，產品及工序的質素對其業務有關鍵作用。本集團符合多項國際品質標準及系統，包括ISO9001、ISO14001及ISO/TS16949認證。本集團亦已實施多項品質方案及簡化計劃，以促進優質產品文化。品質乃本集團業務的關鍵所在，並由專人定期作出檢討及改善，藉以提升客戶滿意度，此外，本集團於二零零九年獲得AS9100認證，讓本集團能夠為航太工業供應高科技及可靠性高的印刷電路板，這可說是對我們的產品質量的一種肯定。

原材料漲價，由去年持續影響到本年度，緊隨著限排環保的旋風席捲全中國，各生產企業正面臨對此嚴峻的挑戰，作為PCB生產商的本集團，更需要考慮此應對方法，日後在環保上的資金投入亦會上升，加上環保稅的實施，吃掉了一部份利潤；但在另一角度看，未能達標的生產企業，有可能被淘汰，或大大增加成本來符合標準，而本集團早在多年前已注意到環保需要，作出一定的投入，到新的環境下，本集團較其他未達標的企業，壓力較少，而此消彼長，可能有更好的機遇。



# Management Discussion and Analysis

## 管理層討論及分析

Although China remains to be the “World Factory”, labor costs are no longer as low as those over a decade ago and have gradually increased. In addition, the labor supply is insufficient in the coastal areas. Driven by Industry 4.0, the Group has enhanced its production automation, promoting the use and flow of production information, optimizing and improving costs and quality, and hence leading the Group to develop towards intelligent production in the future.

The Group has been concentrating on its PCB business for over 28 years, in which the accumulated experience and networks allow the Group to make further development in the PCB market. In order to cater for the future market and production needs, the Group plans to develop another production base. The Group will also actively study the effective use of the land resources currently held by the Group and consider changing the land use rights of certain lands. At the same time, the Group will also consider opportunities to maximize shareholders' benefits from time to time.

雖然中國仍是「世界工廠」，但勞工成本，不像十多年前那麼便宜，而且日漸上升，沿海地區的勞工供應，也有不足的情況，工業4.0推動下本集團已加強生產自動化，促進生產信息的運用流轉，優化改善成本與質量，日後更朝著智能化生產方向邁進。

本集團專注印刷電路板業務超過二十八年，所累積經驗及網絡有利集團在印刷電路板市場進一步發展，為迎合未來市場及生產需要，本集團計劃發展另一個生產基地，本集團亦會積極研究有效地運用現在集團所持有土地資源，考慮更改部份土地使用權的用途，與此同時，集團亦會不時考慮為股東爭取最大利益的機會發展。

### FINANCIAL REVIEW

### 財務回顧

in HK\$'000 千港元		2017 二零一七年	2016 二零一六年
Turnover	營業額	633,572	591,407
Gross profit	毛利	122,122	119,893
Earnings before interest, taxes, depreciation and amortisation (“EBITDA”)	利息、稅項、折舊及攤銷前盈利 （「EBITDA」）	63,699	67,056
Net profit	純利	24,275	23,383

The Group's turnover for the year of 2017 was approximately HK\$633.6 million, representing an increase of approximately 7.1% compared to that of the last year, primarily due to the increase in sales orders resulting from the improvement and optimization of production facilities, which had a positive impact on the Group's sales.

本集團於二零一七年之營業額約633.6百萬港元，較去年增加約7.1%，主要由於生產設施改善及優化，導致訂單增加對本集團銷售造成正面影響。

The Group's gross profit for the year of 2017 was approximately HK\$122.1 million, representing an increase of approximately 1.9% compared to that of the last year. Gross profit margin decreased by approximately 1.0% to 19.3% from 20.3%, primarily due to the increase in raw materials cost.

本集團於二零一七年之毛利約122.1百萬港元，較去年增加約1.9%。毛利率由20.3%減少約1.0%至19.3%，主要由於原材料成本增加所致。

The Group's total operating expenses for the year of 2017 were approximately HK\$92.5 million, representing a decrease of approximately 0.1% compared to approximately HK\$92.6 million for the last year, primarily due to the increase in general and administrative expenses was net off against the decrease in selling and distribution expenses.

本集團於二零一七年的經營開支總額約為92.5百萬港元，較去年約92.6百萬港元減少約0.1%，主要由於一般及行政開支的增加與銷售及分銷開支的減少互相抵銷所致。

# Management Discussion and Analysis

## 管理層討論及分析

The Group's EBITDA amounted to approximately HK\$63.7 million for the year of 2017 as compared to approximately HK\$67.1 million for the last year.

The Group recorded a profit attributable to ordinary equity holders of the Company of approximately HK\$24.3 million for the year of 2017 as compared to approximately HK\$23.4 million for the last year.

### Other income and gains

Our other income and gains decreased by approximately HK\$4.7 million, or 38.8%, to approximately HK\$7.4 million for the year ended 31 December 2017 from approximately HK\$12.1 million for the year ended 31 December 2016, primarily due to the fair value gains on investment properties was lower than that of the last year by approximately HK\$4.5 million.

### Selling and distribution expenses

Our selling and distribution expenses decreased by approximately HK\$1.8 million, or 8.8%, to approximately HK\$18.7 million for the year ended 31 December 2017 from approximately HK\$20.5 million for the year ended 31 December 2016. The decrease was primarily due to decrease in commission and salaries.

### General and administrative expenses

Our general and administrative expenses increased by approximately HK\$1.7 million, or 2.4%, to approximately HK\$73.8 million for the year ended 31 December 2017 from approximately HK\$72.1 million for the year ended 31 December 2016. The increase was primarily due to increase in PRC indirect taxes and legal and professional fees.

### Other expenses

Our other expenses decreased by approximately HK\$1.2 million, or 85.7%, to approximately HK\$0.2 million for the year ended 31 December 2017 from approximately HK\$1.4 million for the year ended 31 December 2016. The decrease was primarily due to decrease in write-off of deposits paid for purchases of items of property, plant and equipment.

### Finance costs

Our finance costs slightly decreased by approximately HK\$0.04 million, or 0.5%, to approximately HK\$7.51 million for the year ended 31 December 2017 from approximately HK\$7.55 million for the year ended 31 December 2016. The decrease was primarily due to decrease in interest on finance leases.

本集團於二零一七年的EBITDA約為63.7百萬港元，而去年則約為67.1百萬港元。

本集團於二零一七年錄得本公司普通權益持有人應佔溢利約24.3百萬港元，而去年則約為23.4百萬港元。

### 其他收入及收益

其他收入及收益由截至二零一六年十二月三十一日止年度約12.1百萬港元減少約4.7百萬港元或38.8%，至截至二零一七年十二月三十一日止年度約7.4百萬港元，主要由於投資物業之公平值收益較去年低約4.5百萬港元所致。

### 銷售及分銷開支

銷售及分銷開支由截至二零一六年十二月三十一日止年度約20.5百萬港元減少約1.8百萬港元或8.8%，至截至二零一七年十二月三十一日止年度約18.7百萬港元。有關減幅主要由於佣金及工資減少所致。

### 一般及行政開支

一般及行政開支由截至二零一六年十二月三十一日止年度約72.1百萬港元增加約1.7百萬港元或2.4%，至截至二零一七年十二月三十一日止年度約73.8百萬港元。有關增幅主要由於中國間接稅項以及法律及專業費用增加所致。

### 其他開支

其他開支由截至二零一六年十二月三十一日止年度約1.4百萬港元減少約1.2百萬港元或85.7%，至截至二零一七年十二月三十一日止年度約0.2百萬港元。有關減幅主要由於撤銷就購置物業、廠房及設備項目支付之按金減少所致。

### 融資成本

融資成本由截至二零一六年十二月三十一日止年度約7.55百萬港元輕微減少約0.04百萬港元或0.5%，至截至二零一七年十二月三十一日止年度約7.51百萬港元。有關減幅主要由於融資租賃利息減少所致。

# Management Discussion and Analysis

## 管理層討論及分析

### Profit attributable to ordinary equity holders of the Company

The Group recorded profit attributable to ordinary equity holders of the Company of approximately HK\$24.3 million for the year ended 31 December 2017 compared to approximately HK\$23.4 million for the year ended 31 December 2016, representing an increase of approximately 3.8%. The increase of profit attributable to ordinary equity holders of the Company was mainly due to the net effect of the increase in gross profit of approximately HK\$2.2 million, the decrease in other income and gains of approximately HK\$4.7 million mainly due to the decrease in fair value gains on investment properties, the decrease in selling and distribution expenses of approximately HK\$1.8 million mainly due to the decrease in commission and salaries, the increase in general and administrative expenses of approximately HK\$1.7 million mainly due to the increase in PRC indirect taxes and legal and professional fees, and the decrease in income tax expense of approximately HK\$2.1 million.

### Property, plant and equipment

The net carrying amount as at 31 December 2017 was approximately HK\$413.6 million, representing an increase of approximately HK\$17.0 million from that of 31 December 2016. This was mainly due to the net effect of (i) depreciation of approximately HK\$27.0 million with respect to the Group's property, plant and equipment in the current year, (ii) increase in exchange realignment of approximately HK\$28.4 million, and (iii) total additions/transfer during the year of approximately HK\$16.7 million.

### Trade and bills receivables

There was an increase in trade and bills receivables as at 31 December 2017 of approximately HK\$33.4 million as compared to that of 31 December 2016, which was mainly due to the increase in revenue. For further details, please refer to note 19 to the consolidated financial statements.

### Trade and bills payables

There was an increase in trade and bills payables as at 31 December 2017 of approximately HK\$17.3 million as compared to that of 31 December 2016, which was mainly due to the increase of trade payables caused by the increase in sales as well as purchases. For further details, please refer to note 22 to the consolidated financial statements.

### 本公司普通權益持有人應佔溢利

截至二零一七年十二月三十一日止年度，本集團錄得本公司普通權益持有人應佔溢利約24.3百萬港元，較截至二零一六年十二月三十一日止年度約23.4百萬港元增加約3.8%。本公司普通權益持有人應佔溢利增加主要由於毛利增加約2.2百萬港元，其他收入及收益減少約4.7百萬港元，主要由於投資物業公平值收益減少所致；銷售及分銷開支減少約1.8百萬港元，主要由於佣金及薪金減少所致；一般及行政開支增加約1.7百萬港元，主要由於中國間接稅項以及法律及專業費用增加所致；及所得稅開支減少約2.1百萬港元的淨影響。

### 物業、廠房及設備

於二零一七年十二月三十一日，賬面淨值約為413.6百萬港元，較二零一六年十二月三十一日增加約17.0百萬港元，主要由於(i)本集團物業、廠房及設備的本年度折舊約27.0百萬港元；(ii)匯兌調整增加約28.4百萬港元及(iii)年內添置／轉移總計約16.7百萬港元的淨影響。

### 貿易應收款項及應收票據

於二零一七年十二月三十一日之貿易應收款項及應收票據較二零一六年十二月三十一日增加約33.4百萬港元，主要由於收益增加所致。更多詳情，請參閱綜合財務報表附註19。

### 貿易應付款項及應付票據

於二零一七年十二月三十一日之貿易應付款項及應付票據較二零一六年十二月三十一日增加約17.3百萬港元，主要由於銷售上升的同時，採購上升，貿易應付款項也上升。更多詳情，請參閱綜合財務報表附註22。



# Management Discussion and Analysis

## 管理層討論及分析

### Bank and other borrowings

The Group had bank and other borrowings as at 31 December 2017 in the sum of approximately HK\$193.0 million, representing a decrease of approximately HK\$30.4 million from the sum of approximately HK\$223.4 million as at 31 December 2016. The decrease in borrowings was mainly due to repayment of borrowings. No financial instruments were used for hedging purposes, nor were there any foreign currency net investments hedged by current borrowings and/or other hedging instruments. For further details, please refer to note 24 to financial statements.

### Liquidity and financial resources

As at 31 December 2017, the Group had current assets of approximately HK\$423.6 million (2016: HK\$386.7 million) including cash and cash equivalents, pledged deposits and restricted cash totalling approximately HK\$107.3 million (2016: HK\$117.9 million). As at 31 December 2017, the Group had non-current liabilities of approximately HK\$18.6 million (2016: HK\$25.8 million), and its current liabilities amounted to approximately HK\$389.2 million (2016: HK\$382.3 million), consisting mainly of payables arising in the normal course of operations and bank borrowings for financing of new production facilities. Accordingly, the Group's current ratio, being the ratio of current assets to current liabilities, was around 1.1 as at 31 December 2017 (2016: 1.0).

### Gearing ratio

The gearing ratio of the Group, calculated as total borrowings over total equity, was approximately 0.4 as at 31 December 2017 (2016: approximately 0.5).

### Treasury policies

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the year of 2017. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

### Foreign exchange exposure

As at 31 December 2017, we had cash and cash equivalents, pledged deposits and restricted cash, trade and bills receivables, trade and bills payables, other payables and interest-bearing bank and other borrowings which are denominated in currencies other than Hong Kong dollar, and consequently we have foreign exchange exposure from translation of amounts denominated in foreign currencies as at the reporting date. During the year ended 31 December 2017, the Group did not engage in any derivatives activities and did not commit to any financial instruments to hedge its foreign currency exposure.

### 銀行及其他借款

於二零一七年十二月三十一日，本集團的銀行及其他借款合計約為193.0百萬港元，較二零一六年十二月三十一日合共約223.4百萬港元減少約30.4百萬港元。借款減少主要由於償還借款所致。並未動用財務工具作對沖用途，亦無通過現有借款及／或其他對沖工具對沖任何外幣投資淨額。更多詳情，請參閱財務報表附註24。

### 流動資金及財務資源

於二零一七年十二月三十一日，本集團流動資產約為423.6百萬港元(二零一六年：386.7百萬港元)，包括現金及現金等價物、已抵押存款及受限制現金總計約107.3百萬港元(二零一六年：117.9百萬港元)。於二零一七年十二月三十一日，本集團非流動負債約為18.6百萬港元(二零一六年：25.8百萬港元)，而其流動負債約為389.2百萬港元(二零一六年：382.3百萬港元)，主要包括一般業務過程中產生的應付款項及就新生產設施融資之銀行借款。因此，於二零一七年十二月三十一日，本集團的流動比率(流動資產除以流動負債)約為1.1(二零一六年：1.0)。

### 資產負債比率

於二零一七年十二月三十一日，本集團之資產負債比率(按總借款除以總權益計算)約為0.4(二零一六年：約0.5)。

### 庫務政策

本集團已就庫務政策採取審慎的財務管理方針，因此於二零一七年內維持穩健流動資金狀況。本集團透過持續進行信貸評估及評估其客戶財務狀況，致力減低信貸風險。為管理流動資金風險，董事會密切監察本集團流動資金狀況，確保本集團資產、負債及其他承擔之流動資金結構能應付不時之資金需要。

### 外匯風險

於二零一七年十二月三十一日，我們有並非以港元計值的現金及現金等價物、已抵押存款及受限制現金、貿易應收款項及應收票據、貿易應付款項及應付票據、其他應付款項及計息銀行及其他借款，因此我們於報告日期面對轉換外幣計值金額之外匯風險。於截至二零一七年十二月三十一日止年度，本集團並無從事任何衍生工具活動，亦無作出任何財務工具承擔，以對沖所面對之外匯風險。

# Management Discussion and Analysis

## 管理層討論及分析

### Capital structure

There has been no change in the capital structure of the Company during the current and last years. The capital of the Company is comprised of ordinary shares and capital reserves.

### Capital commitments

As at 31 December 2017, capital commitments of the Group amounted to approximately HK\$7.6 million (2016: HK\$9.7 million).

### Dividend

The Board does not recommend the payment of any dividend for the year ended 31 December 2017 (2016: nil).

### Information on employees

As at 31 December 2017, the Group had 1,038 employees (2016: 936 employees), including the executive Directors. Total employee benefit expense (including Directors' remuneration) was approximately HK\$101.9 million, as compared to approximately HK\$100.1 million for the year ended 31 December 2016. Remuneration is determined with reference to market norms and individual employee's performance, qualification and experience.

On top of basic salaries, bonuses may be paid by reference to the Group's performance as well as the individual's performance. Other staff benefits include contributions to Mandatory Provident Fund scheme in Hong Kong, and various welfare plans including the provision of pension funds, medical insurance and other relevant insurance for employees of our Group.

The salaries and benefits of the Group's employees are kept at a competitive level and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system, which is reviewed annually. The Group also operates a share option scheme adopted by the Company on 18 November 2014 ("Share Option Scheme") where options to subscribe for shares may be granted to the Directors and employees of the Group.

Details of the Share Option Scheme are disclosed in the section headed "Share Option Scheme" on pages 43 to 45 of this annual report.

The Company did not grant any share option under the Share Option Scheme during the current and prior years. Details of remuneration of Directors and chief executive and the five highest paid individuals of the Group for the year ended 31 December 2017 are set out on note 8 and note 9 to the consolidated financial statements.

### 資本架構

於本年度及去年，本公司資本架構概無變動。本公司資本包括普通股及資本儲備。

### 資本承擔

於二零一七年十二月三十一日，本集團的資本承擔約為7.6百萬港元(二零一六年：9.7百萬港元)。

### 股息

董事會不建議於截至二零一七年十二月三十一日止年度派付任何股息(二零一六年：無)。

### 僱員資料

於二零一七年十二月三十一日，本集團有1,038名僱員(二零一六年：936名僱員)，包括執行董事。僱員福利開支總額(包括董事薪酬)約為101.9百萬港元，而截至二零一六年十二月三十一日止年度則約為100.1百萬港元。薪酬乃參考市場常規及個別僱員之表現、資格及經驗而釐訂。

除基本薪金外，本公司會參考本集團表現及個別員工表現發放花紅。其他員工福利包括作出香港強制性公積金計劃供款，及為本集團聘用之僱員提供多項福利計劃，包括提供退休金、醫療保險及其他相關保險。

本集團僱員之薪金及福利維持在具競爭力的水平，在本集團薪金及花紅制度(每年進行檢討)的總體框架下，僱員按表現獲得獎勵。本集團亦設有購股權計劃(「購股權計劃」)，由本公司於二零一四年十一月十八日採納，據此，可向董事及本集團僱員授出認購股份之購股權。

購股權計劃詳情披露於本年報第43至45頁「購股權計劃」一節。

於本年度及過往年度本公司沒有根據購股權計劃授出任何購股權。截至二零一七年十二月三十一日止年度，董事及本集團行政總裁及五名最高薪酬人士之薪酬詳情載於綜合財務報表附註8及附註9。

# Management Discussion and Analysis

## 管理層討論及分析

### Significant investments held

Except for an available-for-sale investment as at 31 December 2017 (please see note 17 to the consolidated financial statements), the Group did not hold any significant investment in equity interest in any other company.

### Future plans for material investments and capital assets

Save as disclosed in this annual report, currently the Group is exploring the opportunity and discussing with independent third parties of: (i) acquiring relevant sites in Zhuhai, Guangdong Province, PRC as the location for the Group's potential production facility; and (ii) changing the use of part of its land use rights in Shenzhen, PRC. For details, please refer to the Company's announcement dated 8 February 2018.

### Material acquisitions and disposals of subsidiaries, associates and joint ventures

During the year ended 31 December 2017, the Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures.

### Charges of assets

As at 31 December 2017, certain assets of the Group as set out below were charged to secure banking facilities granted to the Group:

- (i) the Group's leasehold land and buildings, construction in progress and investment property with an aggregate net carrying amount of approximately HK\$193.1 million (2016: HK\$183.2 million).
- (ii) the Group's leasehold lands situated in Mainland China, which are classified as prepaid land lease payments with a carrying amount of approximately HK\$5.3 million (2016: HK\$5.2 million).
- (iii) pledged deposits with banks amounting to approximately HK\$33.9 million (2016: HK\$34.4 million).

### Contingent liabilities

The Group had no material contingent liabilities as at 31 December 2017 (2016: nil).

### Events after reporting period

There were no significant events for the reporting period up to the date of this annual report.

### 持有之重大投資

除於二零一七年十二月三十一日之一項可供出售投資(請參閱綜合財務報表附註17)外,本集團並無於任何其他公司持有任何重大股權投資。

### 重大投資及資本資產之未來計劃

除本年報所披露者外,本集團正物色機會並正與獨立第三方商討:(i)購買位於中國廣東省珠海市的相關地盤,可能用於建造本集團生產設施;及(ii)更改位於中國深圳市的部分土地使用權的用途。詳情請參閱本公司日期為二零一八年二月八日之公告。

### 重大收購及出售附屬公司、聯營公司及合營公司

截至二零一七年十二月三十一日止年度,本集團並無任何重大收購及出售附屬公司、聯營公司及合營公司事項。

### 資產抵押

於二零一七年十二月三十一日,下文所載本集團的部份資產已抵押,作為本集團獲授銀行融資的擔保:

- (i) 本集團租賃土地及樓宇、在建工程及投資物業,總賬面淨值約為193.1百萬港元(二零一六年:183.2百萬港元)。
- (ii) 本集團於中國內地的租賃地塊,分類為預付土地租賃款項,賬面值約為5.3百萬港元(二零一六年:5.2百萬港元)。
- (iii) 已抵押予銀行的存款約為33.9百萬港元(二零一六年:34.4百萬港元)。

### 或然負債

本集團於二零一七年十二月三十一日並無任何重大或然負債(二零一六年:無)。

### 於報告期間後之事項

於報告期間後直至本公告日期止概無重大事項。



# Directors and Senior Management Profile

## 董事及高級管理層簡歷

### DIRECTORS

Our Board is responsible and has general powers for the management and conduct of the business. The following table sets forth information regarding members of the Board as at the date of this report:

### 董事

董事會負責業務的管理及經營，並就此獲賦予普遍權力。下表載列於本報告日期有關董事會成員的資料：

Name 姓名	Appointment Date 委任日期	Resignation Date 離任日期	Age 年齡
<b>Executive Directors</b> 執行董事			
Mr. Chan Wing Yin 陳榮賢先生	8 July 2014 二零一四年七月八日	—	68
Mrs. Chan Yung 陳勇女士	8 July 2014 二零一四年七月八日	—	68
Mr. Chan Yan Wing 陳恩永先生	8 July 2014 二零一四年七月八日	—	38
<b>Non-executive Director</b> 非執行董事			
Mr. Chan Yan Kwong* 陳恩光先生*	1 November 2017 二零一七年十一月一日	—	39
<b>Independent Non-executive Directors</b> 獨立非執行董事			
Mr. Chung Yuk Ming 鍾玉明先生	18 November 2014 二零一四年十一月十八日	—	70
Mr. Yau Wing Yiu 邱榮耀先生	18 November 2014 二零一四年十一月十八日	—	50
Mr. Lau Shun Chuen 劉順銓先生	30 September 2016 二零一六年九月三十日	—	67

### CHAIRMAN, EXECUTIVE DIRECTOR & CHIEF EXECUTIVE OFFICER

**Mr. Chan Wing Yin (陳榮賢)**, aged 68, is our chairman, executive Director and chief executive officer. He is the founder of the Group and has participated in the management of the Group since January 1992. Mr. Chan is the director of all our subsidiaries. Mr. Chan is responsible for the corporate strategic planning and overall business development of the Group. Mr. Chan is the spouse of Mrs. Chan Yung, the father of Mr. Chan Yan Kwong (the non-executive Director) and Mr. Chan Yan Wing, (the executive Director).

### 主席、執行董事及行政總裁

**陳榮賢先生**，68歲，為主席、執行董事及行政總裁。彼為本集團創辦人，自一九九二年一月起已參與本集團的管理。陳先生為本集團所有附屬公司的董事。陳先生負責本集團的企業策略規劃及整體業務發展。陳先生為陳勇女士的配偶、陳恩光先生（非執行董事）及陳恩永先生（執行董事）的父親。

Before incorporation of Yan Tat (HK) Industrial Limited ("YT Industrial") in 1992, Mr. Chan was a sole proprietorship conducting business under the name of Yan Tat (HK) Industrial Co. from September 1989, which was primarily engaged in the manufacturing of PCBs and which enabled Mr. Chan to acquire relevant industry knowledge and accumulate relevant experience. Mr. Chan has more than 28 years of experience in the PCB production and sales.

在恩達(香港)實業有限公司(「恩達實業」)於一九九二年註冊成立前，陳先生自一九八九年九月起以恩達(香港)實業公司之名義獨資經營業務，並主要從事印刷電路板製造，讓陳先生汲取相關行業知識及累積相關經驗。陳先生於印刷電路板產銷擁有逾28年經驗。

\* Mr. Chan Yan Kwong was appointed as a executive director on 8 July 2014 and re-designated as a non-executive director on 1 November 2017.  
\* 陳恩光先生於二零一四年七月八日獲委任為執行董事，並於二零一七年十一月一日調任為非執行董事。

# Directors and Senior Management Profile

## 董事及高級管理層簡歷

Mr. Chan currently serves as vice chairman of the Fujian Chamber of Commerce in Shenzhen (深圳市福建商會), the vice chairman of The Employers' Federation of Shenzhen (深圳市企業投資者聯合會) since September 2004 and currently as the honorary president of the highest ranking members (最高級別會員榮譽會長) since 2010. Mr. Chan is also currently the vice chairman of China Printed Circuit Association (中國印製電路行業協會) (CPCA) since March 2010. Mr. Chan was recognised as "Pioneer Worker" by CPCA in 2012.

Mr. Chan attended his secondary school education in Fujian province, the PRC from 1962 to 1964.

### EXECUTIVE DIRECTORS

**Mrs. Chan Yung (陳勇)**, aged 68, is our executive Director and vice president. She has participated in the management of the Group since September 1996. Mrs. Chan is one of the directors of four of our subsidiaries. Mrs. Chan is responsible for overseeing the administration, purchasing and logistics of the Group, corporate strategic planning and overall business development of the Group. Mrs. Chan is the spouse of Mr. Chan Wing Yin, and the mother of Mr. Chan Yan Kwong and Mr. Chan Yan Wing.

Mrs. Chan completed her secondary school education in Fujian province, the PRC in June 1968.

**Mr. Chan Yan Wing (陳恩永)**, aged 38, is our executive Director and vice president. Mr. Chan is the son of Mr. Chan Wing Yin and Mrs. Chan Yung, and the brother of Mr. Chan Yan Kwong. Mr. Chan is one of the directors of two of our subsidiaries.

Mr. Chan has approximately 14 years of experience in the PCB industry. Mr. Chan joined our Group in July 2003 and is primarily responsible for overseeing the sales and marketing of the Group.

Mr. Chan graduated from University of London in the United Kingdom with a bachelor's degree of science in Management in August 2002. In December 2016, Mr. Chan was elected as a member of the First Session of the Shenzhen Municipal Pingshan District Chinese People's Political Consultative Conference and he has been a member and the executive director of the Youth Committee of Hong Kong Printed Circuit Association since January 2013, October 2017 respectively. He has been the vice chairman of the Fujian Chamber of Commerce in Shenzhen (深圳市福建商會) since January 2012.

陳先生為現任深圳市福建商會副監事長，自二零零四年九月起任深圳市企業投資者聯合會副會長及自二零一零年至今擔任最高級別會員榮譽會長。自二零一零年三月起至今，陳先生亦為中國印製電路行業協會的副會長。陳先生於二零一二年獲中國印製電路行業協會嘉許為「先進工作者」。

陳先生於一九六二年至一九六四年在中國福建省修讀中學課程。

### 執行董事

**陳勇女士**，68歲，為執行董事及副總裁。彼自一九九六年九月起參與本集團的管理。陳女士為本集團四間附屬公司的其中一名董事。陳女士負責監督本集團的行政、採購及物流及本集團企業策略規劃及整體業務發展。陳女士為陳榮賢先生的配偶、陳恩光先生及陳恩永先生的母親。

陳女士於一九六八年六月在中國福建省完成中學課程。

**陳恩永先生**，38歲，為執行董事及副總裁。陳恩永先生為陳榮賢先生及陳勇女士的兒子及陳恩光先生的胞弟。陳先生為兩間附屬公司的董事之一。

陳先生於印刷電路板行業擁有約14年經驗。陳先生於二零零三年七月加入本集團，主要負責監督本集團的銷售及市場營銷。

陳先生二零零二年八月畢業於英國倫敦大學，獲頒管理理學士學位。在二零一六年十二月，陳先生被委任為中國人民政治協商會議深圳市坪山區第一屆委員會委員，並分別自二零一三年一月及二零一七年十月起擔任香港綫路板協會青年委員會委員及執行委員，以及自二零一二年一月起任深圳市福建商會副會長。

# Directors and Senior Management Profile

## 董事及高級管理層簡歷

### NON-EXECUTIVE DIRECTOR

**Mr. Chan Yan Kwong (陳恩光)**, aged 39, is our non-executive Director. Mr. Chan is the son of Mr. Chan Wing Yin and Mrs. Chan Yung, and the brother of Mr. Chan Yan Wing. Mr. Chan is one of the directors of three of our subsidiaries.

Mr. Chan joined our Group in April 2011 and appointed as executive Director for the period from July 2014 to October 2017. He was primarily responsible for overseeing factory expansion, information technology, human resources and building management of the Group. Since November 2017, he has been re-designated as a non-executive Director. Prior to joining our Group, Mr. Chan worked at Benoy Limited (a private architectural firm) from June 2006 to March 2011 with his last position as a senior graphic designer where he was responsible for coordinating project construction and installation and architectural design. After his re-designation as non-executive Director, he continues to advise the Board on operational strategies of the Group and the furtherance of its business portfolio. He also continues to develop in the area of project construction and architectural design.

Mr. Chan obtained a higher diploma in graphic design in Hong Kong Technical Colleges (currently known as Hong Kong Institute of Vocational Education) in Hong Kong in September 1999. Mr. Chan then graduated from London College of Printing (currently known as London College of Communication) in the United Kingdom in May 2002 and received a bachelor's degree of arts in Graphic and Media Design and was awarded a professional development award in Print Production (Print Packaging and Buying) in August 2002. He also obtained a master's degree in Interactive Digital Media at The University of Sussex in the United Kingdom in November 2004. Mr. Chan has been a member of the Youth Committee of Hong Kong Printed Circuit Association since January 2013.

### 非執行董事

**陳恩光先生**，39歲，為非執行董事。陳恩光先生為陳榮賢先生及陳勇女士的兒子及陳恩永先生的胞兄。陳先生為三間附屬公司的董事之一。

陳先生於二零一一年四月加入本集團，自二零一四年七月至二零一七年十月任職執行董事，主要負責監督本集團廠房擴展、資訊科技、人力資源及樓宇管理，在二零一七年十一月調任非執行董事。加盟本集團前，陳先生於二零零六年六月至二零一一年三月任職於私人建築公司Benoy Limited，離任前職位為高級圖則設計師，負責協調項目工程及安裝及建築設計。調任非執行董事後，他將繼續就本集團的營運策略及促進業務組合發展方面提供意見，同時亦將繼續在項目工程及建築設計領域發展。

陳先生一九九九年九月於香港獲香港科技學院（現稱香港專業教育學院）頒授圖像設計高級文憑。陳先生其後在二零零二年五月畢業於英國London College of Printing（現稱為London College of Communication），獲頒圖像及媒體設計文學士學位及於二零零二年八月榮獲Print Production（印刷媒體包裝及採購）專業發展獎。二零零四年十一月，彼亦獲英國薩塞克斯大學頒授互動數碼媒體碩士學位。自二零一三年一月起，陳先生任香港綫路板協會青年委員會委員。

# Directors and Senior Management Profile

## 董事及高級管理層簡歷

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Chung Yuk Ming (鍾玉明)**, aged 70, was appointed as our independent non-executive Director on 18 November 2014. Mr. Chung has over 32 years of experience in manufacturing of motor cars, toys, electronics and communications. Mr. Chung was the executive director of L.K. Technology Holdings Limited (stock code: 558) and Kader Holdings Company Limited (stock code: 180). Both companies are listed on the main board of the Stock Exchange.

Mr. Chung obtained a master's degree in Business Administration in the University of East Asia (currently known as University of Macau) in the Macau Special Administrative Region in May 1989. He is currently a fellow member of the Hong Kong Institute of Directors.

**Mr. Lau Shun Chuen (劉順銓)**, aged 67, was appointed as our independent non-executive Director on 30 September 2016. He is a retired banker. Mr. Lau held senior positions at the Bank of East Asia, HSBC and Hang Seng Bank, he has over 36 years of experience in the banking industry in Hong Kong, China and Canada. Mr. Lau obtained a Bachelor of Science degree from the University of Hong Kong in July 1973. He was a Fellow of the Chartered Institute of Bankers and a Fellow of the Hong Kong Institute of Bankers. From October 2010 to October 2013, he was an independent non-executive director of Integrated Waste Solutions Group Holdings Limited (stock code: 923), a company listed on the Main Board of the Stock Exchange.

**Mr. Yau Wing Yiu (邱榮耀)**, aged 50, was appointed as our independent non-executive Director on 18 November 2014. Mr. Yau has over 25 years of experience in finance and accounting. Mr. Yau has been working as financial controller and company secretary of companies listed in Hong Kong. Mr. Yau had also been working in international accounting firms.

Mr. Yau graduated from the Hong Kong Polytechnic University in Hong Kong in October 1992 with a bachelor's degree of arts in Accountancy. Mr. Yau has been an associate of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants since April 1994 and March 2000 respectively.

### 獨立非執行董事

**鍾玉明先生**，70歲，於二零一四年十一月十八日獲委任為獨立非執行董事。鍾先生於製造汽車、玩具、電子及電訊擁有逾32年經驗。鍾先生曾擔任力勁科技集團有限公司(股份代號：558)及開達集團有限公司(股份代號：180)之執行董事。兩間公司均於聯交所主板上市。

鍾先生於一九八九年五月在澳門特別行政區東亞大學(現稱為澳門大學)取得工商管理碩士學位。彼目前為香港董事學會資深會員。

**劉順銓先生**，67歲，於二零一六年九月三十日獲委任為獨立非執行董事。他是退休銀行家，曾在東亞銀行、滙豐銀行及恒生銀行擔任要職，在香港、中國及加拿大銀行業累積逾36年經驗。劉先生於一九七三年七月獲得香港大學理學士學位。彼為英國特許銀行學會及香港銀行學會資深會士。於二零一零年十月至二零一三年十月期間，彼曾出任聯交所主板上市公司綜合環保集團有限公司(股份代號：923)的獨立非執行董事。

**邱榮耀先生**，50歲，於二零一四年十一月十八日獲委任為獨立非執行董事。邱先生於金融及會計領域擁有逾25年經驗。邱先生一直於多間香港上市公司擔任財務總監及公司秘書。邱先生亦曾任職於國際會計師事務所。

邱先生於一九九二年十月在香港於香港理工大學畢業，獲頒會計學文學士學位。邱先生分別自一九九四年四月及二零零零年三月起為香港會計師公會會員及英國特許公認會計師公會資深會員。



# Directors and Senior Management Profile

## 董事及高級管理層簡歷

### SENIOR MANAGEMENT

Our executive Directors and senior management are responsible for the day-to-day management of our business. The following table sets out certain information concerning our senior management as at the date of this report:

Name 姓名	Age 年齡	Positions within the Company 於本公司之職位
Mr. Lai Hau Yin 黎孝賢先生	50	Chief financial officer and company secretary 首席財務總監及公司秘書
Mr. Leung Siu Yat 梁少逸先生	53	Vice president 副總裁
Mr. Ho David Pei Yen 賀培嚴先生	62	Vice president 副總裁

**Mr. Lai Hau Yin (黎孝賢)**, aged 50, was appointed as our chief financial officer in March 2014 and our company secretary in August 2014, and is mainly responsible for overseeing the financial planning, accounting and company secretarial affairs of our Group. Mr. Lai has more than 25 years of experience in the areas of audit and accounting gained from various listed companies and accounting firm in Hong Kong.

Mr. Lai is a fellow member of the Hong Kong Institute of Certified Public Accountants since February 2009, a certified practise accountant of the Australian Society of Certified Practising Accountants since September 1996 and a certified tax adviser of the Taxation Institute of Hong Kong since January 2014.

Mr. Lai obtained a bachelor's degree in Business from Deakin University of Australia in Australia in December 1992, a master's degree in Business Administration from West Coast Institute of Management & Technology in Australia in May 2000 (long distance learning course).

**Mr. Leung Siu Yat (梁少逸)**, aged 53, first joined our Group as a production manager and the vice president in November 2004, and is mainly responsible for supervising and management of the PCB factory production of our Group. Mr. Leung has over 28 years of experience in the PCB industry. Prior to joining our Group, Mr. Leung worked for Ellington (Guangdong) Electronics Technology Company Limited (a PCB manufacturer) as a deputy general manager of a manufacturing factory from August 2000 to September 2004. From January 1997 to July 2000, he worked for Kalex Printed Circuit Board Ltd. (a PCB manufacturer) with his last position as an assistant production manager. From March 1986 to January 1997, Mr. Leung worked for Kalex Circuit Board (Hong Kong) Ltd., a PCB manufacturer, as a production superintendent. Mr. Leung was mainly responsible for overseeing the factory operation and supervising the production staff in these past positions. Mr. Leung completed his secondary school education in Guangdong province, the PRC in July 1981.

### 高級管理層

執行董事及高級管理層負責日常業務管理。下表載列於本報告日期有關高級管理層之若干資料：

**黎孝賢先生**，50歲，於二零一四年三月獲委任為首席財務總監及於二零一四年八月獲委任為公司秘書，主要負責監督本集團之財務規劃、會計及公司秘書事務。黎先生於香港多家上市公司及會計師事務所擁有逾25年審核及會計範疇經驗。

黎先生自二零零九年二月起為香港會計師公會資深會員，自一九九六年九月起為澳洲會計師公會的認可執業會計師，及自二零一四年一月起為香港稅務學會的認可稅務顧問。

黎先生於一九九二年十二月獲澳洲迪肯大學頒授商業學士學位；於二零零零年五月獲澳洲西岸科技管理學院 (West Coast Institute of Management & Technology) 頒授工商管理碩士學位 (遙距學習課程)。

**梁少逸先生**，53歲，於二零零四年十一月首次加入本集團，擔任生產經理及副總裁，主要負責監督及管理本集團印刷電路板廠房生產。梁先生於印刷電路板行業擁有逾28年經驗。梁先生於加入本集團前，曾在二零零零年八月至二零零四年九月於印刷電路板製造商 Ellington (Guangdong) Electronics Technology Company Limited 任職，擔任生產廠房副總經理。彼在一九九七年一月至二零零零年七月於印刷電路板製造商惠亞皆利士線路版有限公司任職，離任前職位為助理生產經理。於一九八六年三月至一九九七年一月，梁先生於印刷電路板製造商惠亞電子系統設備(香港)有限公司擔任生產監督。梁先生於上述過往職位中主要負責監察廠房營運及督導生產員工。梁先生於一九八一年七月在中國廣東省修畢中學課程。

# Directors and Senior Management Profile

## 董事及高級管理層簡歷

**Mr. Ho David Pei Yen (賀培嚴)**, aged 62, was appointed as our vice president in January 2004 and is mainly responsible for market development and product sales of our Group. Mr. Ho has over 21 years of experience in the PCB industry. Prior to joining our Group, Mr. Ho worked for Enigma Interconnect Corp. (formerly known as Circuit Graphics Ltd, a PCB manufacturer) in Canada with his last position as president from 1993 to 2002, where he was mainly responsible for implementing new technology in PCB production and business development.

Mr. Ho obtained a diploma of technology in mechanical technology from British Columbia Institute of Technology, Canada in June 1980. Mr. Ho was accredited as an associate member of the Society of Engineering Technologists of British Columbia in Canada in June 1980.

### COMPANY SECRETARY

**Mr. Lai Hau Yin (黎孝賢)** has been the chief financial officer and the company secretary of our Company since March 2014 and August 2014, respectively. His biographical details are set out in the above section headed "Directors and Senior Management Profile — Senior Management".

賀培嚴先生，62歲，於二零零四年一月獲委任為副總裁，主要負責本集團的市場拓展及產品銷售。賀先生於印刷電路板行業擁有逾21年經驗。賀先生加入本集團前，曾於一九九三年至二零零二年在加拿大任職於印刷電路板製造商Enigma Interconnect Corp. (前稱Circuit Graphics Ltd)，離任前職位為總裁，主要負責為印刷電路板生產及業務發展引入新技術。

賀先生於一九八零年六月獲加拿大英屬哥倫比亞理工學院(British Columbia Institute of Technology)頒授機械技術文憑。賀先生於一九八零年六月獲加拿大英屬哥倫比亞工程技術人員公會(Society of Engineering Technologists of British Columbia)認證為會員。

### 公司秘書

黎孝賢先生自二零一四年三月及二零一四年八月起分別出任本公司的首席財務總監及公司秘書。其履歷詳情載於上文「董事及高級管理層簡歷 — 高級管理層」一節。

# Corporate Governance Report

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

Adapting and adhering to recognised standards of corporate governance principles and practices has always been one of the top priorities of the Company. The Board believes that good corporate governance is one of the areas that lead to the success of the Company and in balancing the interests of shareholders, customers and employees, and the Board is devoted to ongoing enhancements of the efficiency and effectiveness of such principles and practices.

From 1 January 2017 up to the date of this annual report, the Company had complied with the code provisions (“Code Provisions”) set out in the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), except code provision A.2.1 as more particularly described below.

Pursuant to code provision A.2.1 of the Corporate Governance Code set out in Appendix 14 of the Listing Rules, the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. However, we do not have a separate chairman and chief executive officer and Mr. Chan Wing Yin currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

### CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings of the Model Code for Securities Transaction by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules. Having made specific enquiries to all the Directors, the Company was not aware of any non-compliance with the required standard of dealings set out in the Model Code and its code of conduct regarding securities transactions by Directors during the year ended 31 December 2017.

### 企業管治常規

配合及遵守企業管治原則及常規之公認標準一直為本公司最優先原則之一。董事會相信良好的企業管治是引領本公司走向成功及平衡股東、客戶以及僱員之間利益關係之因素之一，董事會致力於持續改善該等原則及常規之效率及有效性。

由二零一七年一月一日起直至本年報日期，本公司一直遵守列載於聯交所證券上市規則(「上市規則」)附錄十四中的企業管治守則所載之守則條文(「守則條文」)，惟下文詳述之守則條文第A.2.1條除外。

根據上市規則附錄十四所載之企業管治守則的守則條文第A.2.1條，主席與行政總裁的職責應有區分，並不應由一人兼任。然而，我們並無區分主席與行政總裁，現時由陳榮賢先生兼任該兩個角色。董事會相信，由同一人兼任主席及行政總裁的角色，可確保本集團內部領導貫徹一致，使本集團的整體策略規劃更有效及更具效率。董事會認為，現行安排不會使權力和授權平衡受損，此架構可讓本公司迅速及有效地作出及落實決策。董事會將繼續進行檢討，並會在計及本集團整體情況後考慮於適當及合適時候將董事會主席與本公司行政總裁的角色分開。

### 董事進行證券交易之行為守則

本公司已採納一套董事進行證券交易之行為守則，其條款不遜於上市規則附錄十所載上市發行人董事進行證券交易之標準守則(「標準守則」)之規定交易標準。經向所有董事具體查詢後，本公司確認並不知悉於截至二零一七年十二月三十一日止年度內，有任何不符合列載於標準守則之規定交易標準及其董事進行證券交易之行為守則。

### THE BOARD OF DIRECTORS

#### Composition

The Board currently comprises seven Directors, three of which are executive Directors, one is non-executive Director, and three are independent non-executive Directors. The composition of the Board is as follows:

#### Executive Directors:

Mr. Chan Wing Yin (*Chairman*)

Mrs. Chan Yung

Mr. Chan Yan Wing

#### Non-executive Directors:

Mr. Chan Yan Kwong

(Re-designated from executive Director on 1 November 2017)

#### Independent Non-executive Directors:

Mr. Chung Yuk Ming

Mr. Yau Wing Yiu

Mr. Lau Shun Chuen

From 1 January 2017 and up to the date of this annual report, there were some changes in the composition of the Board as disclosed above.

Mr. Chan Wing Yin is the spouse of Mrs. Chan Yung. They are the parents of Mr. Chan Yan Kwong (the non-executive Director) and Mr. Chan Yan Wing (the executive Director).

The biographical details of each Director are set out in the section "Directors and Senior Management Profile" on pages 17 to 22.

#### 董事會 組成

董事會目前由七名董事組成，其中三名為執行董事，一名為非執行董事，另外三名為獨立非執行董事。董事會之組成如下：

#### 執行董事：

陳榮賢先生(主席)

陳勇女士

陳恩永先生

#### 非執行董事：

陳恩光先生

(於二零一七年十一月一日由執行董事調任)

#### 獨立非執行董事：

鍾玉明先生

邱榮耀先生

劉順銓先生

由二零一七年一月一日起直至本年報日期，如上述披露，董事會之組成有若干變動。

陳榮賢先生為陳勇女士的配偶。他們是陳恩光先生(非執行董事)及陳恩永先生(執行董事)的父母。

各董事之履歷詳情載於第17至22頁「董事及高級管理層簡歷」一節。



# Corporate Governance Report

## 企業管治報告

### ATTENDANCE OF DIRECTORS AT VARIOUS MEETINGS

Details of the attendance of individual Directors at Board meetings, committee meetings and shareholder meetings held during the year ended 31 December 2017 are as follows:

		Board Meetings 董事會會議	Audit Committee 審計委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Annual General Meeting 股東週年大會
<b>Executive Directors</b>						
Mr. Chan Wing Yin (Chairman)	陳榮賢先生(主席)	6/6	N/A 不適用	1/3	N/A 不適用	1/1
Mrs. Chan Yung	陳勇女士	6/6	N/A 不適用	N/A 不適用	N/A 不適用	0/1
Mr. Chan Yan Wing	陳恩永先生	6/6	2/2	3/3	2/2	1/1
<b>Non-executive Director</b>						
Mr. Chan Yan Kwong	陳恩光先生	6/6	N/A 不適用	3/3	2/2	0/1
<b>Independent Non-executive Directors</b>						
Mr. Chung Yuk Ming	鍾玉明先生	6/6	2/2	3/3	2/2	1/1
Mr. Yau Wing Yiu	邱榮耀先生	6/6	2/2	3/3	2/2	1/1
Mr. Lau Shun Chuen	劉順銓先生	6/6	2/2	3/3	2/2	1/1

### BOARD MEETINGS

The Board is scheduled to meet regularly at least four times a year at approximately quarterly intervals, to discuss the overall strategy as well as the operational and financial performance of the Company. Other Board meetings will be held when necessary. Such Board meetings involve the active participation, either in person or through other electronic means of communication, of a majority of Directors. For the year ended 31 December 2017, six Board meetings were held.

Appropriate notices are given to all Directors in advance for attending regular and other Board meetings. Meeting agendas and other relevant information are provided to the Directors in advance of Board meetings. All Directors are consulted to include additional matters in the agenda for Board meetings.

Directors have access to the advice and services of the company secretary with a view to ensuring that Board procedures, and all applicable rules and regulations, are followed.

Both draft and final versions of the minutes are sent to all Directors for their comment and records. Minutes of Board meetings are kept by the company secretary and such minutes are open for inspection at any reasonable time on reasonable prior notice by any Director.

### GENERAL MEETINGS

For the year ended 31 December 2017, one general meeting was held.

### 董事於各會議之出席率

個別董事於截至二零一七年十二月三十一日止年度舉行之董事會會議、委員會會議及股東大會之出席率詳情載列如下：

#### Directors' Attendance Attended/Held 董事出席次數/舉行次數

	Board Meetings 董事會會議	Audit Committee 審計委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Annual General Meeting 股東週年大會
<b>Executive Directors</b>					
Mr. Chan Wing Yin (Chairman)	6/6	N/A 不適用	1/3	N/A 不適用	1/1
Mrs. Chan Yung	6/6	N/A 不適用	N/A 不適用	N/A 不適用	0/1
Mr. Chan Yan Wing	6/6	2/2	3/3	2/2	1/1
<b>Non-executive Director</b>					
Mr. Chan Yan Kwong	6/6	N/A 不適用	3/3	2/2	0/1
<b>Independent Non-executive Directors</b>					
Mr. Chung Yuk Ming	6/6	2/2	3/3	2/2	1/1
Mr. Yau Wing Yiu	6/6	2/2	3/3	2/2	1/1
Mr. Lau Shun Chuen	6/6	2/2	3/3	2/2	1/1

### 董事會會議

董事會預定每年至少舉行四次定期會議，大約每隔一季舉行一次，以討論本公司之整體策略以及經營及財務表現。其他董事會會議將按需要舉行。有關董事會會議由大部分董事主動以親身出席或透過其他電子通訊方式參與。截至二零一七年十二月三十一日止年度，曾舉行六次董事會會議。

全體董事於出席定期及其他董事會會議前會獲發適合通知。董事會會議前將向董事提供會議議程及其他相關資料，並向所有董事徵詢，以將其他事項列入董事會會議之議程內。

董事可取得公司秘書之意見及服務，以確保董事會程序及所有適用規則及規例均獲得遵循。

會議記錄之草擬文本及最終版本均寄發予所有董事以供其提供意見及作記錄。董事會會議記錄由公司秘書保存，該等會議記錄可供任何董事於發出合理事先通知下於任何合理時間內查閱。

### 股東大會

截至二零一七年十二月三十一日止年度，曾舉行一次股東大會。

# Corporate Governance Report

## 企業管治報告

### RESPONSIBILITIES OF THE BOARD AND MANAGEMENT

The Board is primarily responsible for overseeing and managing the Company's affairs, including the responsibilities for the adoption of long-term strategies and appointing and supervising senior management to ensure that the operation of the Group is conducted in accordance with the objective of the Group. The Board is also responsible for determining the Company's corporate governance policies which include: (i) to develop and review the Company's policies and practices on corporate governance; (ii) to review and monitor the training and continuous professional development of Directors and senior management; (iii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; (iv) to review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and (v) to review the Company's disclosure in the Corporate Governance Report.

While at all times the Board retains full responsibility for guiding and monitoring the Company in discharging its duties, certain responsibilities are delegated to various Board committees which have been established by the Board to deal with different aspects of the Company's affairs. Unless otherwise specified in their respective written terms of reference as approved by the Board, these Board committees are governed by the Company's articles of association as well as the Board's policies and practices (in so far as the same are not in conflict with the provisions contained in the articles of association). With the new composition of members of the nomination committee, the remuneration committee and the audit committee, the independent non-executive Directors will be able to effectively devote their time to perform the duties required by the respective Board committees.

The Board has also delegated the responsibility of implementing its strategies and the day-to-day operation to the management of the Company under the leadership of the executive Directors. Clear guidance has been made as to the matters that should be reserved to the Board for its decision which include matters on, inter alia, capital, finance and financial reporting, risk management and internal controls, communication with shareholders, Board membership, delegation of authority and corporate governance.

The Board acknowledges its responsibility for the preparation of the financial statements which give a true and fair view of the state of affairs of the Group. The financial statements set out on pages 58 to 140 were prepared on the basis set out in note 2.1 to the consolidated financial statements. Financial results of the Group are announced in a timely manner in accordance with statutory and/or regulatory requirements. The declaration of reporting responsibility issued by the external auditors of the Company on the Company's financial statements is set out in the Independent Auditor's Report on pages 52 to 57.

There is no non-compliance with rules 3.10(1), (2) and 3.10A of the Listing Rules.

### 董事會及管理層的職責

董事會主要負責監察及管理本公司事務，包括負責採納長期策略及委任及監督高級管理層，確保本集團業務按本集團目標進行。董事會亦負責確立本公司之企業管治政策，包括：(i) 制訂及檢討本公司之企業管治政策及常規；(ii) 檢討及監察董事及高級管理層之培訓及持續專業發展；(iii) 審閱及監察本公司遵守法律及監管規定之政策及常規；(iv) 檢討及監察僱員及董事適用之行為守則及合規手冊(如有)；及(v) 審閱本公司於企業管治報告所作出的披露。

儘管董事會在履行其職責中始終完全承擔引領及監督本公司之責任，惟若干責任乃授予董事會之各個委員會，該等委員會乃由董事會設立以處理本公司各方面之事務。除經董事會批准與彼等相關之書面職權範圍另有訂明外，該等董事會委員會乃受本公司之章程細則以及董事會之政策及常規(惟不可與章程細則所載條文有抵觸)所規限。提名委員會、薪酬委員會及審計委員會的新委員組成方案將容許獨立非執行董事有效地投放時間處理各個董事會委員會個別所需之職務。

董事會亦已向本公司執行董事領導下之管理層授予施行其策略及日常營運之責任。本公司已就須由董事會決策之事宜訂明清晰之指引，其包括有關(其中包括)資本、融資及財務報告、風險管理及內部監控、與股東交流、董事會組成、授權及企業管治之事宜。

董事會確認其編製真實及公平地反映本集團事務狀況之財務報表之責任。財務報表載於第58至140頁，乃按綜合財務報表附註2.1所載之基準編製。本集團之財務業績會根據法規及/或監管規定及時公佈。本公司外聘核數師就本公司財務報表出具之申報免責聲明載於獨立核數師報告第52至57頁。

本公司概無違反上市規則第3.10(1)、(2)及3.10A條。

# Corporate Governance Report

## 企業管治報告

### CONFIRMATION OF INDEPENDENCE

Each of the independent non-executive Directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

### CONTINUOUS PROFESSIONAL DEVELOPMENT

During the year ended 31 December 2017, all Directors have been given relevant guideline materials and attended a training regarding the duties and responsibilities of being a Director, the relevant laws and regulations applicable to the Directors, duty of disclosure of interest and business of the Group. Such induction materials and briefings will also be provided to newly appointed Directors shortly upon their appointment as Directors. Continuing briefings and professional development to Directors will be arranged whenever necessary.

All Directors have provided record of training attendance, and the Company will continue to arrange and/or fund the training in accordance with the Code Provisions.

During the year, all Directors pursued continuous professional development, and relevant details are set out below:

### 獨立確認

各獨立非執行董事已根據上市規則第3.13條作出年度獨立確認。本公司認為全體獨立非執行董事均符合上市規則第3.13條所載獨立指引，且根據指引的條文屬獨立人士。

### 持續專業發展

於截至二零一七年十二月三十一日止年度，全體董事均已獲提供相關指引資料，並參加培訓，內容涵蓋作為董事之職責及責任、適用於董事之相關法例及規例及本集團權益披露責任及業務。新任董事獲委任為董事後，亦會於短期內獲發該等就職資料及簡報。如有需要，本公司將為董事安排持續簡報及專業發展。

全體董事均已提供培訓出席記錄，而本公司將繼續根據守則條文安排及／或資助培訓。

年內，所有董事均追求持續專業發展，相關詳情載列如下：

Name of Directors 董事姓名		Types of training 培訓類型
<b>Executive Directors</b>	<b>執行董事</b>	
Mr. Chan Wing Yin	陳榮賢先生	A, B
Mrs. Chan Yung	陳勇女士	A, B
Mr. Chan Yan Wing	陳恩永先生	A, B
<b>Non-executive Directors</b>	<b>非執行董事</b>	
Mr. Chan Yan Kwong	陳恩光先生	A, B
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>	
Mr. Chung Yuk Ming	鍾玉明先生	A, B
Mr. Yau Wing Yiu	邱榮耀先生	A, B
Mr. Lau Shun Chuen	劉順銓先生	A, B

Remarks:

A — Attending conferences/forums/seminars  
B — Reading journals/updates/articles/materials

註釋：

A — 參加會議／論壇／講座  
B — 閱讀刊物／最新資料／文章／材料

# Corporate Governance Report

## 企業管治報告

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to code provision A.2.1 of the Corporate Governance Code set out in Appendix 14 of the Listing Rules, the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. However, we do not have a separate chairman and chief executive officer and Mr. Chan Wing Yin currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within our Group and enables more effective and efficient overall strategic planning for our Group. The Board considers this structure will enable our Company to make and implement decisions promptly and effectively. The Board believes that the balance of power and authority is adequately ensured by the operation of the Board, which comprises experienced and high calibre individuals with a sufficient number thereof being independent non-executive Directors.

### APPOINTMENT, RE-ELECTION AND REMOVAL

Each of the executive Directors has entered into a service contract with the Company, non-executive Director and each of the independent non-executive Directors has signed a letter of appointment with the Company. Such term is for an initial term of three years commencing from the Listing Date (except for Mr. Lau Shun Chuen and Mr. Chan Yan Kwong, whose term is for three years commencing from his date of appointment) and shall continue subject to termination by either party in accordance with the terms thereof and the retirement and re-election provisions in accordance with the articles of association of the Company.

In accordance with the articles of association of the Company, at each annual general meeting ("AGM") one third of the Directors for the time being shall retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the name of retiring Directors. The Directors who shall retire in each year will be those who have been longest in the office since their last re-election or appointment but as between persons who become or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by the Company. Such retiring Directors may, being eligible, offer themselves for re-election at the AGM. All Directors appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of shareholders after their appointment and be subject to re-election at such meeting and all Directors appointed by the Board as an addition to the existing Board shall hold office only until the next following AGM and shall then be eligible for re-election.

### 主席及行政總裁

根據上市規則附錄十四所載之企業管治守則的守則條文第A.2.1條，主席與行政總裁的職責應有區分，並不應由一人兼任。然而，我們並無區分主席與行政總裁，現時由陳榮賢先生兼任該兩個角色。董事會相信，由同一人兼任主席及行政總裁的角色，可確保本集團內部領導貫徹一致，使本集團的整體策略規劃更有效及更具效率。董事會認為，此架構可讓本公司迅速及有效地作出及落實決策。董事會認為，董事會成員經驗豐富、才幹出眾，且足夠成員為獨立非執行董事，其運作可確保權力和授權平衡獲充分保障。

### 委任、重選及罷免

各執行董事已與本公司訂立服務合約，而非執行董事及各獨立非執行董事已與本公司簽訂委任函。有關任期初步由上市日期起為期三年（劉順銓先生及陳恩光先生除外，其任期由其委任日期起為期三年），並將繼續由任何一方根據委任函之條款予以終止，並須遵守本公司組織章程細則之退任及重選連任條文。

根據本公司之組織章程細則，於每屆股東週年大會（「股東週年大會」），三分之一之時任董事須輪席退任。然而，倘董事人數並非三之倍數，則最接近但不少於三分之一之董事人數將須退任。各年度退任之董事將為自上次重選或獲委任以來在任最久之董事，惟於同一日獲委任或重選為董事之人士而言，將由本公司決定應予告退之人士（除非彼等互相協定）。有關退任董事可能合資格於股東週年大會膺選連任。董事會委任以填補臨時空缺之所有董事將留任至彼等獲委任後首次股東大會，並將於有關大會膺選連任；董事會委任作為現有董事會新增成員之所有董事將僅留任至下屆股東週年大會，並屆時將合資格膺選連任。



### NOMINATION COMMITTEE

The Company established a nomination committee pursuant to a resolution of the Directors on 18 November 2014 with written terms of reference in compliance with the Code Provisions. Its terms of reference are available on the websites of the Company and the Stock Exchange.

The primary duties of the nomination committee are to review the structure, size and composition of the Board on regular basis; identify individuals suitably qualified to become Board members; assess the independence of independent non-executive Directors; and make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors. The nomination committee comprises three independent non-executive Directors, namely Mr. Lau Shun Chuen (Chairman), Mr. Chung Yuk Ming and Mr. Yau Wing Yiu, one executive Director, namely Mr. Chan Yan Wing, and one non-executive Director, namely Mr. Chan Yan Kwong.

For year under review, the Nomination Committee held two meetings, in which it reviewed the structure of the Board and recommended to the Board for reappointment of all directors at the forthcoming annual general meeting. The Nomination Committee also determined the criteria of the board diversity policy (the "Board Diversity Policy").

When identifying suitable candidates for directorship, the nomination committee will carry out the selection process by making reference to the skills, experience, education background, professional knowledge, personal integrity and time commitments of the proposed candidates, and also the Company's needs and other relevant statutory requirements and regulations required for the positions. All candidates must be able to meet the standards as set forth in Rules 3.08 and 3.09 of the Listing Rules. A candidate who is to be appointed as an independent non-executive Director should also meet the independence criteria set out in Rule 3.13 of the Listing Rules. Qualified candidates will then be recommended to the Board for approval.

To enhance the quality of the performance of the Board and to achieve diversity on the Board, the Board adopted on 18 November 2014 the Board Diversity Policy, pursuant to which (i) differences in the skills, regional and industry experience, background, race, gender and other qualities of Directors will be taken into account in determining the optimum composition of the Board; and (ii) all Board appointments will be based on merit while taking into account diversity (including gender diversity). For the purpose of implementation of the Board Diversity Policy, the following measurable objectives were adopted:

- (A) at least one-third of the members of the Board shall be independent non-executive directors;
- (B) at least one of the members of the Board shall have obtained accounting or other professional qualifications;

### 提名委員會

本公司於二零一四年十一月十八日根據董事決議案成立提名委員會，其書面職權範圍符合守則條文。其職權範圍可於本公司及聯交所網站查閱。

提名委員會的主要職責為定期檢討董事會架構、人數及組成；物色具備合適資格可擔任董事會成員的人士；評核獨立非執行董事的獨立性；及就委任或續任董事的相關事宜向董事會提出建議。提名委員會由三名獨立非執行董事（即劉順銓先生（主席）、鍾玉明先生及邱榮耀先生）、一名執行董事（即陳恩永先生）及一名非執行董事（即陳恩光先生）組成。

於回顧年度，提名委員會曾舉行兩次會議，其於會上檢討了董事會架構並就於應屆股東週年大會重新委任全體董事向董事會提出建議。提名委員會亦已釐訂其董事會成員多元化政策（「董事會成員多元化政策」）的準則。

於物色合適董事候選人時，提名委員會將參考建議候選人的技能、經驗、教育背景、專業知識、個人誠信及時間投入，以及本公司需求及其他相關法規要求以及有關職位的規定而進行篩選程序。所有候選人須符合上市規則第3.08及3.09條所載標準。將獲委任為獨立非執行董事的候選人亦須符合上市規則第3.13條所載獨立性標準。合資格候選人屆時將獲推薦以供董事會批准。

為提高董事會表現質素及實現董事會成員多元化，董事會於二零一四年十一月十八日採納董事會成員多元化政策，據此，(i)在確定董事會成員的最佳組合時將考慮董事於技能、地區及行業經驗、背景、種族、性別及其他素質等方面之差異；及(ii)所有董事會成員之任命將以用人唯才為原則，並考慮多元化（包括性別多元化）。就實施董事會成員多元化政策而言，乃採納以下可計量目標：

- (A) 至少三分之一董事會成員須為獨立非執行董事；
- (B) 至少一名董事會成員須獲得會計或其他專業資格；

- (C) at least 70% of the members of the Board shall have more than seven years of experience in the industry he/she is specialised in; and
- (D) at least two of the members of the Board shall have China-related work experience.
- (C) 至少70%董事會成員須於其專攻行業內擁有七年以上經驗；及
- (D) 至少兩名董事會成員須擁有中國相關工作經驗。

For the year ended 31 December 2017, the Board has fulfilled the measurable objectives of the Board Diversity Policy.

截至二零一七年十二月三十一日止年度，董事會已實現董事會成員多元化政策中的可計量目標。

### REMUNERATION COMMITTEE

The Company established a remuneration committee pursuant to a resolution of the Directors passed on 18 November 2014 with written terms of reference in compliance with Rule 3.25 and Rule 3.26 of the Listing Rules. The written terms of reference of the remuneration committee was adopted in compliance with the Code Provisions. Its terms of reference are available on the websites of the Company and the Stock Exchange.

### 薪酬委員會

本公司根據於二零一四年十一月十八日通過之董事決議案成立薪酬委員會，其書面職權範圍符合上市規則第3.25及3.26條。薪酬委員會之書面職權範圍乃根據守則條文採納。其職權範圍可於本公司及聯交所網站查閱。

The primary duties of the remuneration committee are to make recommendation to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group and ensure none of the Directors determine their own remuneration. The emoluments of executive Directors are determined based on the skills, knowledge, individual performance as well as contributions, the scope of responsibility and accountability of such Directors, taking into consideration of the Company's performance and prevailing market conditions. The remuneration policy of independent non-executive Directors is to ensure that the independent non-executive Directors are adequately compensated for their efforts and time dedicated to the Company's affairs including their participation in respective Board committees. The emoluments of independent non-executive Directors are determined with reference to their skills, experience, knowledge, duties and market trends. As at the date of this annual report, the remuneration committee consists of three independent non-executive Directors, namely Mr. Chung Yuk Ming (Chairman), Mr. Lau Shun Chuen and Mr. Yau Wing Yiu, one executive Director, namely Mr. Chan Yan Wing and one non-executive Director, namely Mr. Chan Yan Kwong.

薪酬委員會之主要職責為就涉及全體董事及本集團高級管理層之整體薪酬政策及架構向董事會作出推薦建議，並確保概無董事釐定其自有薪酬。執行董事之薪酬乃經考慮本公司之表現及現行市場環境後，按照有關董事之技能、知識、個人表現及貢獻以及職責及問責範圍而釐定。獨立非執行董事之薪酬政策乃為確保獨立非執行董事就本公司事務（包括參與各個董事委員會）所貢獻的努力和時間而獲得足夠之報酬。獨立非執行董事之薪酬乃按其技術、經驗、知識、責任及市場趨勢而釐定。於本年報日期，薪酬委員會由三名獨立非執行董事（即鍾玉明先生（主席）、劉順銓先生及邱榮耀先生），一名執行董事（即陳恩永先生）及一名非執行董事（即陳恩光先生）組成。

Details of remuneration of Directors and chief executive are set out in note 8 to the consolidated financial statements.

董事及行政總裁薪酬的詳情載於綜合財務報表附註8。

# Corporate Governance Report

## 企業管治報告

Pursuant to code provision B.1.5 of the Corporate Governance Code set out in Appendix 14 of the Listing Rules, the annual remuneration of the members of the senior management by band for the year ended 31 December 2017 is set out below:

根據上市規則附錄十四所載之企業管治守則的守則條文第B.1.5條，截至二零一七年十二月三十一日止年度高級管理層成員按薪酬範圍劃分之年度薪酬載列如下：

Remuneration band 薪酬範圍		Number of Individual 人數
Nil to HK\$1,000,000	零至1,000,000 港元	—
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	2
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	—
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	1

During the year under review, the Remuneration Committee held three meetings in which it assessed the performance and reviewed the remuneration package of the directors and senior management.

於回顧年內，薪酬委員會曾舉行三次會議，其於會上評估董事及高級管理層之表現，並檢討彼等之薪酬組合。

### AUDIT COMMITTEE

The Company established an audit committee pursuant to a resolution of the Director passed on 18 November 2014 with written terms of reference in compliance with Rule 3.21 and Rule 3.22 of the Listing Rules. The written terms of reference of the audit committee was adopted in compliance with the Code Provisions. Its terms of reference are available on the websites of the Company and the Stock Exchange.

### 審計委員會

本公司根據於二零一四年十一月十八日通過之董事決議案成立審計委員會，其書面職權範圍符合上市規則第3.21及3.22條。審計委員會之書面職權範圍乃根據守則條文採納。其職權範圍可於本公司及聯交所網站查閱。

The primary duties of the audit committee, among other things, are to make recommendation to the Board on the appointment, re-appointment and removal of external auditor, review the financial statements and material advice in respect of financial reporting and oversees risk management and internal control procedures of the Company. As at the date of this annual report, the audit committee consists of three independent non-executive Directors, namely Mr. Yau Wing Yiu (Chairman), Mr. Lau Shun Chuen and Mr. Chung Yuk Ming.

審計委員會之主要職責為(其中包括)就委任、續任及罷免外聘核數師向董事會作出推薦建議、就財務報告審閱財務報表及重大意見，以及監督本公司之風險管理及內部監控程序。於本年報日期，審計委員會由三名獨立非執行董事(即邱榮耀先生(主席)、劉順銓先生及鍾玉明先生)組成。

During the year and up to the date of this annual report, the Audit Committee members met twice with the external auditors and the Group's senior management to discuss and review, among other things, the following matters:

於年內及直至本年報日期，審計委員會成員與外聘核數師及本集團高級管理層舉行兩次會議，以討論及審閱(其中包括)以下事宜：

(a) the annual results for the year ended 31 December 2017 and the interim results for the six-month ended 30 June 2017 to ensure the full, complete and accurate disclosure in the aforesaid financial statements pursuant to the accounting standards and other legal requirements for presenting the same to the Board for approval;

(a) 截至二零一七年十二月三十一日止年度之全年業績及截至二零一七年六月三十日止六個月之中期業績，以確保上述根據會計準則及其他法律規定呈列予董事會以供批准之財務報表作出全面、完整及準確披露；

- |  |  |
|--|--|
| (b) the term and remuneration for the appointment of Ernst & Young as external auditors to perform the audit of final results for the year ended 31 December 2017 and the review on the interim results for the six months ended 30 June 2017; | (b) 為進行截至二零一七年十二月三十一日止年度之終期業績之審核及截至二零一七年六月三十日止六個月之中期業績之審閱，而委任安永會計師事務所為外聘核數師之任期及薪酬； |
| (c) the independence of the external auditors especially for those non-audit services;   | (c) 外聘核數師(尤其是其非審核服務)的獨立性；  |
| (d) the continuing connected transactions of the Group;  | (d) 本集團之持續關連交易；  |
| (e) the overall effectiveness of risk management and internal controls;  | (e) 風險管理及內部監控的整體成效；  |
| (f) the overall effectiveness of its internal audit function; and  | (f) 內部審核功能的整體成效；及  |
| (g) the adequacy of resources, qualifications and experience of staff and the accounting and financial reporting matters and their training programmes and budget.   | (g) 資源充足度、員工資格及經驗、會計及財務申報事宜以及彼等之培訓計劃及預算。   |

The Audit Committee is satisfied with, inter alia, the audit fees, effectiveness of the audit process, independence and objectivity of the external auditors and has recommended to the Board the re-appointment of Ernst & Young as the Company's external auditors for the ensuing year at the forthcoming annual general meeting of the Company.

During the period from the Listing Date to the date of this annual report, the Board has not taken a different view from the audit committee on the selection, appointment, resignation or dismissal of external auditors.

### AUDITOR'S REMUNERATION

During the year, the Company engaged Ernst & Young as the external auditors. Apart from providing audit services, Ernst & Young also provided non-audit services in connection with the taxation service. The fees in respect of audit and non-audit services provided by Ernst & Young for the year ended 31 December 2017 approximately amounted to HK\$1,405,000 and HK\$445,000, respectively.

The reporting responsibilities of Ernst & Young are set out in the Independent Auditor's Report on pages 52 to 57.

### COMPANY SECRETARY

Mr. Lai Hau Yin being our company secretary is primarily responsible for the company secretarial work of our Group. Mr. Lai is also our Company's chief financial officer. The Company confirms that Mr. Lai has for the year in 2017 attended no less than 15 hours of relevant professional training.

審計委員會信納(其中包括)審核費用、審核過程之效能，以及外聘核數師之獨立性及客觀性，並建議董事會於本公司應屆股東週年大會上，續聘安永會計師事務所為本公司來年之外聘核數師。

自上市日期起至本年報日期期間，董事會與審計委員會就外聘核數師之甄選、委任、退任或罷免概無意見分歧。

### 核數師酬金

年內，本公司委聘安永會計師事務所擔任外聘核數師。除提供審核服務外，安永會計師事務所亦提供稅務服務方面的非審核服務。截至二零一七年十二月三十一日止年度，由安永會計師事務所提供之審核及非審核服務之費用分別約為1,405,000港元及445,000港元。

安永會計師事務所之申報責任載於第52至57頁之獨立核數師報告。

### 公司秘書

公司秘書黎孝賢先生主要負責本集團之公司秘書工作。黎先生亦為本公司之首席財務總監。本公司確認黎先生於二零一七年已出席不少於十五小時的相關專業培訓。



### RISK MANAGEMENT AND INTERNAL CONTROL

During the year, the Group has complied with Principle C.2 of the Corporate Governance Code by establishing appropriate and effective risk management and internal control systems. Management is responsible for the design, implementation and monitoring of such systems, while the Board oversees management in performing its duties on an ongoing basis. Main features of the risk management and internal control systems are described in the sections below:

#### Risk Management System

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

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

The management assesses the potential risks faced by the Group from time to time, which is also evaluated annually by a professional institute engaged by the Group. This year's evaluation covered the period from 1 January 2017 to 31 December 2017.

Based on the risk assessments conducted in 2017, no significant risk was identified.

#### Internal Control System

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

- Control Environment: A set of standards, processes and structures that provide the basis for carrying out internal control across the Group.
- Risk Assessment: A dynamic and iterative process for identifying and analyzing risks to achieve the Group's objectives, forming a basis for determining how risks should be managed.
- Control Activities: Action established by policies and procedures to help ensure that management directives to mitigate risks to the achievement of objectives are carried out.

### 風險管理及內部監控

年內，本集團已遵守企業管治守則原則C.2，設立適當及有效的風險管理及內部監控制度。管理層負責該等制度的設計、實施及監察，而董事會則監督管理層持續履行其職責。風險管理及內部監控制度的主要特點於下文各節闡述：

#### 風險管理制度

本集團採納風險管理制度以管理與其業務及營運有關的風險。該制度包括以下階段：

- 識別：識別擁有權風險、業務目標及可影響能否達成目標的風險。
- 評估：分析風險的可能性及影響及據此評估風險組合。
- 管理層：考慮風險回應、確保與董事會有效溝通及持續監察殘留風險。

管理層不時評估本集團面臨的潛在風險，本集團聘任的專業機構亦會每年就有關風險進行評估。本年度的評估涵蓋二零一七年一月一日至二零一七年十二月三十一日期間。

根據二零一七年進行的風險評估，概無識別到重大風險。

#### 內部監控制度

本公司已成立內部監控制度，其切合全美反虛假財務報告委員會下屬的發起人委員會(Committee of Sponsoring Organizations of the Treadway Commission) (「COSO」)二零一三年框架。此框架令本集團達成關於經營效率與效能、財務匯報的可靠性及遵從適用的法律及法規等方面的目標。以下列舉框架的內容：

- 監控環境：整套的標準、過程及架構，為本集團內實行內部監控提供基礎。
- 風險評估：識別及分析風險以達成本集團目標，並為如何管理風險提供基礎的靈活縝密程序。
- 監控活動：以政策及程序設立的行動，協助確保減少風險以達成目標的管理指令獲得執行。

# Corporate Governance Report

## 企業管治報告

- Information and Communication: Internal and external communication to provide the Group with the information needed to carry out day-to-day controls.
- Monitoring: Ongoing and separate evaluations to ascertain whether each components of internal control is present and functioning.
- 資訊及溝通：內部及外部溝通，為本集團提供執行日常監控所需的資訊。
- 監察：持續及獨立評估，釐定內部監控各個部分是否完備及正常運作。

In order to enhance the Group's system of handling inside information, and to ensure the truthfulness, accuracy, completeness and timeliness of its public disclosures, the Group also adopts and implements an inside information policy and procedures. Certain reasonable measures have been taken from time to time to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group, which include:

- The access of information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality.
- Confidentiality agreements are in place when the Group enters into significant negotiations.
- The Executive Directors are designated persons who speak on behalf of the Company when communicating with external parties such as the media, analysts or investors.
- 僅有限數目的僱員可按須要知道的基準查閱資料。擁有內幕資料的僱員完全明白本身須保密的責任。
- 本集團進行重大磋商時，會訂立保密協議。
- 與傳媒、分析員或投資者外界溝通時，執行董事為指定代表本公司發言之人士。

The management assess the internal control system of the Group from time to time, which is also evaluated annually by a professional institution engaged by the Group. The professional institution has completed the evaluation for the period from 1 January 2017 to 31 December 2017. Based on the internal control reviews conducted in 2017, no significant control deficiency was identified.

### Internal Auditors

The Group has an Internal Audit ("IA") function, which is consisted of professional staff with relevant expertise. The IA function is independent of the Group's daily operation and carries out appraisal of the risk management and internal control systems by conducting interviews, walkthroughs and tests of operating effectiveness.

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

為改善本集團處理內部資料的制度，以及確保其公開披露資料為真實、準確、完整及適時，本集團亦採納及實施內部資料政策及程序，並已不時採取若干合理措施，確保有妥善保障，防止違反有關本集團的披露規定，包括：

管理層不時評估本集團的內控系統，同時集團亦聘請專業機構每年評估本集團內控情況。該專業機構已完成自二零一七年一月一日至二零一七年十二月三十一日止期間的評估。根據二零一七年進行的內部監控檢討，並無識別到重大監控缺陷。

### 內部核數師

本集團設有內部審計（「內部審計」）部門，由具備有關專長的專業員工組合。內部審計部門獨立於本集團的日常營運，藉進行訪問、巡查及營運效能對風險管理及內部監控進行評估。

內部審計計劃已獲董事會批准。根據已制定的計劃，每年將檢視風險管理及內部監控制度，隨後經審計委員會向董事會報告結果。

### Effectiveness of the Risk Management and Internal Control Systems

The Board is responsible for the risk management and internal control systems of the Group and ensuring review of the effectiveness of these systems has been conducted annually. Several areas have been considered during the Board's review, which include but not limited to (i) the changes in the nature and extent of significant risks since the last annual review, and the Group's ability to respond to changes in its business and the external environment (ii) the scope and quality of management's ongoing monitoring of risks and of the internal control systems.

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

### SHAREHOLDERS' RIGHTS

The following procedures for shareholders of the Company to convene an extraordinary general meeting ("EGM") of the Company are prepared in accordance with the articles of association as follows:

- (1) One or more shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings, shall have the right, by written notice, to require an EGM to be called by the Directors of the Company for the transaction of any business specified in such requisition.
- (2) Such requisition shall be made in writing to the Board or the company secretary of the Company at the following:

*Principal place of business of the Company in Hong Kong*  
Address: Room 809-810, Kwong Sang Hong Centre,  
151-153 Hoi Bun Road,  
Kwun Tong, Kowloon, Hong Kong  
Email: ir@yantat.com  
Attention: Mr. Lai Hau Yin

*Registered office of the Company*  
Address: Room 809-810, Kwong Sang Hong Centre,  
151-153 Hoi Bun Road,  
Kwun Tong, Kowloon, Hong Kong  
Attention: Mr. Lai Hau Yin

- (3) The EGM shall be held within two months after the deposit of such requisition.

### 風險管理及內部監控制度之效能

董事會負責本集團之風險管理及內部監控制度，以及確保每年檢視該等制度的效能。董事會於檢視時會考慮數個範疇，包括但不限於：(i) 自上次年度檢視起，重大風險之性質及幅度之變動，以及本集團回應其業務及外部環境之變動之能力；(ii) 管理層持續監察風險及內部監控制度之範疇及質素。

董事會根據其檢視及內部審計部門及審計委員會之檢視達成結論，即風險管理及內部監控制度屬有效及充份。然而該等制度之設計旨在管理而非消除失效風險以達成業務目標，故僅可對重大錯誤陳述或虧損提供合理而非絕對保證。董事會亦認為有關僱員之資源、員工資歷及經驗屬充足及所提供之培訓計劃及預算屬充份。

### 股東權利

下列本公司股東召開本公司股東特別大會（「股東特別大會」）之程序乃根據組織章程細則編製：

- (1) 任何一名或以上於遞呈要求日期持有不少於本公司繳足股本（附於股東大會之投票權）十分之一股東有權透過發出書面通知，要求本公司董事召開股東特別大會，以處理有關要求中指明的任何事項。
- (2) 有關要求須以書面方式寄交本公司董事會或公司秘書，地址如下：

*本公司香港主要營運地點*  
地址：香港九龍觀塘  
海濱道 151-153 號  
廣生行中心 809-810 室  
電郵：ir@yantat.com  
收件人：黎孝賢先生

*本公司註冊辦事處*  
地址：香港九龍觀塘  
海濱道 151-153 號  
廣生行中心 809-810 室  
收件人：黎孝賢先生

- (3) 股東特別大會須於遞呈有關要求起計兩個月內舉行。

# Corporate Governance Report

## 企業管治報告

(4) If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

For matters in relation to the Board, the shareholders can contact the Company at the following:

By post to the Company's headquarter in Hong Kong  
By email to [ir@yantat.com](mailto:ir@yantat.com)

To put forward proposals at a general meeting of the Company, a shareholder should lodge a written notice of his or her proposal ("Proposal") with his or her detailed contact information at the Company's principal place of business in Hong Kong.

The request will be verified with the Company's branch share registrars in Hong Kong and upon their confirmation that the request is proper and in order, the Board will be asked to include the Proposal in the agenda for the general meeting.

The notice period to be given to all the shareholders for consideration of the Proposal raised by the shareholder concerned at the general meeting varies according to the nature of the Proposal as follows:

- (1) At least 14 days' notice in writing if the Proposal requires approval by way of ordinary resolution of the Company.
- (2) At least 21 days' notice in writing if the Proposal requires approval by way of a special resolution of the Company in an EGM of the Company or an ordinary resolution of the Company in an annual general meeting of the Company.

(4) 倘於有關要求發出之二十一日內，董事會未能召開有關會議，則要求人自己可以相同方式召開股東特別大會，而要求人因董事會未能召開會議而招致之所有合理開支將由本公司賠償予要求人。

就有關董事會之事宜，股東可聯絡本公司，地址如下：

郵寄至本公司香港總部  
電郵至 [ir@yantat.com](mailto:ir@yantat.com)

就於本公司股東大會上提呈建議，股東應將彼之建議（「建議」）之書面通知連同彼之聯絡資料詳情送交本公司之香港主要營業地點。

本公司之香港股份過戶登記分處將核實有關要求，一經核實該要求屬妥善及有序，便會尋求董事會將有關建議納入股東大會議程。

給予全體股東以供彼等省覽由有關股東於股東大會上提出的建議的通知期將因應建議性質而定，詳情如下：

- (1) 倘建議須藉由本公司普通決議案批准，則最少為十四日書面通知。
- (2) 倘建議須於本公司股東特別大會上藉由本公司特別決議案，或於本公司股東週年大會上藉由本公司普通決議案批准，則最少為二十一日書面通知。



### INVESTOR RELATIONS AND COMMUNICATION

The Board recognises the importance of good communications with all shareholders. The Company believes that maintaining a high level of transparency is a key to enhance investor relations. The Company is committed to a policy of open and timely disclosure of corporate information to its shareholders and investing public.

The Company updates its shareholders on its latest business developments and financial performance through its corporate publications including annual reports and public announcements. Extensive information about the Company's activities for the year ended 31 December 2017 has been provided in this annual report. While the AGM provides a valuable forum for direct communication between the Board and its shareholders, the Company also maintains its website ([www.yantat.com](http://www.yantat.com)) to provide an alternative communication channel for the public and its shareholders. All corporate communication and Company's latest updates are available on the Company's website for public's information.

From the Listing Date and up to the date of this annual report, there has been no significant change in the Company's constitutional documents.

Hong Kong, 26 March 2018

### 投資者關係及通訊

董事會深知與全體股東建立良好溝通的重要。本公司相信維持高水平的透明度對改善投資者關係而言至關重要。本公司主張向其股東及公眾投資者公開及適時披露公司資料的政策。

本公司透過公司刊物(包括年報及公告)向股東提供有關其最近期的業務發展及財務表現。有關本公司截至二零一七年十二月三十一日止年度活動的更多資料載於本年報。股東週年大會為董事會及其股東提供可直接溝通的寶貴平台，本公司亦設立網站([www.yantat.com](http://www.yantat.com))，向公眾人士及其股東提供額外通訊渠道。所有公司通訊及本公司最新消息均刊載於本公司網站，可供公眾查閱。

自上市日期起至本年報日期，本公司章程文件概無重大變動。

香港，二零一八年三月二十六日

# Report of the Directors

## 董事會報告

The Directors have the pleasure of presenting their annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2017 (the "Consolidated Financial Statements").

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding and those of the principal subsidiaries of the Company are set out in note 1 to the Consolidated Financial Statements. Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance can be found in the sections headed "Chairman's Statement" set out on pages 4 and 5 and "Management Discussion and Analysis" set out on pages 8 to 16 of this annual report. This discussion forms part of this report of the Directors.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2017 and the state of affairs of the Group as at 31 December 2017 are set out in the Consolidated Financial Statements on pages 58 to 140.

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2017 (2016: Nil).

### FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and assets and liabilities of the Group for the last five financial years is set out on page 7. This summary does not form part of the Consolidated Financial Statements.

### SHARE CAPITAL

Details of movements in share capital of the Company during the year are set out in note 27 to the Consolidated Financial Statements.

### INVESTMENT PROPERTIES

At 31 December 2017, the investment properties of the Group were revalued by an independent firm of professional surveyor and property valuer on an open market value basis at HK\$25,074,000 (2016: HK\$19,351,000).

Details of these and other movements during the year in the investment properties of the Group are set out below and in note 14 to the Consolidated Financial Statements.

Property location 物業地點	Existing use 現時用途	Term of lease 租期
1. Unit 2705, Level 27, Tongda Chuangye Building, No.1, Alley 600, Tianshan Road, Changning District, Shanghai, The PRC 中國上海市長寧區天山路600弄1號同達創業大廈27樓2705室	Commercial 商業	Long 長期
2. Flat 1812, 1912, 2012, 2112, 2206, 2306, 2402, 2406 and 2506, Block B, Elife Park, Yanziling Third Road, Pingshan New District, Shenzhen, The PRC 中國深圳市坪山新區燕子嶺三路豪方菁園B棟1812、1912、2012、2112、2206、2306、2402、2406及2506室	Residential 住宅	Long 長期

董事欣然呈報其年報，連同本集團截至二零一七年十二月三十一日止年度的經審核綜合財務報表（「綜合財務報表」）。

### 主要業務及業務回顧

本公司的主要業務為投資控股，而本公司旗下主要附屬公司的主要業務載於綜合財務報表附註1內。根據香港公司條例附表5所規定，有關該等業務之進一步討論及分析可參閱本年報第4及5頁所載之「主席報告」及第8至16頁所載之「管理層討論及分析」。此討論構成董事會報告之一部份。

### 業績及撥用

本集團截至二零一七年十二月三十一日止年度的業績及本集團於二零一七年十二月三十一日的事務狀況載於綜合財務報表第58至140頁。

董事不建議派付截至二零一七年十二月三十一日止年度之末期股息（二零一六年：無）。

### 五年財務概要

本集團過往五個財政年度的業績以及資產及負債概要載於第7頁。該概要不構成綜合財務報表的一部分。

### 股本

本公司年內股本變動的詳情載於綜合財務報表附註27內。

### 投資物業

於二零一七年十二月三十一日，本集團投資物業經獨立專業測量師及物業估值師公司按公開市值基準重估為25,074,000港元（二零一六年：19,351,000港元）。

本集團投資物業之上述變動及年內其他變動之詳情載於下文及綜合財務報表附註14。

# Report of the Directors

## 董事會報告

### RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on pages 62 and 63 of this annual report and note 38 to the Consolidated Financial Statements, respectively.

### DISTRIBUTABLE RESERVES

As at 31 December 2017, the Company's distributable reserves, calculated under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to approximately HK\$57.5 million (2016: HK\$61.4 million).

### DONATIONS

During the year, the Group made charitable and other donations amounted to HK\$225,000 (2016: HK\$412,000).

### MAJOR CUSTOMERS AND SUPPLIERS

Sales attributable to the Group's largest customer and the five largest customers accounted for approximately 30.1% and 59.3% (2016: 29.7% and 57.1%) respectively of the Group's total revenue for the year ended 31 December 2017. The purchases made by the Group from its largest supplier and the five largest suppliers accounted for approximately 36.2% and 68.4% (2016: 35.0% and 66.2%) of the Group's total purchases for the year ended 31 December 2017, respectively.

To the best knowledge of the Directors, neither the Directors, their close associates, nor any shareholders who owned more than 5% of the Company's issued share capital, had any beneficial interest in any of the Group's five largest customers or suppliers during the year.

### MANAGEMENT CONTRACTS

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

### PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance cover for Director's and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities. The permitted indemnity provision is in force for the benefit of the Directors as required by section 470 of the Companies Ordinance (Chapter 622, Laws of Hong Kong) when the Report of the Board of the Directors prepared by the Directors is approved in accordance with section 391(1)(a) of the Companies Ordinance (Chapter 622, Laws of Hong Kong).

### SUBSIDIARIES

The details of the major subsidiaries of the Company are set out in note 1 to the Consolidated Financial Statements.

### 儲備

本集團及本公司於年內的儲備變動詳情分別載於本年報第62及63頁的綜合權益變動表及綜合財務報表附註38。

### 可供分派儲備

於二零一七年十二月三十一日，根據開曼群島第22章公司法(一九六一年第三號法例，經綜合及修訂)計算，本公司可供分派儲備約為57.5百萬港元(二零一六年：61.4百萬港元)。

### 捐款

年內，本集團作出慈善及其他捐款225,000港元(二零一六年：412,000港元)。

### 主要客戶及供應商

源自本集團最大客戶及五大客戶之銷售額分別佔本集團截至二零一七年十二月三十一日止年度總收益約30.1%及59.3%(二零一六年：29.7%及57.1%)。本集團向其最大供應商及五大供應商之採購額分別佔本集團截至二零一七年十二月三十一日止年度採購總額約36.2%及68.4%(二零一六年：35.0%及66.2%)。

就董事所深知，年內，董事、其緊密聯繫人或任何擁有本公司已發行股本5%以上的股東概無於本集團任何五大客戶或供應商中擁有任何實益權益。

### 管理合約

年內，本公司並無訂立或存在任何與本公司全部或任何重要部份業務之管理及行政有關之合約。

### 獲准許的彌償條文

本公司已就為董事及行政人員因企業活動而產生針對其董事及高級管理層之法律行動所承擔的責任作適當之投保安排。於董事編製之董事會報告根據香港法例第622章公司條例第391(1)(a)條獲通過時，基於董事利益的獲准許彌償條文按香港法例第622章公司條例第470條的規定生效。

### 附屬公司

有關本公司主要附屬公司的詳情載於綜合財務報表附註1。

# Report of the Directors

## 董事會報告

### PROPERTY, PLANT AND EQUIPMENT

During the year, the Group's total capital expenditure amounted to approximately HK\$13.7 million (2016: HK\$27.2 million) which was mainly used for acquisition of machineries and equipment, interior decoration of staff dormitory.

Details of movements in property, plant and equipment during the year are set out in note 13 to the Consolidated Financial Statements.

### BORROWINGS

Particulars of borrowings of the Group as at 31 December 2017 date are set out in note 24 and note 25 to the Consolidated Financial Statements. The details of the Group's charges of assets are set out on page 16.

### DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

#### Executive Directors

Mr. Chan Wing Yin  
(Chairman)  
Mrs. Chan Yung  
Mr. Chan Yan Kwong (Re-designated as non-executive director on 1 November 2017)  
Mr. Chan Yan Wing

#### Non-executive Director

Mr. Chan Yan Kwong (Re-designated from executive director to non-executive director on 1 November 2017)

#### Independent Non-executive Directors

Mr. Chung Yuk Ming  
Mr. Yau Wing Yiu  
Mr. Lau Shun Chuen

Each of the executive Directors has entered into a service contract with the Company for a term of three years, subject to retirement by rotation and re-election at annual general meeting and shall continue thereafter until terminated by not less than three months' notice in writing served by either party on the other or otherwise in accordance with the terms of the service contract.

Each of the independent non-executive Directors has signed a letter of appointment with the Company for a term of three years, subject to retirement by rotation and re-election at annual general meeting and until terminated by not less than three months' notice in writing served by either party on the other or otherwise in accordance with the terms of the letter of appointment.

### 物業、廠房及設備

年內，本集團的資本開支總額約為13.7百萬港元(二零一六年：27.2百萬港元)，該款項主要用於購置機械及設備以及員工宿舍內部裝修工程。

有關年內物業、廠房及設備變動的詳情載於綜合財務報表附註13。

### 借款

本公司於二零一七年十二月三十一日之借款詳情載於綜合財務報表附註24及附註25。有關本集團資產抵押的詳情載於第16頁。

### 董事及董事服務合約

於年內及直至本報告日期的本公司董事如下：

#### 執行董事

陳榮賢先生  
(主席)  
陳勇女士  
陳恩光先生(於二零一七年十一月一日調任為非執行董事)  
陳恩永先生

#### 非執行董事

陳恩光先生(於二零一七年十一月一日由執行董事調任為非執行董事)

#### 獨立非執行董事

鍾玉明先生  
邱榮耀先生  
劉順銓先生

各執行董事已與本公司訂立服務合約，為期三年，並須在股東週年大會上輪值退任及膺選連任，及後將持續生效，直至其中一方向另一方發出不少於三個月的書面通知予以終止或根據服務合約之條款另行終止。

各獨立非執行董事已與本公司簽署委任函，為期三年，並須於股東週年大會上輪席退任及膺選連任，直至其中一方向另一方發出不少於三個月的書面通知予以終止或根據委任函之條款另行終止。



# Report of the Directors

## 董事會報告

No Director has a service contract which is not determinable by the Company or any of its subsidiaries within 1 year without payment of compensation, other than statutory compensation.

The Company has received annual confirmation of independence from each of the independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules and all of them are considered to be independent.

In accordance with the Company's articles of association, one third of the existing Directors shall retire from office at the forthcoming annual general meeting.

### DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed above, no Director of the Company or an entity connected with such Director had a material interest, either directly or indirectly, in any transaction, arrangement or contract that is significant in relation to the business of the Group to which the holding company of the Company, or any of the Company's subsidiaries or fellow subsidiaries was a party during the year.

### BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management of the Group are disclosed in the section headed "Directors and Senior Management Profile" on pages 17 to 22 of this annual report.

### CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as disclosed in this annual report and Prospectus, there was no contract of significance or contract of significance for provision of services, to which the Company or its holding company or any of its subsidiaries was a party and in which any controlling shareholder or its subsidiaries had a material interest subsisted at the end of the year or at any time during the year.

### NON-COMPETITION UNDERTAKING BY CONTROLLING SHAREHOLDERS

Each of the controlling shareholders has made an annual declaration in respect of their compliance with the terms of non-competition undertaking.

Details of the non-competition undertaking are set out in the section headed "Relationship with Controlling Shareholders" of the Prospectus.

The non-competition undertakings in respect of the controlling shareholders have become effective from the Listing Date.

董事概無與本公司或其任何附屬公司訂立不可於一年內不支付補償(法定補償除外)而終止之服務合約。

根據上市規則第3.13條，本公司已獲各獨立非執行董事發出年度獨立確認書，而彼等全體均被視為獨立。

根據本公司組織章程細則，三分之一的現任董事須於應屆股東週年大會退任。

### 董事於交易、安排或合約之權益

除上文所披露者外，年內本公司董事或有關董事的關連實體概無於任何由本公司控股公司或本公司任何附屬公司或同系附屬公司所訂立對本集團業務而言屬重大的任何交易、安排或合約中，直接或間接擁有重大權益。

### 董事及高級管理層之履歷

本集團董事及高級管理層之履歷詳情於本年報第17至22頁「董事及高級管理層簡歷」一節披露。

### 控股股東於合約之權益

除本年報及招股章程所披露者外，於年末或年內任何時間，本公司或其控股公司或任何其附屬公司概無訂立任何控股股東或其附屬公司於其中擁有重大權益之重大合約或提供服務之重大合約。

### 控股股東之不競爭承諾

各控股股東已就其遵守不競爭承諾條款作出年度聲明。

不競爭承諾詳情載於招股章程「與控股股東的關係」一節。

有關控股股東之不競爭承諾已自上市日期起生效。

# Report of the Directors

## 董事會報告

### NON-COMPETITION UNDERTAKING BY EXECUTIVE DIRECTORS AND NON-EXECUTIVE DIRECTOR

Each of the executive Directors and non-executive Director of the Company has made an annual declaration in respect of their compliance with the terms of non-competition undertaking.

The non-competition undertakings in respect of the executive Directors and non-executive Director have become effective from the Listing Date.

The independent non-executive Directors had reviewed and confirmed that the executive Directors and non-executive Director of the Company have complied with the non-competition undertaking and the non-competition undertaking has been enforced by the Company in accordance with its terms.

### NEW BUSINESS OPPORTUNITY

There was no New Opportunity (as defined in the Prospectus headed "Relationship with Controlling Shareholders — Non Competition Undertakings") referred by the controlling shareholders to the Company as provided under the non-competition undertaking.

### CONTRACTS WITH CONTROLLING SHAREHOLDERS

No contract of significance had been entered into between the Company or any of its subsidiaries, and the controlling shareholders or any of their subsidiaries during the year ended 31 December 2017.

### CONNECTED TRANSACTIONS

The Company has entered into the following continuing connected transactions (as defined under the Listing Rules) for the year ended 31 December 2017:

- (1) On 16 May 2016, YT Industrial, an indirect wholly-owned subsidiary of the Company entered into a lease agreement ("Yantek Lease") with Yantek Electronics Company Limited ("Yantek") a connected person of the Company within the meanings of the Listing Rules. Pursuant to the Yantek Lease, YT Industrial shall lease from Yantek the premises situated at Flat E on 15th Floor and Flat Roof immediately above of Tower 5 and Car Parking Space No. 11 on Car Park B1, One Beacon Hill, No. 1 Beacon Hill Road, Kowloon, Hong Kong with a gross total floor area of approximately 1,473 square feet at a monthly rental of HK\$55,000 for a term of two years commencing on 1 June 2016 and ending on 31 May 2018 as staff quarter for Mr. Chan Wing Yin and Mrs. Chan Yung.

### 執行董事及非執行董事之不競爭承諾

本公司各執行董事及非執行董事已就其遵守不競爭承諾條款作出年度聲明。

有關執行董事及非執行董事之不競爭承諾已自上市日期起生效。

獨立非執行董事已審閱及確認本公司執行董事及非執行董事已遵守不競爭承諾及本公司已根據其條款執行不競爭承諾。

### 新業務機會

控股股東概無根據不競爭承諾規定向本公司轉介新業務機會(定義見招股章程「與控股股東的關係 — 不競爭承諾」)。

### 與控股股東之合約

截至二零一七年十二月三十一日止年度，本公司或其任何附屬公司概無與控股股東或其任何附屬公司訂立重大合約。

### 關連交易

截至二零一七年十二月三十一日止年度，本公司已訂立以下持續關連交易(定義見上市規則)：

- (1) 於二零一六年五月十六日，本公司間接全資附屬公司恩達實業與本公司之關連人士(定義見上市規則)恩德電子有限公司(「恩德」)訂立租賃協議(「恩德租賃」)。根據恩德租賃，恩達實業將向恩德租用位於香港九龍筆架山道1號畢架山一號5座15樓E室連上層天台以及B1停車場11號車位的物業(總建築面積約1,473平方呎)，月租為55,000港元，租期由二零一六年六月一日起至二零一八年五月三十一日止，為期兩年，將用作陳榮賢先生及陳勇女士之員工宿舍。

(2) On 25 November 2016, Yan Tat Technology Limited (“YT Technology”), an indirect wholly-owned subsidiary of the Company renewed a tenancy agreement (“Headquarters Lease”) with Yantek, a connected person of the Company within the meanings of the Listing Rules. Pursuant to the Headquarters Lease, YT Technology shall lease from Yantek the office premises and warehouse located at Room 09, 10 and 14 on 8th Floor, Kwong Sang Hong Centre, Nos. 151–153 Hoi Bun Road, Kwun Tong Kowloon, Hong Kong at a monthly rental of HK\$80,300 for a term of 2 years commencing on 25 November 2016 and ending on 24 November 2018 for the Group’s use.

Yantek is beneficially owned as to 34% by Mr. Chan Yan Wing, 33% by Mr. Chan Yan Kwong and 33% by Ms. Chan Yan Sam. Mr. Chan Yan Wing and Mr. Chan Yan Kwong are the Directors of the Company. Ms. Chan Yan Sam is the sister of Mr. Chan Yan Kwong and Mr. Chan Yan Wing and the daughter of Mr. Chan Wing Yin and Mrs. Chan Yung.

The continuing connected transactions mentioned above are fully exempt from the reporting, annual review, announcement requirements and the independent shareholders’ approval requirements as set out in Chapter 14A of the Listing Rules.

Save as disclosed above, a summary of significant related party transactions, which do not constitute connected transactions, made during the year is disclosed in note 34 to the Consolidated Financial Statements. The Company confirmed that it has complied with the disclosure requirements in Chapter 14A of the Listing Rules.

### SHARE OPTION SCHEME

The Company’s existing Share Option Scheme was approved for adoption pursuant to a written resolution of all of our Shareholders passed on 18 November 2014 for the purpose to provide our Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and or providing benefits to eligible participants and for such other purposes as the Board approve from time to time.

Subject to the terms of the Share Option Scheme, the Board may, at their absolute discretion, grant or invite any person belonging to any of the following classes to take up options to subscribe for shares: (a) any employee, supplier, service provider, customer, partner or joint-venture partner of the Group (including any director, whether executive and whether independent or not, of the Group) who is in full-time or part-time employment with the Company or any subsidiaries, (b) any person who have contributed or may contribute to the Group.

(2) 於二零一六年十一月二十五日，本公司間接全資附屬公司恩達科技有限公司（「恩達科技」）與本公司之關連人士（定義見上市規則）恩德訂立租賃協議（「總部租賃」）。根據總部租賃，恩達科技將向恩德租用位於香港九龍觀塘海濱道151–153號廣生行中心8樓09號、10號及14號單位的辦公室物業及倉庫，月租為80,300港元，租期由二零一六年十一月二十五日起至二零一八年十一月二十四日止，為期兩年，供本集團使用。

恩德由陳恩永先生、陳恩光先生及陳恩沁女士實益擁有34%、33%及33%權益。陳恩永先生及陳恩光先生為本公司董事。陳恩沁女士為陳恩光先生及陳恩永先生的胞妹以及陳榮賢先生及陳勇女士的女兒。

上述持續關連交易獲全面豁免遵守上市規則第14A章項下之申報、年度審閱、公告規定及獨立股東批准規定。

除上文所披露者外，於年內所作出而並不構成關連交易之重大關聯方交易概要於綜合財務報表附註34披露。本公司確認其已遵守上市規則第14A章之披露規定。

### 購股權計劃

本公司現有購股權計劃乃根據全體股東於二零一四年十一月十八日通過的書面決議案批准採購，讓本公司能以更靈活的方式，給予合資格參與者激勵、獎勵、報酬、補償及／或福利及切合董事會不時通過之其他目的。

根據購股權計劃之條款，董事會可全權酌情向以下任何類別之任何人士授出或邀請彼等接納購股權，以認購股份：(a) 本集團任何僱員、供應商、服務供應商、客戶、合夥人或合營夥伴（包括本集團任何董事，不論是否執行董事，亦不論是否獨立於本集團），彼等獲本公司或任何附屬公司全職或兼職聘任；(b) 對本集團作出貢獻或可能作出貢獻之任何人士。

# Report of the Directors

## 董事會報告

The maximum number of shares which may be issued upon exercise of all outstanding options granted under the Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the total number of shares in issue from time to time.

The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the total number of shares in issue on 8 December 2014 unless the Company seeks the approval of the shareholders in general meeting for refreshing the 10% limit under the Share Option Scheme provided that options lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company will not be counted for the purpose of calculating 10% limit.

Details of the principal terms of the Share Option Scheme are set out in paragraph headed "Share Option Scheme" in the section headed "Statutory and General Information" in Appendix V to the Prospectus. The principal terms of the Share Option Scheme are summarised as follows:

The Share Option Scheme was adopted for a period of 10 years commencing from 18 November 2014 and remains in force until 17 November 2024. The Company may, by resolution in general meeting or, such date as the Board determined, terminate the Share Option Scheme at any time without prejudice to the exercise of options granted prior to such termination.

The exercise price per share of the Company for each option granted shall be determined by the Board in its absolute discretion but in any event shall be at least the higher of:

- (1) the closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of offer for the grant of option ("Date of Grant") which must be a trading day;
- (2) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the Date of Grant; and
- (3) the nominal value of the shares on the Date of Grant.

Upon acceptance of the options, the grantee shall pay HK\$1.00 to the Company as consideration for the grant. The acceptance of an offer of the grant of the option must be made within the date as specified in the offer letter issued by the Company. The exercise period of any option granted under the Share Option Scheme shall not be longer than 10 years commencing on the date of grant and expiring on the last day of such 10-year period subject to the provisions for early termination as contained in the Share Option Scheme.

根據購股權計劃及本公司任何其他購股權計劃授出之所有未行使購股權獲行使後可能發行之最高股份數目不得超逾不時已發行股份總數之30%。

根據購股權計劃及本公司任何其他購股權計劃授出之所有購股權獲行使後可能發行之股份總數不得超逾於二零一四年十二月八日已發行股份總數之10%，除非本公司於股東大會上尋求股東批准更新購股權計劃項下之10%限額則作別論，惟計算10%限額時將不會計及根據購股權計劃或本公司任何其他購股權計劃條款失效之購股權。

購股權計劃之主要條款詳情載於招股章程附錄五「法定及一般資料」一節「購股權計劃」一段。購股權計劃之主要條款概述如下：

購股權計劃之採納期限為十年，由二零一四年十一月十八日起計，直至二零二四年十一月十七日均為有效。本公司可透過於股東大會上通過決議案或按董事會所釐定之日期隨時終止購股權計劃，而不損害於有關終止前授出之購股權之行使權利。

本公司各份已授出購股權之每股行使價將由董事會全權酌情決定，惟無論如何不得低於下列最高者：

- (1) 股份於授出購股權日期（「授出日期」，必須為交易日）在聯交所出具之每日報價表所載之收市價；
- (2) 股份於緊接授出日期前五個營業日在聯交所出具之每日報價表所載之平均收市價；及
- (3) 股份於授出日期之面值。

接納購股權後，承授人須向本公司支付1.00港元，作為授出之代價。提呈授出之購股權必須於本公司發出之要約函件所指定之日期內獲接納。根據購股權計劃授出之任何購股權之行使期不得超過十年，由授出日期起計，並於有關十年期間結束當日屆滿，惟根據購股權計劃所載之條文可提早終止。



# Report of the Directors

## 董事會報告

The total number of new shares of the Company that may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share options schemes of the Company shall not exceed 24,000,000 shares, which represents 10% of the shares in issue of the Company as at the date of this report.

The maximum number of shares issued and to be issued upon exercise of the options granted and to be granted to each grantee under the Share Option Scheme (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of Shares in issue. Any further grant of options in excess of this 1% limit shall be subject to issuance of a circular by the Company and approved by its shareholders in accordance with the Listing Rules.

Any grant of share options to a director, chief executive or substantial shareholder of the Company, or to any of their associates, is required to be approved by the independent non-executive directors. In addition, any grant of share options to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

From the date of adoption of the Share Option Scheme to 31 December 2017, no options were granted under the Share Option Scheme.

Additional particulars of the Company's Share Option Scheme are set out in note 28 to the Consolidated Financial Statements.

Apart from the aforesaid share option schemes, at no time during the year ended 31 December 2017 was any of the Company and its holding companies, subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercise any such right.

根據購股權計劃及本公司任何其他購股權計劃授出之所有購股權獲行使後可能發行之本公司新股份總數不得超過24,000,000股，即本公司於本報告日期已發行股份10%。

在任何十二個月期間內，根據購股權計劃已授予或將授予各承授人的購股權(包括已予行使、註銷及尚未行使之購股權)獲行使後已發行及將發行之最高股份數目不得超過已發行股份總數之1%。任何進一步授出且超出該1%限額之購股權須由本公司根據上市規則刊發通函，並由其股東批准後，方可進行。

向本公司董事、主要行政人員或主要股東，或彼等任何之聯繫人士授出任何購股權須獲得獨立非執行董事的批准，方可落實。此外，於任何十二個月期間，向本公司主要股東或獨立非執行董事，或任何彼等各自之聯繫人士授出的任何購股權超過本公司任何時間已發行股份的0.1%，或總值(根據本公司股份於授出日期的收市價)超過5百萬港元，須於股東大會獲得股東的事先批准，方可落實。

購股權概無賦予持有人收取股息或於股東大會上投票之權利。

自購股權計劃採納日期起至二零一七年十二月三十一日，概無根據購股權計劃授出購股權。

本公司購股權計劃之更多詳情載於綜合財務報表附註28。

除前述購股權計劃外，於截至二零一七年十二月三十一日止年度，本公司及其任何控股公司、附屬公司及同系附屬公司概無訂立任何安排，致使董事可透過收購本公司或任何其他團體公司之股份或債券獲取利益，且亦無董事，或彼等之配偶或十八歲以下的子女擁有任何權利可認購本公司之股份或債券，或已行使有關權利。

# Report of the Directors

## 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2017, the Directors and chief executives of the Company had the following interests in the shares, underlying shares and debentures of the Company, its Group members and/or associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code in the Listing Rules:

#### The Company

Name of Director	Name of Group member	Capacity/ nature of interest	Number of ordinary shares held (Note 1) 持有普通股數目 (附註1)	Percentage of shareholding
董事姓名	集團成員名稱	身份／權益性質		持股百分比
Mr. Chan Wing Yin	The Company	Interest in a controlled corporation (Note 2)	180,000,000 shares (L)	75%
陳榮賢先生	本公司	受控制法團權益(附註2)	180,000,000股(L)	
Mrs. Chan Yung	The Company	Interest of spouse (Note 3)	180,000,000 shares (L)	75%
陳勇女士	本公司	配偶權益(附註3)	180,000,000股(L)	

Notes:

- The letter "L" denotes the Directors' long position in the shares of the Company or the relevant associated corporation
- The Company is held as to approximately 75% by Million Pearl Holdings Ltd. ("Million Pearl"). Million Pearl is held as to 70% by Mr. Chan Wing Yin and 30% by Mrs. Chan Yung. Mr. Chan Wing Yin is the spouse of Mrs. Chan Yung. Under the SFO, Mr. Chan Wing Yin is taken to be interested in the same number of shares in which Mrs. Chan Yung is interested.
- Million Pearl is held as to 70% by Mr. Chan Wing Yin and 30% by Mrs. Chan Yung. Mrs. Chan Yung is the spouse of Mr. Chan Wing Yin. Under the SFO, Mrs. Chan Yung is taken to be interested in the same number of shares to which Mr. Chan Wing Yin is interested.

### 董事及主要行政人員於股份、相關股份及債券中之權益或淡倉

於二零一七年十二月三十一日，董事及本公司主要行政人員於本公司、其集團成員公司及／或相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中擁有下列記錄於根據證券及期貨條例第352條須予存置的登記冊的權益，或根據上市規則所載之標準守則須通知本公司及聯交所的權益：

#### 本公司

Name of Director	Name of Group member	Capacity/ nature of interest	Number of ordinary shares held (Note 1) 持有普通股數目 (附註1)	Percentage of shareholding
董事姓名	集團成員名稱	身份／權益性質		持股百分比
Mr. Chan Wing Yin	The Company	Interest in a controlled corporation (Note 2)	180,000,000 shares (L)	75%
陳榮賢先生	本公司	受控制法團權益(附註2)	180,000,000股(L)	
Mrs. Chan Yung	The Company	Interest of spouse (Note 3)	180,000,000 shares (L)	75%
陳勇女士	本公司	配偶權益(附註3)	180,000,000股(L)	

附註：

- 「L」指董事於本公司或相關相聯法團股份的好倉。
- 本公司由 Million Pearl Holdings Ltd. (「Million Pearl」) 擁有約 75% 權益。Million Pearl 由陳榮賢先生及陳勇女士分別擁有 70% 及 30% 權益。陳榮賢先生為陳勇女士的配偶。根據證券及期貨條例，陳榮賢先生被視作於陳勇女士擁有權益的相同數目之股份中擁有權益。
- Million Pearl 分別由陳榮賢先生及陳勇女士持有 70% 及 30% 權益。陳勇女士為陳榮賢先生的配偶。根據證券及期貨條例，陳勇女士被視作於陳榮賢先生擁有權益的相同數目之股份中擁有權益。

# Report of the Directors

## 董事會報告

### Associated Corporation

### 相聯法團

Name of Director	Name of associated corporation	Capacity/ nature of interest	Number of ordinary shares held (Note 1) 持有普通股數目 (附註1)	Percentage of shareholding 持股百分比
董事姓名	相聯法團名稱	身份／權益性質		
Mr. Chan Wing Yin 陳榮賢先生	Million Pearl	Beneficial owner/ Interest of spouse 實益擁有人／配偶權益	10 shares 10股	100%
Mrs. Chan Yung 陳勇女士	Million Pearl	Beneficial owner/ Interest of spouse 實益擁有人／配偶權益	10 shares 10股	100%

Note:

- The disclosed interest represents the interests in the associated corporation, Million Pearl, which is held as to 70% by Mr. Chan Wing Yin and 30% by Mrs. Chan Yung. Under the SFO, each of Mr. Chan Wing Yin and Mrs. Chan Yung is taken to be interested in the same number of shares in which other is interested.

附註：

- 所披露權益指於相聯法團 Million Pearl 的權益，其由陳榮賢先生及陳勇女士分別擁有 70% 及 30% 權益。根據證券及期貨條例，陳榮賢先生及陳勇女士各被視作於另一方擁有權益的相同數目之股份中擁有權益。

Save as disclosed above, as at 31 December 2017, none of the Directors and chief executives of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code of the Listing Rules.

除上文所披露者外，於二零一七年十二月三十一日，概無董事及本公司主要行政人員於本公司或其相聯法團（定義見證券及期貨條例第 XV 部）之任何股份、相關股份或債券中擁有任何其他根據證券及期貨條例第 XV 部第 7 及 8 分部須通知本公司及聯交所之權益或淡倉（包括根據證券及期貨條例有關條文被當作或被視作擁有之權益或淡倉），或根據證券及期貨條例第 352 條須記入該條所指之登記冊之權益或淡倉，或根據上市規則所載之標準守則須通知本公司及聯交所之權益或淡倉。

# Report of the Directors

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND/OR SHORT POSITION IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2017, so far as was known to the Directors, the following persons/entities (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name of Shareholder	Capacity/Nature of interest	Number of ordinary shares held (Note 1) 持有普通股數目 (附註1)	% of interest in the Company 於本公司之權益百分比
股東名稱/姓名	身份/權益性質		
Million Pearl (Note 2)	Beneficial owner	180,000,000 shares (L)	75%
Million Pearl (附註2)	實益擁有人	180,000,000 股 (L)	
Mr. Chan Wing Yin	Interest in a controlled corporation (Note 3)	180,000,000 shares (L)	75%
陳榮賢先生	受控制法團權益 (附註3)	180,000,000 股 (L)	
Mrs. Chan Yung	Interest of spouse (Note 4)	180,000,000 shares (L)	75%
陳勇女士	配偶權益 (附註4)	180,000,000 股 (L)	

Notes:

- The letter "L" denotes the person's long position in the shares of the Company or the relevant Group member.
- Million Pearl is directly interested in approximately 75% of the Company.
- The Company is held as to approximately 75% by Million Pearl. Million Pearl is held as to 70% by Mr. Chan Wing Yin and 30% by Mrs. Chan Yung. Mr. Chan Wing Yin is the spouse of Mrs. Chan Yung. Under the SFO, Mr. Chan Wing Yin is taken to be interested in the same number of shares in which Mrs. Chan Yung is interested.
- Million Pearl is held as to 70% by Mr. Chan Wing Yin and 30% by Mrs. Chan Yung. Mrs. Chan Yung is the spouse of Mr. Chan Wing Yin. Under the SFO, Mrs. Chan Yung is taken to be interested in the same number of shares in which Mrs. Chan Yung is interested.

Save as disclosed above, as at 31 December 2017, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

### 主要股東及其他人士於本公司股份及相關股份中之權益及/或淡倉

於二零一七年十二月三十一日，就董事所知，以下人士/實體（董事或本公司主要行政人員除外）於本公司股份或相關股份中，擁有或被視為擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露的權益或淡倉，或根據證券及期貨條例第336條記入本公司規定須存置的登記冊的權益或淡倉如下：

Name of Shareholder	Capacity/Nature of interest	Number of ordinary shares held (Note 1) 持有普通股數目 (附註1)	% of interest in the Company 於本公司之權益百分比
股東名稱/姓名	身份/權益性質		
Million Pearl (Note 2)	Beneficial owner	180,000,000 shares (L)	75%
Million Pearl (附註2)	實益擁有人	180,000,000 股 (L)	
Mr. Chan Wing Yin	Interest in a controlled corporation (Note 3)	180,000,000 shares (L)	75%
陳榮賢先生	受控制法團權益 (附註3)	180,000,000 股 (L)	
Mrs. Chan Yung	Interest of spouse (Note 4)	180,000,000 shares (L)	75%
陳勇女士	配偶權益 (附註4)	180,000,000 股 (L)	

附註：

- 「L」代表該人士於本公司或本集團相關成員公司的股份的好倉。
- Million Pearl直接擁有本公司約75%的權益。
- 本公司由Million Pearl持有約75%權益。Million Pearl由陳榮賢先生及陳勇女士分別持有70%及30%權益。陳榮賢先生為陳勇女士的配偶。根據證券及期貨條例，陳榮賢先生被視為於陳勇女士擁有權益之相同數目的股份中擁有權益。
- Million Pearl由陳榮賢先生及陳勇女士分別持有70%及30%權益。陳勇女士為陳榮賢先生的配偶。根據證券及期貨條例，陳勇女士被視為於陳榮賢先生擁有權益之相同數目的股份中擁有權益。

除上文所披露者外，於二零一七年十二月三十一日，董事概不知悉有任何其他人士/實體（董事及本公司主要行政人員除外）於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露的權益或淡倉，或根據證券及期貨條例第336條記入本公司規定須存置的登記冊的權益或淡倉。



# Report of the Directors

## 董事會報告

### COMPETITION AND CONFLICT OF INTERESTS

During the year, save as disclosed in the Prospectus, none of the Directors or substantial shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests with the Group.

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

During the year, neither did the Company nor any of its subsidiaries purchase, sell or redeem any of the Company's listed securities.

### TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the shareholders by reason of their holding the Company's securities.

### PRE-EMPTIVE RIGHTS

There is no provision for the pre-emptive rights under the Company's articles of association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

### SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules throughout the financial year under review and up to the date of this annual report.

### CORPORATE GOVERNANCE REPORT

Details of the Group's corporate governance practices can be found in the Corporate Governance Report contained on pages 23 to 37 of this annual report.

### PRINCIPAL RISKS AND UNCERTAINTIES

The Group produces PCB in China and sells them around the world, and is faced with certain different types of risks and uncertainties. The principal items are listed as below.

- i. The Shenzhen new facility has been in use since 2015. The Group may not successfully implement its capacity expansion plans and effectively utilise this facility, and such expansion may result in over-capacity, which may materially affect our further plans, profitability and growth.
- ii. Substantial financial costs and depreciation expenses from the Shenzhen new facility have been incurred since it has been used. It may materially and adversely affect the results of operations and financial condition.

### 競爭及利益衝突

年內，除招股章程所披露者外，概無董事或本公司主要股東或彼等各自的任何聯繫人士從事與本集團業務構成或可能構成競爭的任何業務或與本集團有任何其他利益衝突。

### 購買、出售或贖回本公司之上市證券

年內，本公司及其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

### 稅務減免

董事並不知悉任何因股東持有本公司證券而享有的稅務減免。

### 優先購股權

本公司組織章程細則或開曼群島法例並無有關優先購股權的條文致使本公司有責任按比例向現有股東發售新股份。

### 充足公眾持股量

根據本公司可公開取得的資料以及據董事所知，本公司於整個回顧財政年度及直至本年報日期一直維持上市規則所訂明的公眾持股量。

### 企業管治報告

有關本集團企業管治常規的詳情，請參閱本年報第23至37頁所載企業管治報告。

### 主要風險及不明朗因素

本集團於中國製造印刷電路板，並銷售予全世界，其面臨若干不同類別的風險及不明朗因素。主要項目載列如下。

- i. 深圳新設施於二零一五年啟用。本集團或未能成功推行其產能擴充計劃及有效地使用該設施，可能導致該擴充產能過剩，這或會對我們的未來計劃、盈利能力及增長造成重大不利影響。
- ii. 啟用深圳新設施後產生大額融資成本及折舊開支。這或會對經營業績及財務狀況造成重大不利影響。

- iii. The Group derives a significant portion of its revenue from major customers, particularly communication and automobile customers. The decrease in demand from major customers may materially and adversely affect the business.
  - iv. Fluctuation in exchange rates may adversely affect the business.
  - v. The Group may be subject to any labour shortages, increased labour cost or other factors affecting labour force, which may materially affect the Group's business operation and financial condition.
  - vi. The PRC government has tightened its environmental regulation. Although the Group's current operation falls in line with the requirement, it may be affected and incur additional expenses when the relevant regulatory threshold is further raised in the future.
- iii. 本集團大部分收益乃來自主要客戶，特別是通訊及汽車客戶。來自主要客戶的需求減少或會對業務造成重大不利影響。
  - iv. 匯率波動或會對業務造成不利影響。
  - v. 本集團或受制於任何勞工短缺、勞工成本上漲或其他影響勞動力的因素，這可能對本集團的業務、營運及財務狀況造成重大影響。
  - vi. 中國政府收緊了對環保方面的監管。雖然本集團目前的營運狀況符合要求，但倘若政府日後進一步提高相關監管門檻，本集團的營運或會受到影響並產生額外費用。

### ENVIRONMENTAL PROTECTION

Environmental protection is a collective responsibility not to be ignored. The Group's production factories in Shenzhen, China possesses state-of-the-art PCB technologies and attaches a great importance to environmental protection. The Group recognises that the production process of PCBs would generate more emissions than some other industries. In regard of this, we strive to enhance the efficiency of environmental protection. The Group sets up different management requirements for environmental protection every year, aiming at reducing negative impact on the environment from our operation. We have obtained certification of ISO/TS16949:2009 (quality assurance), ISO14001 (environment management system), ISO9001 (quality management system) and AS9100C (quality assurance) as well as UL-796 (safety and management) for PCB quality standard and environment management system. Our efforts on water conservation was evidenced by the "Water Efficient Building Award (節水建設獎)" by the Water Resource Bureau of Shenzhen in recognition of our work last year.

The Group strictly observed the laws and regulations governing air pollution, noise pollution, hazardous chemicals, sewage and waste discharge and other environmental matters issued by PRC national, provincial and municipal governments and authorities. Meanwhile, as a responsible corporation, we produce all of our products in compliance with the requirement of Cleaner Production Standard: Printed Circuit Board Manufacturing (清潔生產標準：印刷電路板製造業) issued by the Ministry of Environmental Protection of China.

### 環境保護

保護環境是不容忽視的共同責任，本集團於中國深圳的生產廠房擁有最先進的印刷電路板技術，且對環保高度重視。本集團明白印刷電路板的生產過程會較其他工業產生更多排放物，有鑑於此，我們致力提高環保效能。本集團在環境保護方面每年制定不同的管理規範，旨在減少本集團業務對環境帶來的負面影響。我們的印刷電路板品質標準及環境管理系統已獲頒 ISO/TS16949：2009 品質保證認證、ISO14001 環境管理系統認證、ISO9001 品質管理系統及 AS9100C 品質保證認證以及 UL-796 安全管理認證等。我們為節水做出的努力有目共睹，去年度受到深圳市水務局的肯定，獲頒發節水建設獎。

本集團嚴格遵守由中國國家、各級省市政府及機關頒布規管空氣污染、噪音污染、危險化學品、污水及廢物排放及其他環境事宜的法律和法規。與此同時，作為負責任的企業，我們按照中國環境保護部頒布的清潔生產標準：印刷電路板製造業的要求生產本公司所有產品。

# Report of the Directors

## 董事會報告

With resources in the Earth increasingly scarce, corporations should have long-term vision instead of focusing on existing interests. The Group sees there are economic benefits to be capitalized in environmental protection and our effort focuses chiefly in the following aspects, among others: actively pushing forward the initiative of energy conservation and consumption reduction by saving energy, water, material and reducing resource consumption during the course of our production, with a view to maximizing the cost effectiveness with minimal resources; and full implementation of clean production to achieve waste reduction at source. At the same time, under the guidance of a paperless office, the Group introduced the Enterprise Resources Planning System (“ERP” System), through which it implemented electronic management on the its production, sales, supply chain, and human resources with a view to saving paper.

The environmental, social and governance report in Compliance with appendix 27 of the Listing Rules will be issued in due course.

### COMPLIANCE WITH LAWS AND REGULATIONS

The Board paid attention to the Group's policies and practices on compliance with legal and regulatory requirements. External compliance and legal advisers are engaged to ensure transactions and business performed by the Group are within the applicable legal framework. Updates on applicable laws, rules and regulations are brought to the attention of relevant employees and operation units from time to time.

By order of the Board  
**Yan Tat Group Holdings Limited**  
**CHAN Wing Yin**  
*Chairman*

Hong Kong, 26 March 2018

地球資源不斷減少，企業應立足長遠不要只顧眼前利益。本集團主要從以下幾方面出發，以環保體現經濟利潤，包括：積極推進節能降耗，在生產過程中節能、節水、節材，減少資源消耗，從而以最少的資源達致最大的經濟效益；全面推行清潔生產，從源頭減廢。同時，本集團推行辦公無紙化的理念，透過引入企業資源計劃系統（「ERP系統」），利用ERP模塊對本集團的生產、銷售、供應鏈、人力資源等進行電子化管理，以節省紙張的使用。

符合上市規則附錄27之環境、社會及管治報告將會盡快刊發。

### 遵守法律及法規

董事會關注本集團有關遵守法律及監管規定方面之政策及常規。我們已聘用外部合規及法律顧問，確保本集團之交易及業務乃於適用的法律框架內進行。相關員工及經營單位會不時獲知悉適用法律、規則及法規之更新。

承董事會命  
**恩達集團控股有限公司**  
**陳榮賢**  
*主席*

香港，二零一八年三月二十六日

# Independent Auditor's Report

## 獨立核數師報告



To the shareholders of Yan Tat Group Holdings Limited  
(Incorporated in the Cayman Islands with limited liability)

### OPINION

We have audited the consolidated financial statements of Yan Tat Group Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 58 to 140, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

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

致恩達集團控股有限公司股東  
(於開曼群島註冊成立之有限公司)

### 意見

我們已審計列載於第 58 頁至第 140 頁的恩達集團控股有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一七年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)真實而公允地反映了貴集團於二零一七年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

### 意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。



# Independent Auditor's Report (continued)

## 獨立核數師報告(續)

### KEY AUDIT MATTERS

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

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

#### Key audit matters

##### 關鍵審計事項

#### **Impairment of trade and bills receivables**

##### 貿易應收款項及應收票據減值

As at 31 December 2017, the Group had gross trade and bills receivables of approximately HK\$243,712,000 before impairment provision of approximately HK\$3,082,000. The Group maintains a defined credit policy and overdue balances are reviewed regularly by senior management. To determine whether there is objective evidence of impairment, the Group considers factors including, inter alia, the probability of insolvency or significant financial difficulties of the debtors, and any default or significant delay in payments. 於二零一七年十二月三十一日，貴集團貿易應收款項及應收票據總額約243,712,000港元(扣除減值撥備約3,082,000港元前)。貴集團維持清晰信貸政策及由高級管理層定期審閱逾期未付款項。為釐定是否存在客觀減值證據，貴集團考慮之因素包括，如債務人很有可能破產或有重大財務困難，以及拖欠付款或遲遲未能支付。

### 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在對綜合財務報表整體進行審計並形成意見的背景下來處理的，我們不對這些事項提供單獨的意見。我們對下述每一事項在審計中是如何應對的描述也以此為背景。

我們已經履行了本報告「核數師就審計綜合財務報表承擔的責任」部分闡述的責任，包括與這些關鍵審計事項相關的責任。相應地，我們的審計工作包括執行為應對評估的綜合財務報表重大錯報風險而設計的審計程序。我們執行審計程序的結果，包括應對下述關鍵審計事項所執行的程序，為綜合財務報表整體發表審計意見提供了基礎。

#### How our audit addressed the key audit matters

##### 我們的審計如何處理關鍵審計事項

We evaluated management's assessment of impairment of trade and bills receivables. Our procedures included, inter alia, understanding, assessing and testing the Group's processes and controls relating to the granting of credit terms, monitoring of outstanding receivables and assessing any changes in credit quality, and assessing the provision required by checking the correctness of the ageing of trade and bills receivables as at 31 December 2017, the settlements made subsequent to the end of the reporting period, past repayment history and historical write-off experience of debtors, and other external information relating to the creditworthiness of the debtors. We also assessed the related disclosures in the consolidated financial statements.

我們評估管理層作出貿易應收款項及應收票據減值評估。我們之評估程序包括(除其他外)了解、評估及測試貴集團有關授出信貸期、監管尚未收回應收款項及評估之流程及監控、評估信貸質素之任何變動、評估檢測貿易應收款項及應收票據於二零一七年十二月三十一日賬齡準確性所需撥備，債務人報告期末後作出之償付、過往償還記錄及過往撇銷記錄，以及有關該等債務人之信用度的其他外部資料。我們亦評估綜合財務報表之相關披露。

# Independent Auditor's Report (continued)

## 獨立核數師報告(續)

### Key audit matters 關鍵審計事項

### How our audit addressed the key audit matters 我們的審計如何處理關鍵審計事項

#### **Impairment of trade and bills receivables (Continued)** **貿易應收款項及應收票據減值(續)**

The impairment assessment of trade and bills receivables requires management to make significant assumptions and estimates that affect the reported amount of trade and bills receivables and related disclosures.

評估貿易應收款項及應收票據減值需要管理層作出影響貿易應收款項及應收票據之申報金額及相關披露的重大假設及估計。

The related disclosures are included in notes 2.4, 3 and 19 to the consolidated financial statements.

相關披露載於綜合財務報表附註2.4、3及19。

#### **Write-down of inventories to net realisable value** **撇減存貨至可變現淨值**

The Group had inventories with a carrying amount of approximately HK\$68,434,000 at 31 December 2017. The Group performs regular review of the carrying amounts of inventories to determine whether any write-down of inventories to net realisable value is required after considering, inter alia, the ageing analysis of inventories, the purposes for which the inventories are held, current market conditions, relevant historical data, and the expected future sales of goods and usages of materials.

貴集團於二零一七年十二月三十一日有賬面值約68,434,000港元之存貨。貴集團對存貨之賬面值進行定期審閱，以於考慮(其中包括)存貨之賬齡分析、持有存貨之目的、現行市況、相關過往數據及產品預期未來銷售及材料用途後釐定是否需要將存貨撇減至其可變現淨值。

The determination of net realisable value requires management to make significant assumptions and estimates that affect the reported amount of inventories and related disclosures.

釐定可變現淨值需要管理層作出影響存貨之申報金額及相關披露的重大假設及估計。

The related disclosures are included in notes 2.4, 3 and 18 to the consolidated financial statements.

相關披露載於綜合財務報表附註2.4、3及18。

We evaluated management's assessment of whether the estimated net realisable values of inventories declined below their carrying amounts. Our procedures included, inter alia, understanding, assessing and testing the Group's processes and controls over identifying and valuing obsolete, damaged, slow-moving, excessive and other potentially impaired inventory items for which their net realisable values might decline below their carrying amounts; evaluating the methodologies, inputs and assumptions used by the Group in determining the net realisable values of inventories; and assessing the write-down of inventories required by checking the correctness of the ageing analysis of inventories, the purposes for which the inventories are held, sales made and materials used subsequent to the end of the reporting period, current market conditions, relevant historical data and the expected future sales of goods and usages of materials.

我們評估管理層有關存貨之估計可變現淨值是否減至低於其賬面值之評估。我們之評估程序包括(除其他外)了解、評估及測試貴集團識別陳舊、損壞、滯銷、過多及其他潛在減值存款項目及對其作出估值(因其可變現淨值可能減至低於其賬面值)之流程及監控；評估貴集團於釐定存貨可變現淨值所使用時方法、輸入數據及假設；以及評估檢測存貨賬齡準確性所需存貨撇減、持有存貨之目的、報告期末後所作出銷售及使用材料、現行市況、相關過往數據及產品預期未來銷售及材料用途。

# Independent Auditor's Report (continued)

## 獨立核數師報告(續)

### OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

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

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

### RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

### 刊載於年度報告內其他信息

董事須對其他信息負責。其他信息包括刊載於年度報告內的信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯報的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯報，我們需要報告該事實。在這方面，我們沒有任何報告。

### 董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而公允的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯報所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審計委員會協助董事履行職責，監督貴集團的財務報告過程。

# Independent Auditor's Report (continued)

## 獨立核數師報告(續)

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

### 核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅對全體股東作出報告，除此以外，本報告並無其他用途。我們不會就核數師報告的內容向任何其他人士負責或承擔任何責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯報存在時總能發現。錯報可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯報可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯報的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯報的風險高於未能發現因錯誤而導致的重大錯報的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持有經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。



# Independent Auditor's Report (continued)

## 獨立核數師報告(續)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評價綜合財務報表包括披露的整體列報方式、結構和內容，以及綜合財務報表是否公允反映交易及事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

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

我們還向審計委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係及其他事項，以及在適用的情況下，相關的防範措施。

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

從與審計委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律或法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

The engagement partner on the audit resulting in this independent auditor's report is Chan Yat Fai, Peter.

出具本獨立核數師報告的審計項目合夥人是陳日輝。

Ernst & Young  
Certified Public Accountants  
22/F, CITIC Tower  
1 Tim Mei Avenue  
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26 March 2018

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香港中環  
添美道1號  
中信大廈22樓  
二零一八年三月二十六日

# Consolidated Statement of Profit or Loss

## 綜合損益表

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>REVENUE</b>	<b>收益</b>	5	<b>633,572</b>	591,407
Cost of sales	銷售成本		(511,450)	(471,514)
Gross profit	毛利		<b>122,122</b>	119,893
Other income and gains	其他收入及收益	5	7,354	12,050
Selling and distribution expenses	銷售及分銷開支		(18,724)	(20,492)
General and administrative expenses	一般及行政開支		(73,790)	(72,120)
Other expenses	其他開支		(208)	(1,369)
Finance costs	融資成本	7	(7,508)	(7,549)
<b>PROFIT BEFORE TAX</b>	<b>除稅前溢利</b>	6	<b>29,246</b>	30,413
Income tax expense	所得稅開支	10	(4,971)	(7,030)
<b>PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>本公司擁有人應佔 年內溢利</b>		<b>24,275</b>	23,383
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY</b>	<b>本公司普通權益持有人 應佔每股盈利</b>	12		
Basic and diluted	基本及攤薄		HK10.1 cents 港仙	HK9.7 cents 港仙

# Consolidated Statement of Comprehensive Income

## 綜合全面收益表

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>PROFIT FOR THE YEAR</b>	年內溢利	24,275	23,383
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>	其他全面收入／(虧損)		
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:	於其後期間重新分類至損益的其他全面收入／(虧損)：		
Change in fair value of an available-for-sale investment	可供出售投資的公平值變動	111	179
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	34,205	(30,517)
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR</b>	年內其他全面收入／(虧損)	34,316	(30,338)
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	本公司擁有人應佔年內全面收入／(虧損)總額	58,591	(6,955)

# Consolidated Statement of Financial Position

## 綜合財務狀況表

31 December 2017 二零一七年十二月三十一日

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	13	413,550	396,525
Investment properties	投資物業	14	25,074	19,351
Prepaid land lease payments	預付土地租賃款項	15	5,073	4,976
Deposits for purchases of items of property, plant and equipment	購買物業、廠房及設備項目的按金	16	6,108	8,545
Deposits	按金	20	–	2,169
Deferred tax assets	遞延稅項資產	26	10,731	7,947
Available-for-sale investment	可供出售投資	17	4,153	3,773
<b>Total non-current assets</b>	<b>非流動資產總值</b>		<b>464,689</b>	<b>443,286</b>
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	18	68,434	54,198
Trade and bills receivables	貿易應收款項及應收票據	19	240,630	207,232
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	20	7,246	6,236
Tax recoverable	可收回稅項		–	1,089
Pledged deposits and restricted cash	已抵押存款及限制性現金	21	34,425	34,930
Cash and cash equivalents	現金及現金等價物	21	72,832	83,017
<b>Total current assets</b>	<b>流動資產總值</b>		<b>423,567</b>	<b>386,702</b>
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade and bills payables	貿易應付款項及應付票據	22	125,636	108,308
Other payables and accruals	其他應付款項及應計費用	23	57,435	55,145
Interest-bearing bank borrowings	計息銀行借款	24	185,390	202,273
Finance lease payables	融資租賃應付款項	25	6,421	5,826
Tax payable	應繳稅項		14,314	10,777
<b>Total current liabilities</b>	<b>流動負債總額</b>		<b>389,196</b>	<b>382,329</b>
<b>NET CURRENT ASSETS</b>	<b>流動資產淨額</b>		<b>34,371</b>	<b>4,373</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>499,060</b>	<b>447,659</b>



# Consolidated Statement of Financial Position

## 綜合財務狀況表

31 December 2017 二零一七年十二月三十一日

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>499,060</b>	<b>447,659</b>
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Interest-bearing bank borrowings	計息銀行借款	24	–	8,108
Finance lease payables	融資租賃應付款項	25	1,172	7,222
Deferred tax liabilities	遞延稅項負債	26	6,028	3,495
Deferred income	遞延收入	23	11,440	7,005
Total non-current liabilities	非流動負債總額		<b>18,640</b>	<b>25,830</b>
Net assets	資產淨值		<b>480,420</b>	<b>421,829</b>
<b>EQUITY</b>	<b>權益</b>			
<b>Equity attributable to owners of the Company</b>	<b>本公司擁有人應佔權益</b>			
Issued capital	已發行股本	27	2,400	2,400
Reserves	儲備	29	478,020	419,429
Total equity	總權益		<b>480,420</b>	<b>421,829</b>

**Chan Yung**  
陳勇  
Director  
董事

**Chan Wing Yin**  
陳榮賢  
Director  
董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔								
		Issued share capital	Share premium account	Capital reserve	Available- for-sale investment revaluation reserve	Land and building revaluation reserve	Exchange fluctuation reserve	Reserve funds*	Retained profits	Total equity
		已發行 股本	股份 溢價賬	股本儲備	可供 出售投資 重估儲備	土地 及樓宇 重估儲備	匯兌 波動儲備	儲備基金*	保留溢利	總權益
		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
At 1 January 2016	於二零一六年一月一日	2,400	62,609	60,455	654	485	31,983	30,009	240,189	428,784
Profit for the year	年內溢利	-	-	-	-	-	-	-	23,383	23,383
Other comprehensive income/(loss) for the year:	年內其他全面收入/(虧損)：									
Change in fair value of an available-for-sale investment	可供出售投資的公平值變動	-	-	-	179	-	-	-	-	179
Exchange differences on translation of foreign operations	換算海外業務匯兌差額	-	-	-	-	-	(30,517)	-	-	(30,517)
Total comprehensive income/(loss) for the year	年內全面收入/(虧損)總額	-	-	-	179	-	(30,517)	-	23,383	(6,955)
Transfer from retained profits	轉撥自保留溢利	-	-	-	-	-	-	2,874	(2,874)	-
At 31 December 2016	於二零一六年十二月三十一日	2,400	62,609 <sup>#</sup>	60,455 <sup>#</sup>	833 <sup>#</sup>	485 <sup>#</sup>	1,466 <sup>#</sup>	32,883 <sup>#</sup>	260,698 <sup>#</sup>	421,829

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔								
		Issued share capital	Share premium account	Capital reserve	Available- for-sale investment revaluation reserve	Land and building revaluation reserve	Exchange fluctuation reserve	Reserve funds*	Retained profits	Total equity
		已發行 股本 HK\$'000 千港元	股份 溢價賬 HK\$'000 千港元	股本儲備 HK\$'000 千港元	可供 出售投資 重估儲備 HK\$'000 千港元	土地 及樓宇 重估儲備 HK\$'000 千港元	匯兌 波動儲備 HK\$'000 千港元	儲備基金* HK\$'000 千港元	保留溢利 HK\$'000 千港元	總權益 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	2,400	62,609	60,455	833	485	1,466	32,883	260,698	421,829
Profit for the year	年內溢利	-	-	-	-	-	-	-	24,275	24,275
Other comprehensive income for the year:	年內其他全面收入：									
Change in fair value of an available-for-sale investment	可供出售投資的公平值變動	-	-	-	111	-	-	-	-	111
Exchange differences on translation of foreign operations	換算海外業務匯兌差額	-	-	-	-	-	34,205	-	-	34,205
Total comprehensive income for the year	年內全面收入總額	-	-	-	111	-	34,205	-	24,275	58,591
Transfer from retained profits	轉撥自保留溢利	-	-	-	-	-	-	2,958	(2,958)	-
At 31 December 2017	於二零一七年十二月三十一日	2,400	62,609 <sup>#</sup>	60,455 <sup>#</sup>	944 <sup>#</sup>	485 <sup>#</sup>	35,671 <sup>#</sup>	35,841 <sup>#</sup>	282,015 <sup>#</sup>	480,420

\* Pursuant to the relevant laws and regulations for foreign investment enterprises, a portion of the profits of certain subsidiaries established in the People's Republic of China (the "PRC") is required to be transferred to the PRC reserve funds which are restricted as to use. These PRC entities are not required to effect any further transfer when the amount of the PRC reserve funds reaches 50% of their registered capital. The PRC reserve funds can be used to make good their future losses or to increase their registered capital.

# These reserve accounts comprise the consolidated reserves of HK\$478,020,000 (2016: HK\$419,429,000) in the consolidated statement of financial position.

\* 根據相關外國投資企業法律及法規，若干成立於中華人民共和國（「中國」）的附屬公司的部分溢利須轉撥至中國儲備基金，而該等儲備基金的用途受到限制。當中國儲備基金內金額達此等中國實體註冊股本的50%時，則不須作出任何進一步轉撥。中國儲備基金可用作日後虧損的彌補或用於增加註冊股本。

# 該等儲備賬戶包括於綜合財務狀況表內的綜合儲備478,020,000港元（二零一六年：419,429,000港元）。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>經營活動所得現金流量</b>		
Profit before tax	除稅前溢利	29,246	30,413
Adjustments for:	就下列各項調整：		
Finance costs	融資成本	7,508	7,549
Bank interest income	銀行利息收入	(258)	(272)
Depreciation	折舊	26,960	29,120
Amortisation of land lease payments	土地租賃款項攤銷	243	246
Reversal of write-down of inventories to net realisable value	撥回撇減存貨至可變現淨值	(242)	(2,390)
Fair value gain on investment properties	投資物業公平值收益	(4,211)	(8,727)
Amortisation of deferred income	遞延收入攤銷	(933)	(358)
Write-off of items of property, plant and equipment	撇銷物業、廠房及設備項目	71	69
Write-off of deposits paid for purchases of items of property, plant and equipment	撇銷就購置物業、廠房及設備項目支付之按金	–	1,064
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目收益	(270)	–
Impairment of other receivables	其他應收款項減值	112	–
		<b>58,226</b>	<b>56,714</b>
Increase in inventories	存貨增加	(10,579)	(11,367)
Increase in trade and bills receivables	貿易應收款項及應收票據增加	(25,120)	(5,754)
Decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少	1,432	9,135
Increase/(decrease) in trade and bills payables	貿易應付款項及應付票據增加/(減少)	12,417	(926)
Increase/(decrease) in other payables and accruals	其他應付款項及應計款項增加/(減少)	6,549	(6,203)
Exchange realignment	匯兌調整	1,707	1,333
Cash generated from operations	產生自經營的現金	<b>44,632</b>	<b>42,932</b>
Interest received	已收利息	258	272
Interest paid	已付利息	(7,134)	(7,195)
Interest element of finance lease rental payments	融資租賃租金付款的利息部分	(403)	(652)
Hong Kong profits tax refunded/(paid)	已退回/(已繳付)香港利得稅	1,084	(354)
Overseas taxes paid	已付海外稅項	(2,244)	(5,356)
Net cash flows from operating activities	經營活動所得現金流量淨額	<b>36,193</b>	<b>29,647</b>



# Consolidated Statement of Cash Flows

## 綜合現金流量表

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>投資活動所得現金流量</b>			
Purchases of items of property, plant and equipment		(15,983)	(55,536)
購買物業、廠房及設備項目			
Proceeds from disposal of items of property, plant and equipment		1,285	2,130
出售物業、廠房及設備項目所得款項			
Deposits paid for purchases of items of property, plant and equipment	16	(5,704)	(1,132)
購買物業、廠房及設備項目所付按金			
Receipts of government grants		5,364	2,119
收取政府補貼			
Decrease/(increase) in certain time and bank deposits pledged as security for certain banking facilities and bills payable		1,517	(34,444)
若干定期及銀行存款減少／(增加)，已質押作若干銀行融資及應付票據之抵押			
Decrease/(increase) in restricted cash		(2)	1,704
限制性現金減少／(增加)			
Net cash flows used in investing activities		(13,523)	(85,159)
投資活動所用現金流量淨額			
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>融資活動所得現金流量</b>			
New bank borrowings		253,894	271,201
新造銀行借款			
Repayment of bank borrowings		(281,989)	(246,693)
償還銀行借款			
Capital element of finance lease rental payments		(5,989)	(5,648)
融資租賃租金付款的資本部分			
Net cash flows from financing activities		(34,084)	18,860
融資活動所得現金流量淨額			

# Consolidated Statement of Cash Flows

## 綜合現金流量表

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	現金及現金等價物 淨額減少	(11,414)	(36,652)
Cash and cash equivalents at beginning of year	年初現金及現金等價物	83,017	121,358
Effect of foreign exchange rate changes, net	匯率變動淨影響	1,229	(1,689)
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	年末現金及現金等價物	72,832	83,017
<b>ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS</b>	現金及現金等價物結餘分析		
Cash and bank balances	現金及銀行結餘	72,832	83,017

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 1. CORPORATE AND GROUP INFORMATION

The Company was incorporated in the Cayman Islands on 8 July 2014 as an exempted company with limited liability under the Companies Law, Chapter 22 of the Cayman Islands. The address of the registered office of the Company is Clifton House, P.O. Box 1350, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company is located at Room 809-810, Kwong Sang Hong Centre, 151-153 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong.

During the year, the Group was principally engaged in the manufacture and sale of printed circuit boards.

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). In the opinion of the directors, the immediate holding company and the ultimate holding company of the Company is Million Pearl Holdings Ltd., which is incorporated in the British Virgin Islands.

#### Information about subsidiaries

Particulars of the Company's subsidiaries are as follows:

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及業務地點	Issued ordinary share capital/paid-up registered capital 已發行普通股本/ 繳足註冊股本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Yan Tat Group Limited*	British Virgin Islands/ Hong Kong 英屬維爾京群島/香港	US\$100 100美元	100	-	Investment holding 投資控股
Yan Tat (HK) Industrial Limited 恩達(香港)實業有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000港元	-	100	Trading of printed circuit boards 買賣印刷電路板
Yan Tat Technology Limited 恩達科技有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000港元	-	100	Trading of printed circuit boards 買賣印刷電路板
Yan Tat Printed Circuits (Shenzhen) Co., Ltd. ^** 恩達電路(深圳)有限公司^**	PRC/ Mainland China 中國/中國內地	HK\$165,000,000 165,000,000港元	-	100	Manufacturing and sale of printed circuit boards 製造及銷售印刷電路板
Grace Yan Tat Electronics (Shenzhen) Co., Ltd. ^** 宏恩達電子(深圳)有限公司^**	PRC/ Mainland China 中國/中國內地	RMB1,000,000 人民幣1,000,000元	-	100	Property holding 持有物業
Yan Tat Printed Circuit Technology (Nantong) Co., Ltd. ^** 恩達電路科技(南通)有限公司^**	PRC/ Mainland China 中國/中國內地	US\$8,000,000 8,000,000美元	-	100	Inactive 並無業務
Yan Tat Environmental Technology (Nantong) Co., Ltd. ^^** 南通恩達環保科技有限公司^^**	PRC/ Mainland China 中國/中國內地	RMB43,100,000 人民幣43,100,000元	-	100	Property holding 持有物業

### 1. 公司及集團資料

本公司於二零一四年七月八日根據開曼群島第22章公司法在開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處地址為Clifton House, P.O. Box 1350, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands。本公司的主要營運地點為香港九龍觀塘海濱道151-153號廣生行中心809-810室。

年內，本集團主要從事製造及銷售印刷電路板。

本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市。董事認為，本公司之直屬控股公司及最終控股公司為於英屬維爾京群島註冊成立之Million Pearl Holdings Ltd.。

#### 有關附屬公司的資料

本公司附屬公司的詳情如下：

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 1. CORPORATE AND GROUP INFORMATION

(continued)

Notes:

- \* Their statutory financial statements were not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.
- ^ Registered as wholly-foreign-owned enterprises under PRC law.
- ^^ Registered as a limited liability company under PRC law.
- # The English names of these companies represent the best effort made by management of the Company to directly translate their Chinese names as these companies did not register any official English names.

#### 2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance.

They have been prepared under the historical cost convention, except for an available-for-sale investment and investment properties which have been measured at fair value. These financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

#### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2017. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

### 1. 公司及集團資料(續)

附註：

- \* 該等法定財務報表未經香港安永會計師事務所或全球安永會計師事務所網絡的另一間公司審核。
- ^ 根據中國法律註冊為外商獨資企業。
- ^^ 根據中國法律註冊為有限公司。
- # 該等公司的英文名稱乃本公司管理層盡最大努力直接翻譯其中文名稱所得，因為該等公司並無註冊任何正式英文名稱。

#### 2.1 編製基準

該等財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)(包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則以及香港公司條例的披露規定而編製。

除一項可供出售投資及投資物業以公平值計量外，財務報表乃根據歷史成本法編製。除另有指明外，該等財務報表以港元(「港元」)呈列，而所有數值均約整至最接近的千位。

#### 綜合基準

綜合財務報表包括本公司及其附屬公司(統稱「本集團」)截至二零一七年十二月三十一日止年度之財務報表。附屬公司為本公司直接或間接控制的實體(包括結構性實體)。當本集團對參與投資對象業務的浮動回報承擔風險或享有權利以及能透過對投資對象行使的權力(即本集團獲賦予現有能以主導投資對象相關活動的既存權利)影響該等回報時，即取得控制權。

倘本公司直接或間接擁有少於投資對象大多數投票的權利或類似權利，則本集團於評估其是否擁有對投資對象的權力時會考慮一切相關事實及情況，包括：

- (a) 與投資對象其他投票持有人的合約安排；
- (b) 其他合約安排所產生的權利；及
- (c) 本集團的投票權及潛在投票權。



# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 2.1 BASIS OF PREPARATION (continued) Basis of consolidation (continued)

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKAS 7	<i>Disclosure Initiative</i>
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i>
Amendments to HKFRS 12 included in <i>Annual Improvements to HKFRSs 2014–2016 Cycle</i>	<i>Disclosure of Interests in Other Entities: Clarification of the Scope of HKFRS 12</i>

None of the above amendments to HKFRSs has had a significant financial effect on the Group's financial performance and financial position. Disclosure has been made in note 30(b) to the consolidated financial statements upon the adoption of amendments to HKAS 7, which require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

### 2.1 編製基準(續) 綜合基準(續)

附屬公司與本公司之財務報表的報告期相同，並採用一致會計政策編製。附屬公司之業績由本集團取得控制權之日起綜合計算，並繼續綜合入賬至該控制權終止日為止。

所有集團內公司間之資產及負債、權益、收入、開支及本集團成員公司間交易相關之現金流均於綜合賬目時全數抵銷。

倘事實及情況反映以上所述三項控制權因素其中一項或多項有變，則本集團會重估是否仍然控制投資對象。附屬公司擁有權益的變動(並無失去控制權)，入賬列作權益交易。

倘本集團失去對一間附屬公司之控制權，則其終止確認(i)該附屬公司之資產(包括商譽)及負債、(ii)任何非控股權益之賬面值及(iii)於權益內記錄之累計交易差額；及確認(i)所收代價之公平值、(ii)所保留任何投資之公平值及(iii)損益賬中任何因此產生之盈餘或虧絀。先前於其他全面收益內確認的本集團應佔成分會視乎情況，按倘本集團直接出售相關資產或負債所要求的相同基準重新分類至損益或保留溢利。

### 2.2 會計政策及披露之變動

本集團已就編製本年度之財務報表首次採納以下經修訂香港財務報告準則。

香港會計準則第7號的修訂	<i>披露措施</i>
香港會計準則第12號的修訂	<i>就未變現虧損確認遞延稅項資產</i>
香港財務報告準則第12號的修訂二零一四年至二零一六年週期的年度改進	<i>在其他實體中權益披露：對香港財務報告準則第12號之範圍的澄清</i>

上述香港財務報告準則之修訂對本集團之財務表現及財務狀況並無重大財務影響。香港會計準則第7號之修訂規定實體於作出披露，以使財務報表使用者可評估融資活動所產生負債之變動，包括因現金流量及非現金變動而產生之變動。本公司已於採用該修訂後於綜合財務報表附註30(b)中作出披露。

# Notes to Financial Statements

## 財務報表附註

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### 2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i> <sup>1</sup>
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i> <sup>1</sup>
HKFRS 9	<i>Financial Instruments</i> <sup>1</sup>
Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation</i> <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> <sup>4</sup>
HKFRS 15	<i>Revenue from Contracts with Customers</i> <sup>1</sup>
Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers</i> <sup>1</sup>
HKFRS 16	<i>Leases</i> <sup>2</sup>
HKFRS 17	<i>Insurance Contracts</i> <sup>3</sup>
Amendments to HKAS 28	<i>Long-term Interests in Associates and Joint Ventures</i> <sup>2</sup>
Amendments to HKAS 40	<i>Transfers of Investment Property</i> <sup>1</sup>
HK(IFRIC)-Int 22	<i>Foreign Currency Transactions and Advance Consideration</i> <sup>1</sup>
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments</i> <sup>2</sup>
Annual Improvements 2014–2016 Cycle	Amendments to HKFRS 1 and HKAS 28 <sup>1</sup>
Annual Improvements 2015–2017 Cycle	Amendments to a number of HKFRSs <sup>2</sup>

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2018  
<sup>2</sup> Effective for annual periods beginning on or after 1 January 2019  
<sup>3</sup> Effective for annual periods beginning on or after 1 January 2021  
<sup>4</sup> No mandatory effective date yet determined but available for adoption

### 2.3 已頒佈但尚未生效的香港財務報告準則

本集團尚未於該等財務報表應用以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則。

香港財務報告準則第2號的修訂	以股份為基礎付款交易的澄清及計量 <sup>1</sup>
香港財務報告準則第4號的修訂	與香港財務報告準則第4號保險合約一併應用香港財務報告準則第9號金融工具 <sup>1</sup>
香港財務報告準則第9號	金融工具 <sup>1</sup>
香港財務報告準則第9號的修訂	具有負補償的提前還款特性 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號的修訂(二零一一年)	投資者與其聯營公司或合營企業之間的資產出售或注資 <sup>4</sup>
香港財務報告準則第15號	源於客戶合約的收益 <sup>1</sup>
香港財務報告準則第15號的修訂	香港財務報告準則第15號源於客戶合約的收益的澄清 <sup>1</sup>
香港財務報告準則第16號	租賃 <sup>2</sup>
香港財務報告準則第17號	保險合約 <sup>3</sup>
香港會計準則第28號的修訂	於聯營公司及合營公司的長期權益 <sup>2</sup>
香港會計準則第40號的修訂	轉讓投資物業 <sup>1</sup>
香港(國際財務報告詮釋委員會)詮釋第22號	外幣交易及預付代價 <sup>1</sup>
香港(國際財務報告詮釋委員會)詮釋第23號	所得稅處理的不確定性 <sup>2</sup>
二零一四年至二零一六年週期的年度改進	香港財務報告準則第1號及香港會計準則第28號的修訂 <sup>1</sup>
二零一五年至二零一七年週期的年度改進	若干香港財務報告準則的修訂 <sup>2</sup>

- <sup>1</sup> 於二零一八年一月一日或之後開始的年度期間生效  
<sup>2</sup> 於二零一九年一月一日或之後開始的年度期間生效  
<sup>3</sup> 於二零二一年一月一日或之後開始的年度期間生效  
<sup>4</sup> 尚未釐定強制生效日期但可供採納

# Notes to Financial Statements

## 財務報表附註

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### 2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

(continued)

Further information about certain HKFRSs that are expected to be applicable to the Group is described below. Of those standards, HKFRS 9 and HKFRS 15 will be applicable for the Group's financial year ending 31 December 2018 and are expected to have certain impact upon adoption. Whilst management has performed a high-level assessment of the estimated impacts of these standards, that assessment is based on the information currently available to the Group. The actual impacts upon adoption could be different to those below, depending on additional reasonable and supportable information being made available to the Group at the time of applying the standards.

In September 2014, the HKICPA issued the final version of HKFRS 9, bringing together all phases of the financial instruments project to replace HKAS 39 and all previous versions of HKFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group will adopt HKFRS 9 from 1 January 2018. The Group will not restate comparative information and will recognise any transition adjustments against the opening balance of equity at 1 January 2018. During 2017, the Group has performed a high-level assessment of the impact of the adoption of HKFRS 9. The expected impacts relate to the classification and measurement and the impairment requirements and are summarised as follows:

#### (a) Classification and measurement

HKFRS 9 introduces, among other things, new requirements for classification and measurement of the Group's financial assets. Unlisted equity investment currently held as available-for-sale financial asset with gains and losses recorded in other comprehensive income will be measured at fair value through other comprehensive income as the investment is intended to be held for the foreseeable future and the Group expects to apply the option to present fair value changes in other comprehensive income. Gains and losses recorded in other comprehensive income for the equity investment cannot be recycled to profit or loss when the investment is derecognised.

### 2.3 已頒佈但尚未生效的香港財務報告準則 (續)

預期將適用於本集團的若干香港財務報告準則的其他資料闡述如下。於該等準則中，香港財務報告準則第9號及香港財務報告準則第15號將於本集團截至二零一八年十二月三十一日止財政年度應用，預期採用後將會產生一定影響。此外，管理層已對該等準則的估計影響進行高層次評估，有關評估以本集團目前可得資料為根據。採用時的實際影響可能有別於以下所述，視乎本集團應用準則時能否掌握更多合理有據的資料。

於二零一四年九月，香港會計師公會頒佈香港財務報告準則第9號的最終版本，集結金融工具項目的所有階段，以取代香港會計準則第39號及香港財務報告準則第9號先前的所有版本。該準則引入分類及計量、減值以及對沖會計的新規定。本集團將自二零一八年一月一日起採納香港財務報告準則第9號。本集團將不會重述比較資料，並將於二零一八年一月一日在期初權益結餘中確認任何過渡性調整。於二零一七年，本集團已對採納香港財務報告準則第9號的影響進行了高層次評估。對分類及計量以及減值規定的預期影響概述如下：

#### (a) 分類及計量

香港財務報告準則第9號引入(其中包括)本集團財務資產的分類及計量適用的新規定。收益及虧損計入其他全面收益的目前持作可供出售財務資產的非上市股本投資將按公平值計入其他全面收益，原因為擬定於可見未來持有該等投資，而本集團預期選擇於其他全面收益呈列公平值變動。於投資終止確認時，就股本投資於其他全面收益入賬的收益及虧損不得重新計入損益。



### 2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

(continued)

#### (b) Impairment

HKFRS 9 requires an impairment on debt instruments recorded at amortised cost or at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantee contracts that are not accounted for at fair value through profit or loss under HKFRS 9, to be recorded based on an expected credit loss model either on a twelve-month basis or a lifetime basis. The Group will apply the simplified approach and record lifetime expected losses that are estimated based on the present values of all cash shortfalls over the remaining life of all of its trade receivables. Furthermore, the Group will apply the general approach and record twelve-month expected credit losses that are estimated based on the possible default events on its other receivables within the next twelve months. The Group currently expects the provision for impairment might not be significantly increased upon the initial adoption of the standard.

HKFRS 15, issued in July 2014, establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under HKFRSs. Either a full retrospective application or a modified retrospective adoption is required on the initial application of the standard. In June 2016, the HKICPA issued amendments to HKFRS 15 to address the implementation issues on identifying performance obligations, application guidance on principal versus agent and licences of intellectual property, and transition. The amendments are also intended to help ensure a more consistent application when entities adopt HKFRS 15 and decrease the cost and complexity of applying the standard. The Group plans to adopt the transitional provisions in HKFRS 15 to recognise the cumulative effect of initial adoption as an adjustment to the opening balance of retained earnings at 1 January 2018. In addition, the Group plans to apply the new requirements only to contracts that are not completed before 1 January 2018. During 2017, the Group has performed a high-level assessment on the impact of the adoption of HKFRS 15. The Group currently expects that the transitional adjustment to be made on 1 January 2018 upon initial adoption of HKFRS 15 might not be material.

### 2.3 已頒佈但尚未生效的香港財務報告準則 (續)

#### (b) 減值

香港財務報告準則第9號規定，根據香港財務報告準則第9號按攤銷成本或按公平值計入其他全面收益的債務工具、應收租賃款項、貸款承擔及並非按公平值計入損益列賬的財務擔保合約的減值情況，將按每十二個月基準或使用年期基準以預期信貸虧損模式入賬。本集團將應用簡化方式，並將根據於其所有應收貿易款項餘下年期內的所有現金差額現值所估計的可使用年期預期虧損入賬。此外，本集團將應用一般方式並將基於於未來十二個月本集團其他應收款項可能遭遇的違約事件所估計的十二個月預期信貸虧損入賬。本集團現預期於初步採納該準則後減值撥備可能不會顯著增加。

於二零一四年七月頒佈之香港財務報告準則第15號採用全新五步模式，以對客戶合約收益進行列賬。根據香港財務報告準則第15號，收益按能反映實體預期就向客戶轉讓貨物或服務作交換而有權獲得的代價金額確認。香港財務報告準則第15號的原則為計量及確認收益提供更加結構化的方法。該準則亦引入廣泛的定性及定量披露規定，包括分拆收益總額，關於履約責任、不同期間的合約資產及負債賬目結餘的變動以及主要判斷及估計的資料。該準則將取代香港財務報告準則項下所有現時收益確認規定。在首次應用該準則時須作出全面的追溯應用或修訂後的追溯採納。於二零一六年六月，香港會計師公會頒佈香港財務報告準則第15號之修訂本，以解決識別履約責任，委託人與代理人以及知識產權許可的應用指引以及過渡的實施問題。該等修訂亦旨在協助確保實體於採納香港財務報告準則第15號時能更貫徹一致地應用及降低應用有關準則的成本及複雜性。本集團計劃採納香港財務報告準則第15號的過渡性規定將採納初期的累積影響確認為於二零一八年一月一日保留盈利的期初結餘的調整項目。此外，本集團計劃僅就二零一八年一月一日前未完成的合約應用新規定。於二零一七年，本集團已對採納香港財務報告準則第15號的影響進行了高層次評估。本集團現預期將於二零一八年一月一日首次採納香港財務報告準則第15號後作出的過渡性調整可能並不重大。



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## 財務報表附註

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### 2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

(continued)

The presentation and disclosure requirements in HKFRS 15 are more detailed than those under the current HKAS 18. The presentation requirements represent a significant change from current practice and will significantly increase the volume of disclosures required in the Group's financial statements. Many of the disclosure requirements in HKFRS 15 are new and the Group has assessed that the impact of some of these disclosure requirements might be significant. As required by HKFRS 15, the Group will disaggregate revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

### 2.3 已頒佈但尚未生效的香港財務報告準則 (續)

香港財務報告準則第15號所規定的呈列及披露規定較現行的香港會計準則第18號所規定者更詳細。呈列規定與目前的做法相比有顯著的變化，並將顯著增加本集團財務報表所須作出的披露量。香港財務報告準則第15號中的多項披露規定為新訂，而本集團已評估部分該等披露規定的影響可能非常重大。根據香港財務報告準則第15號的規定，本集團將分拆自客戶合約確認的收益為多個類別，其中說明收益及現金流的性質、金額、時間及不確定性受經濟因素影響的程度。

### 2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

(continued)

HKFRS 16, issued in May 2016, replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases – Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two recognition exemptions for lessees – leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-to-use asset). The right-to-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-to-use asset meets the definition of investment property in HKAS 40, or relates to a class of property, plant and equipment to which the revaluation model is applied. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-to-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-to-use asset. Lessor accounting under HKFRS 16 is substantially unchanged from the accounting under HKAS 17. Lessors will continue to classify all leases using the same classification principle as in HKAS 17 and distinguish between operating leases and finance leases. HKFRS 16 requires lessees and lessors to make more extensive disclosures than under HKAS 17. Lessees can choose to apply the standard using either a full retrospective or a modified retrospective approach. The Group expects to adopt HKFRS 16 from 1 January 2019.

### 2.3 已頒佈但尚未生效的香港財務報告準則 (續)

香港財務報告準則第16號於二零一六年五月頒佈，取代香港會計準則第17號租賃、香港(國際財務報告詮釋委員會)–詮釋第4號釐定安排是否包括租賃、香港(詮釋常務委員會)–詮釋第15號經營租賃 – 優惠及香港(詮釋常務委員會)–詮釋第27號評估涉及租賃法律形式交易的內容。該準則載列確認、計量、呈列及披露租賃的原則，並要求承租人就大多數租賃確認資產及負債。該準則包括兩項承租人可選擇的確認豁免項目 – 低價值資產租賃及短期租賃。於租賃開始日期，承租人將確認於租賃期作出租賃付款為負債(即租賃負債)及代表可使用相關資產的權利為資產(即有使用權資產)。除非有使用權資產符合香港會計準則第40號投資物業的定義，或涉及應用重估模型的物業、廠房及設備類別，否則有使用權資產其後按成本減累計折舊及任何減值虧損計量。租賃負債其後會就反映租賃負債利息而增加及因租賃付款而減少。承租人將須分別確認租賃負債的利息開支及有使用權資產的折舊開支。承租人亦將須於若干事件發生時重新計量租賃負債，例如由於租賃期變更或用於釐定該等付款的一項指數或比率變更而引致未來租賃付款變更。承租人一般將重新計量租賃負債的數額確認為有使用權資產的調整。香港財務報告準則第16號大致沿用香港會計準則第17號內出租人的會計處理方式。出租人將繼續使用與香港會計準則第17號相同的分類原則對所有租賃進行分類，並將其分為經營租賃及融資租賃。香港財務報告準則第16號要求承租人及出租人較根據香港會計準則第17號作出更多披露。出租人可選擇以全面追溯應用或部分追溯應用方式應用該準則。本集團預期於二零一九年一月一日起採納香港財務報告準則第16號。

# Notes to Financial Statements

## 財務報表附註

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### 2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

(continued)

The Group is currently assessing the impact of HKFRS 16 upon adoption and is considering whether it will choose to take advantage of the practical expedients available and which transition approach and reliefs will be adopted. As disclosed in note 32(b) to the consolidated financial statements, at 31 December 2017, the Group had future minimum lease payments under non-cancellable operating leases in aggregate of approximately HK\$1,158,000. Upon adoption of HKFRS 16, certain amounts included therein may need to be recognised as new right-of-use assets and lease liabilities. Further analysis, however, will be needed to determine the amount of new rights of use assets and lease liabilities to be recognised, including, but not limited to, any amounts relating to leases of low-value assets and short term leases, other practical expedients and reliefs chosen, and new leases entered into before the date of adoption.

### 2.3 已頒佈但尚未生效的香港財務報告準則 (續)

本集團現正評估採納香港財務報告準則第16號後的影響，且正考慮會否選擇利用現有可行權宜方式，以及將採用何種過渡方式及補救措施。誠如綜合財務報表附註32(b)所披露，於二零一七年十二月三十一日，本集團根據不可撤銷經營租賃應付的未來最低租金總額約為1,158,000港元。採納香港財務報告準則第16號後，當中所列若干金額或需確認為新有使用權資產及租賃負債。然而，本集團需作進一步分析，以確定將予確認的新有使用權資產及租賃負債，包括但不限於涉及低價值資產租賃及短期租賃的金額、所選其他可行權宜方式及補救措施以及採用該準則日期前訂立的新租賃。

# Notes to Financial Statements

## 財務報表附註

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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Fair value measurement

The Group measures its investment properties and available-for-sale investment at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

### 2.4 主要會計政策概要

#### 公平值計量

本集團於各報告期末按公平值計量其投資物業及可供出售投資。公平值為於計量日期市場參與者之間進行的有序交易中出售資產所收取或轉移負債所支付的價格。公平值計量乃基於出售資產或轉移負債的交易於資產或負債的主要市場進行，或在未有主要市場的情況下，則於資產或負債的最有利市場進行的假設。主要或最有利市場必須為本集團可進入的市場。資產或負債的公平值乃基於市場參與者為資產或負債定價時所用的假設計量（假設市場參與者以符合彼等最佳經濟利益的方式行事）。

非財務資產的公平值計量會計及一名市場參與者透過以最大限度及最佳用途使用該資產，或透過將資產出售予將以最大限度及最佳用途使用該資產的另一名市場參與者而產生經濟利益的能力。

本集團使用適用於不同情況且具備足夠可用數據以計量公平值的估值方法，以盡量使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

於財務報表計量或披露公平值的所有資產及負債，均根據對公平值計量整體而言屬重大的最低級別輸入數據在下列公平值等級內進行分類：

- 第一級 — 基於在活躍市場中相同資產或負債的報價（未經調整）
- 第二級 — 基於對公平值計量而言屬重大的可觀察（直接或間接）最低級別輸入數據的估值方法
- 第三級 — 基於對公平值計量而言屬重大的不可觀察最低級別輸入數據的估值方法



# Notes to Financial Statements

## 財務報表附註

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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Fair value measurement (continued)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, investment properties, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

### 2.4 主要會計政策概要 (續)

#### 公平值計量 (續)

就經常於財務報表確認的資產及負債而言，本集團於各報告期末透過重新評估分類（按對公平值計量整體而言屬重大的最低級別輸入數據），釐定等級中各個級別之間是否出現轉移。

#### 非財務資產減值

倘一項資產（存貨、投資物業、遞延稅項資產及財務資產除外）存在減值跡象，或需要進行年度減值測試，則會估計資產的可收回金額。資產可收回金額按該資產或現金產生單位的使用價值及其公平值減出售成本兩者中的較高金額計算，並按個別資產釐定，除非該資產不能產生大體上獨立於其他資產或資產組別所產生之現金流入，在該情況下可收回金額將按該資產所屬現金產生單位釐定。

減值虧損僅於資產賬面值超過其可收回金額時方會確認。評估使用價值時，估計未來現金流量採用反映當前市場對資金時間價值及資產特定風險的評估之稅前貼現率貼現至其現值。減值虧損於產生期間的損益表內扣除，除非該資產以重估值列賬，在該情況下減值虧損則按該重估資產之有關會計政策入賬。

於各報告期末，已就是否有跡象顯示先前確認的減值虧損可能已不存在或可能減少作出評估。倘存在上述跡象，則會估計可收回金額。就先前確認的資產減值虧損僅於用以釐定該資產可收回金額的估計出現變動時方予撥回，惟撥回金額不得超過在過往年度並無就該資產確認減值虧損的情況下原應釐定的賬面值（扣除任何折舊／攤銷）。該減值虧損撥回計入產生期間的損益表，惟倘該資產以重估值列賬，在該情況下撥回減值虧損則按該重估資產之相關會計政策入賬。

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group;or
- (b) the party is an entity where any of the following conditions applies:
  - (i) the entity and the Group are members of the same group;
  - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
  - (iii) the entity and the Group are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

### 2.4 主要會計政策概要(續)

#### 關聯方

以下人士將被視為與本集團有關連：

- (a) 倘為以下人士或其近親，而該名人士
  - (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響力；或
  - (iii) 為本集團或本集團母公司的主要管理層成員；或
- (b) 倘為符合下列任何條件的實體：
  - (i) 該實體與本集團屬同一集團的成員公司；
  - (ii) 實體為另一實體(或另一實體的母公司、附屬公司或同系附屬公司)的聯營公司或合營企業；
  - (iii) 該實體與本集團為同一第三方的合營企業；
  - (iv) 實體為一名第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
  - (v) 該實體為本集團或與本集團有關連的實體就僱員利益設立的離職後福利計劃；
  - (vi) 該實體由(a)項所列人士控制或共同控制；
  - (vii) (a)(i)項所列人士對該實體具有重大影響力或為該實體(或該實體的母公司)的主要管理層成員；及
  - (viii) 該實體或其構成一部分的集團的任何成員公司向本集團或本集團母公司提供主要管理人員服務。

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Property, plant and equipment and depreciation

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

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold land and buildings	2.2% to 4%
Leasehold improvements	33 $\frac{1}{3}$ %
Plant and machinery	9% to 18%
Furniture, fixtures and equipment	9% to 33 $\frac{1}{3}$ %
Motor vehicles	30% to 33 $\frac{1}{3}$ %

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress mainly represents buildings and leasehold improvements under construction, which are stated at cost less any impairment losses, and are not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

### 2.4 主要會計政策概要(續)

#### 物業、廠房及設備和折舊

物業、廠房及設備(在建工程除外)乃按成本減累計折舊及任何減值虧損後列賬。物業、廠房及設備項目成本包括其購入價及任何令該項資產達致運作狀態及將其運往擬定用途地點之直接應計成本。

物業、廠房及設備項目投入運作後產生之開支,例如維修及保養費用,一般於該等開支產生之期間於損益表內扣除。在符合確認條件的情況下,大型檢驗的開支於資產的賬面值資本化為重置資產。倘物業、廠房及設備的主要部份須分段重置,則本集團將該等部份確認為獨立資產,並設有特定的可使用年期及作出相應折舊。

折舊以直線法於各項物業、廠房及設備之估計可使用年期撇銷其成本至其剩餘價值。就此目的而採用之主要年利率如下:

租賃土地及樓宇	2.2%至4%
租賃裝修	33 $\frac{1}{3}$ %
廠房及機器	9%至18%
傢具、固定裝置及設備	9%至33 $\frac{1}{3}$ %
汽車	30%至33 $\frac{1}{3}$ %

倘一項物業、廠房及設備各部分之可使用年期並不相同,則該項目各部分之成本將按合理基準分配,而各部分將作個別折舊。剩餘價值、可使用年期及折舊方法至少會於各財政年度末進行審閱及調整(如適用)。

一項物業、廠房及設備(包括任何初步已確認之重大部分)於出售或預計日後其使用或出售不再產生經濟利益時,將終止確認。於資產終止確認年度因其出售或報廢並在損益表確認之任何收益或虧損,乃有關資產之出售所得款項淨額與賬面值之差額。

在建工程主要指在建樓宇及租賃物業裝修,其按成本扣除任何減值虧損列賬,且不計算折舊。成本包括直接建築成本及建築期內產生之相關借貸之資本化借貸成本。在建工程於落成及可供使用時重新分類至物業、廠房及設備之適當類別。

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the statement of profit or loss in the year which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

If a property occupied by the Group as an owner-occupied property becomes an investment property, any difference between the carrying amount and the fair value of the property at the date of change in use is accounted for as follows:

- (a) any resulting decrease in the carrying amount of the property is recognised in profit or loss in the period the change in use takes place; or
- (b) any resulting increase in the carrying amount is recognised in profit or loss, to the extent that the increase reverses a previous impairment loss for that property. The amount recognised in profit or loss does not exceed the amount needed to restore the carrying amount of the property to the carrying amount that would have been determined (net of any depreciation) had no impairment loss been recognised for the property. Any remaining part of the increase in the carrying amount is recognised in other comprehensive income and increase the land and building revaluation reserve within equity. On subsequent disposal of the investment property, the relevant portion of the land and building revaluation reserve realised may be transferred to retained profits as a movement in reserves.

### 2.4 主要會計政策概要(續)

#### 投資物業

投資物業為土地及樓宇(包括根據一項符合投資物業定義的物業以經營租賃持有的租賃權益)的權益。持有投資物業是為賺取租金收入及/或資本增值，而非用以生產或提供貨物或服務或作行政用途又或於日常業務中出售。該等物業初次以成本(包括交易成本)計量。於初次確認後，投資物業乃按反映各報告期終的市場狀況之公平值列賬。

投資物業公平值變動所帶來的盈虧於產生的年度計入損益表。

報廢或出售投資物業的任何盈虧於報廢或出售之年度在損益表確認。

倘本集團佔用之物業由業主自用物業轉變為投資物業，物業在改變用途當日之賬面值與公平值之任何差額按以下方式入賬：

- (a) 由此產生之物業賬面值減少在改變用途發生期間之損益中確認；或
- (b) 由此產生之任何賬面值增加於損益確認，惟增加之數額僅限於保留先前就該物業確認之減值虧損。於損益確認的金額並不高於回升該物業所須之賬面值至倘並無就該物業確認減值虧損而可能釐定之賬面值(扣除任何折舊)。任何餘下賬面值增加則直接於其他全面收益確認，並於權益增加土地及樓宇重估儲備。於其後出售該投資物業時，變現之土地及樓宇重估儲備相關部份可能轉撥至保留溢利，入賬列作儲備變動。



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## 財務報表附註

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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the statement of profit or loss so as to provide a constant periodic rate of charge over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the statement of profit or loss on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

#### Investments and other financial assets

##### Initial recognition and measurement

Financial assets of the Group are classified, at initial recognition, as loans and receivables and available-for-sale financial investments, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

### 2.4 主要會計政策概要(續)

#### 租賃

凡資產擁有權絕大部分回報及風險(不包括法定所有權)轉歸本集團所有的租賃,均列作融資租賃。於融資租賃開始時,租賃資產的成本乃按最低租賃款項的現值撥充資本,並連同債務(不包括利息部分)一併入賬,藉以反映購買與融資情況。根據已資本化的融資租賃持有的資產(包括融資租賃項下預付土地租賃款項)乃納入物業、廠房及設備內,並按租期或資產的估計可使用年期兩者中的較短者予以折舊。有關租約的融資成本於損益表中扣除,以反映租期內的固定周期支出比率。

透過具融資性質的租購合約收購的資產列作融資租賃,惟有關資產乃按估計可使用年期予以折舊。

資產擁有權的絕大部分回報與風險歸屬於出租人的租賃列作經營租賃。倘本集團為出租人,本集團根據經營租賃租出之資產列為非流動資產,而根據經營租賃應收之租金乃以直線法於租約期內計入損益表中。倘本集團為承租人,根據經營租賃應付的租金(扣除任何出租人提供的獎勵)按照租期以直線法在損益表中扣除。

經營租賃下之預付土地租賃款項首次按成本入賬,而隨後於租期內按直線法確認。當租賃款項無法於土地及樓宇項目之間準確分類,則租賃款項悉數納入土地及樓宇成本,作為物業、廠房及設備融資租賃。

#### 投資及其他財務資產

##### 初步確認及計量

本集團的財務資產乃於初步確認時分類為貸款及應收款項及可供出售金融投資(如適用)。在初步確認財務資產時,乃按公平值加收購財務資產應佔的交易成本計量。

所有財務資產常規買賣均於交易日期(即本集團承諾購買或出售資產當日)確認。常規買賣指須於一般由市場規例或慣例所訂期間內交付資產的財務資產買賣。

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## 財務報表附註

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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Investments and other financial assets (continued)

##### Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

##### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in the statement of profit or loss. The loss arising from impairment is recognised in the statement of profit or loss.

##### *Available-for-sale financial investment*

Available-for-sale financial investment of the Group is a non-derivative financial asset in an unlisted equity investment. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss.

After initial recognition, the available-for-sale financial investment is subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the statement of profit or loss, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to the statement of profit or loss. Interest and dividends earned whilst holding the available-for-sale financial investment are reported as interest income and dividend income, respectively and are recognised in the statement of profit or loss.

The Group evaluates whether the ability and intention to sell its available-for-sale financial asset in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity.

### 2.4 主要會計政策概要(續)

#### 投資及其他財務資產(續)

##### 後續計量

財務資產的後續計量視乎下列分類而定：

##### *貸款及應收款項*

貸款及應收款項乃具有固定或可釐定付款額及並非於活躍市場報價的非衍生財務資產。於初步計量後，有關資產其後按攤銷成本以實際利率法減任何減值撥備計量。攤銷成本的計算經計及任何收購折讓或溢價，並包括為實際利率整體一部分的費用或成本。實際利率攤銷計入損益表的其他收入及收益。因減值產生的虧損於損益表確認。

##### *可供出售金融投資*

本集團的可供出售金融投資指非上市股本投資中的非衍生財務資產。既非持作買賣，亦非指定為按公平值計入損益的股本投資分類為可供出售股本投資。

於初步確認後，可供出售金融投資以公平值作後續計量，未變現收益或虧損於其他全面收益確認為可供出售投資重估儲備，直至終止確認投資(累計收益或虧損於損益表確認)或釐定投資為已減值(累計收益或虧損自可供出售投資重估儲備重新分類至損益表)為止。持有可供出售金融投資所賺取的利息及股息分別呈報為利息收入及股息收入，並於損益表確認。

本集團評估近期是否有能力及計劃且是否適宜出售可供出售財務資產。當市場不活躍而無法買賣該等財務資產時，本集團在極特殊情況下可選擇重新分類該等財務資產(倘管理層有能力及計劃在可見將來持有該等資產或持有至到期為止)。

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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Investments and other financial assets (continued) Subsequent measurement (continued)

##### Available-for-sale financial investment (continued)

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss.

#### Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### 2.4 主要會計政策概要(續)

#### 投資及其他財務資產(續)

##### 後續計量(續)

##### 可供出售金融投資(續)

倘財務資產從可供出售類別重新劃分為其他類別，則於重新分類當日的公平賬面值為其新攤銷成本，先前於權益確認該資產的任何收益或虧損採用實際利率法按剩餘投資年期在損益攤銷。新攤銷成本與到期金額的任何差額亦採用實際利率法於資產剩餘年內攤銷。倘資產其後釐定為已減值，則計入權益的金額重新分類至損益表。

#### 終止確認財務資產

一項財務資產(或(如適用)一項財務資產的部分或一組同類財務資產的部分)主要在以下情況被終止確認(即自本集團的綜合財務狀況表中剔除):

- 從資產取得現金流量的權利已過期; 或
- 本集團已轉移其從資產取得現金流量的權利或已於一個「轉付」安排下承擔將取得的現金流量全部向第三方支付義務，且不得有重大延誤; 及(a)本集團已轉移該資產的絕大部分風險及回報，或(b)本集團既無轉移亦無保留該資產的絕大部分風險及回報，但已轉移該資產的控制權。

倘本集團已轉移其從資產取得現金流量的權利或已訂立轉付安排，其評估有否保留資產擁有權的風險及回報，以及相關程度。倘並無轉移或並無保留資產的絕大部分風險與回報，亦無轉移資產的控制權，則本集團按其持續參與程度繼續確認被轉移資產。在該情況下，本集團亦確認一項相關債務。被轉移資產及相關債務乃根據反映本集團已保留的權利與義務的基礎計量。

以對已轉讓資產作出擔保之形式進行之持續參與，按以下兩者中較低者計量：該資產之原賬面值及本集團須償還之最高代價。

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

#### *Financial assets carried at amortised cost*

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

### 2.4 主要會計政策概要(續)

#### 財務資產減值

本集團於每個報告期末評估是否有任何客觀證據顯示一項財務資產或一組財務資產已減值。在資產初步確認後發生的一項或多項事件，對預計該項財務資產或該組財務資產的未來現金流量產生影響，而有關影響可準確估計時，則存在減值。減值跡象可該包括一名債務人或一組債務人正經歷重大財務困難、拖欠或拖延利息或本金付款、彼等可能面臨破產或其他財務重組，以及可觀察數據顯示預計未來現金流量會出現可計量的減幅，例如與違約相關的結欠款項或經濟狀況的變化。

#### *按攤銷成本列賬的財務資產*

就按攤銷成本列賬的財務資產而言，本集團首先單獨評估是否有個別重大的財務資產出現減值，或整體評估是否有非個別重大的財務資產出現減值。倘本集團確定一項單獨評估的財務資產（不論重大與否）並無出現減值的客觀證據，有關資產將被撥入一組有類似信貸風險特徵的財務資產中，並合併評估其減值。整體減值評估不包括經單獨減值評估且減值虧損被確認或持續被確認的資產。

任何已確認減值虧損金額乃按資產的賬面值及預計未來現金流量現值（不包括未產生的未來信貸虧損）兩者之間的差額計量。預計未來現金流量現值乃按財務資產原有實際利率（即於初步確認時計算的實際利率）貼現。

資產賬面值透過使用撥備賬扣減，虧損在損益表內確認。利息收入於減少後之賬面值中持續增加，且採用計量減值虧損時用以貼現未來現金流量之利率累計。倘並無於日後收回貸款及應收款項連同任何相關撥備的實際可能性，且所有抵押品已變現或轉讓予本集團，則會將該等貸款及應收款項連同任何相關撥備撇銷。



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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Impairment of financial assets (continued)

##### *Financial assets carried at amortised cost (continued)*

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to the statement of profit or loss.

##### *Available-for-sale financial investment*

For the available-for-sale financial investment, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the statement of profit or loss, is removed from other comprehensive income and recognised in the statement of profit or loss.

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the statement of profit or loss — is removed from other comprehensive income and recognised in the statement of profit or loss. Impairment losses on equity instruments classified as available for sale are not reversed through the statement of profit or loss. Increases in their fair value after impairment are recognised directly in other comprehensive income.

The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

### 2.4 主要會計政策概要 (續)

#### 財務資產減值 (續)

##### *按攤銷成本列賬的財務資產 (續)*

倘於往後期間，估計減值虧損的數額增加或減少，乃由於減值確認後發生的事件所致，則先前確認的減值虧損會通過調整撥備賬予以增加或減少。倘一項撇銷於其後收回，則該項收回於損益表入賬。

##### *可供出售金融投資*

就可供出售金融投資而言，本集團於各報告期末評估是否有客觀證據顯示一項投資或一組投資出現減值。

倘可供出售資產已減值，其成本(扣除任何本金付款及攤銷)與當時公平值的差額，減任何先前於損益表確認的減值虧損，從其他全面收益剔除，並於損益表確認。

就分類為可供出售的股權投資而言，客觀證據包括投資的公平值顯著或持續跌至低於成本。「重大」乃根據投資的原始成本評定，而「持續」乃根據公平值低於原有成本之期間確定。倘有減值跡象，則累計虧損(按收購成本與當時公平值之差額，扣除任何先前於損益表確認的投資減值虧損計算)從其他全面收益剔除，並於損益表確認。分類為可供出售股本工具的減值虧損不得透過損益表撥回，減值後之公平值增幅直接於其他全面收益內確認。

釐訂「重大」或「持續」時需要判斷。作出此判斷時，本集團會評估(其中包括)期限或投資公平值少於其成本之差額。

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

#### POLICIES (continued)

#### Financial liabilities

##### Initial recognition and measurement

Financial liabilities of the Group are classified, at initial recognition, as loans and borrowings.

All financial liabilities are recognised initially at fair value and net of directly attributable transaction costs.

##### Subsequent measurement of loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

##### Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

##### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

##### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of manufacturing overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

### 2.4 主要會計政策概要(續)

#### 財務負債

##### 初步確認及計量

本集團的財務負債在初步確認時分類為貸款及借款。

所有財務負債初步均按公平值確認並扣除直接應佔交易成本。

##### 貸款及借款之後續計量

於初步確認後，計息貸款及借款其後按攤銷成本使用實際利率法計量，除非貼現的影響並不重大，在該情況下則按成本列賬。當終止確認負債及透過實際利率攤銷程序時，則於損益表確認收益或虧損。

攤銷成本的計算已計及任何收購折讓或溢價以及為實際利率整體一部分的費用或成本。實際利率攤銷計入損益表的融資成本。

##### 終止確認財務負債

當負債的責任被解除或取消或屆滿，財務負債將終止確認。

倘現有財務負債由同一放債人以條款極為不同的負債所取代，或現有負債的條款經大幅修訂，該等交換或修訂視作終止確認原有負債及確認新負債處理，有關賬面值的差額於損益表確認。

##### 抵銷金融工具

倘有現行可予執行之法律權利以抵銷確認金額及有意按淨額基準償付，或變現資產與償還負債同時進行，則抵銷財務資產及財務負債，並於財務狀況表內呈報淨額。

##### 存貨

存貨按成本及可變現淨值之較低者列值。成本按加權平均基準釐定，對在製品及成品而言，包括直接物料、勞工成本及適當比例的生產經常性開支。可變現淨值乃基於估計售價減任何因完成交易及出售而產生的估計成本計算。

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Cash and cash equivalents

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

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

#### Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

#### Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries/jurisdictions in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

### 2.4 主要會計政策概要(續)

#### 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金、活期存款及可隨時轉換為已知數額現金並於短期內(一般在購入後三個月內)到期，且並無重大價值變動風險的短期高流通量投資，再扣除須按要求償還及構成本集團現金管理一個必要部分的銀行透支。

就綜合財務狀況表而言，現金及現金等價物包括手頭及銀行現金(包括定期存款)，而其用途不受限制。

#### 撥備

倘因過往事件導致現時承擔責任(法定或推定責任)，且日後可能須流失資源以履行責任，並能可靠估計有關責任之數額，則確認撥備。

倘若貼現影響重大，則所確認之撥備數額為預計履行責任所需之未來開支於報告期末之現值。隨時間流逝使貼現現值增加之款項計入損益表之融資成本內。

#### 所得稅

所得稅包括即期及遞延稅項。與於損益以外確認項目相關之所得稅於損益以外之其他全面收益或直接於權益內確認。

即期稅項資產及負債乃按預期可收回的數額或支付予稅務機關的數額計算，其根據於報告期末已頒佈或實質上已頒佈的稅率(及稅務法例)計算，並考慮到本集團經營所在國家/司法權區的現行詮釋及慣例。

遞延稅項就於報告期末資產及負債的稅項基準及其於財務報告中的賬面值的所有暫時性差額以負債法撥備。

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Income tax (continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

### 2.4 主要會計政策概要(續)

#### 所得稅(續)

所有應課稅暫時性差額均被確認為遞延稅項負債，惟：

- 倘若遞延稅項負債來自在一宗屬非業務合併的交易中初步確認商譽或資產或負債，而且在交易時對會計溢利或應課稅溢利或虧損均無影響，則屬例外；及
- 就於附屬公司的投資的相關應課稅暫時性差額而言，倘若撥回暫時性差額的時間可以控制，以及暫時性差額不太可能在可見將來撥回，則屬例外。

就所有可扣減暫時性差額、結轉的未動用稅項抵免及任何未動用稅項虧損而言，遞延稅項資產一律確認入賬。若日後有可能應課稅溢利，可用以抵銷該等可扣減暫時性差額、結轉的未動用稅項抵免及未動用稅項虧損產生，則遞延稅項資產確認入賬，惟：

- 倘若有關可扣減暫時性差額的遞延稅項資產來自在一宗屬非業務合併的交易中初步確認資產或負債，而且在交易時對會計溢利或應課稅溢利或虧損均無影響，則屬例外；及
- 就於附屬公司的投資的相關可扣減暫時性差額而言，僅在暫時性差額有可能在可見將來撥回，而且日後有可能出現應課稅溢利，可用以抵銷該等暫時性差額時，方會確認遞延稅項資產。

遞延稅項資產的賬面值在每個報告期末予以審閱。若不再可能有足夠應課稅溢利用以抵扣全部或部分遞延稅項資產，則扣減遞延稅項資產賬面值。未確認的遞延稅項資產於每個報告期末重新評估，並於可能有足夠應課稅溢利用以收回全部或部分遞延稅項資產時確認。

遞延稅項資產及負債按預期應用於該期間(當變現資產或償還負債時)的稅率計量，根據於報告期末已頒佈或實質上已頒佈的稅率(及稅法)計算。



# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Income tax (continued)

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

#### Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) rental income, on a time proportion basis over the lease terms; and
- (c) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

### 2.4 主要會計政策概要 (續)

#### 所得稅 (續)

僅於本集團具有可依法強制執行的權利，可以即期稅項資產抵銷即期稅項負債，及僅於遞延稅項資產與遞延稅項負債是關於同一稅務機關就同一應課稅實體所徵收的所得稅或就計劃於各段未來期間（而預期在有關期間內將結清或收回大額的遞延稅項負債或資產）以淨額基準結算即期稅項負債與資產或同時變現資產及結清負債之不同應課稅實體所徵收的所得稅時，則遞延所得稅資產及遞延所得稅負債可相互抵銷。

#### 政府補貼

如能合理確保將獲得政府補貼，且所有附帶條件將得到遵守，則政府補貼按公平值確認。如補貼與開支項目有關，則會有系統地於擬用作補償的成本支銷期間確認為收入。

倘補貼與資產有關，則其公平值會計入遞延收益賬，並按有關資產的預計可使用年期以每年等額分期款項撥入損益表。

#### 收益確認

當經濟利益可能流向本集團及收益能被可靠計量時，將按以下基準確認收益：

- (a) 自貨品銷售，當附於擁有權的重大風險及回報已轉移至買方時確認，除非本集團並無保留通常被視為與擁有權相關的管理權或已售貨品的有效控制權；
- (b) 租金收入，於租期按時間比例基準確認；及
- (c) 按應計基準以實際利率法計算的利息收入，方式為應用於金融工具的預期可使用年期或較短期間（倘適用）將預期未來現金收入準確貼現至財務資產賬面淨值的利率。

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

#### POLICIES (continued)

#### Employee benefits

##### Pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group’s subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

##### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

##### Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the consolidated financial statements.

Interim dividends are simultaneously proposed and declared, because the Company’s memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

### 2.4 主要會計政策概要(續)

#### 僱員福利

##### 退休金計劃

本集團根據強制性公積金計劃條例為其符合參加香港強積金計劃資格之僱員營運定額供款強制性公積金退休福利計劃(「強積金計劃」)。供款乃按僱員基本薪金之某一百分比計算，並根據強積金計劃之規則於應付時在損益表中扣除。強積金計劃之資產與本集團之資產分開存放，由獨立管理之基金持有。本集團一經向強積金計劃供款，有關僱主供款即全數歸僱員所有。

本集團於中國內地經營的附屬公司的僱員須參與地方市政府營運的中央退休金計劃。該等附屬公司須就中央退休金計劃作出供款，金額為其工資成本的若干百分比。供款於根據中央退休金計劃的規則須予支付時自損益表扣除。

##### 借款成本

收購、興建或生產合資格資產(即須經一段長時間作準備方可作擬定用途或銷售的資產)直接產生的借款成本，撥充資本作為該等資產之部分成本。當有關資產大致可作擬定用途或銷售時，即終止將該等借款成本撥充資本。所有其他借款成本均於其產生期間支銷。借款成本包括利息及與實體因借取資金而產生的其他成本。

##### 股息

末期股息於股東大會獲股東批准時確認為負債。建議末期股息於綜合財務報表附註中披露。

中期股息於建議同時宣派，此乃由於本公司的章程大綱及細則已授權董事宣派中期股息。因此，中期股息於建議及宣派時即時確認為負債。

# Notes to Financial Statements

## 財務報表附註

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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of certain overseas subsidiaries are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

### 2.4 主要會計政策概要(續)

#### 外幣

財務報表以本公司的功能貨幣港元列示。本集團旗下各公司自行選擇功能貨幣，而各公司的財務報表項目均以各自的功能貨幣計量。本集團轄下實體錄得的外幣交易初次按交易日的匯率以有關實體的功能貨幣列賬。以外幣計值的貨幣資產及負債按功能貨幣於呈報期末的匯率換算。貨幣項目結算或換算產生的差額於損益表確認。

以外幣按歷史成本計算的非貨幣項目以首次交易日的匯率換算，以外幣按公平值計量的非貨幣項目以計量公平值當日的匯率換算。換算按公平值計量的非貨幣項目產生的收益或虧損與該項目公平值變動產生的收益或虧損確認方式一致，即公平值收益或虧損於其他全面收益或損益確認之項目之匯兌差額亦相應於其他全面收益或損益確認。

若干海外附屬公司的功能貨幣並非港元。於報告期末，有關實體的資產與負債，按報告期末通行的匯率換算為港元，其損益表則按年內的加權平均匯率換算為港元。因此而產生的匯兌差額於其他全面收益確認並於匯兌波動儲備累計。出售海外業務時，與該項海外業務有關之其他全面收益的組成部份，會在損益表中確認。

就綜合現金流量表而言，海外附屬公司之現金流量乃以現金流量日期之適用匯率換算為港元。海外附屬公司於年內產生之經常性現金流量乃以年內之加權平均匯率換算為港元。

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

#### Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

#### Determination of functional currency

In determining the functional currency of each entity of the Group, judgement is required to determine and consider the currency that mainly influences sales prices of goods; the currency that mainly influences costs of providing goods; the currency in which funds from financing activities are generated; and the currency in which receipts from operating activities are usually retained, etc. The functional currency of each entity is determined based on management's assessment of the primary economic environment in which the entities operate. When the indicators are mixed and the functional currency is not obvious, management uses its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

#### Transfer of construction in progress to property, plant and equipment

Construction in progress is reclassified to appropriate category of property, plant and equipment when completed and ready for use. Thereafter, depreciation is calculated on a straight line basis to write off the cost of such property, plant and equipment to its residual value over its estimated useful life. It requires management's judgement to determine when the project under construction is substantially ready for its intended use.

#### Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

### 3. 重要會計判斷及估計

編製本集團的財務報表時要求管理層作出影響收益、開支、資產及負債呈報金額及其附帶披露的判斷、估計及假設，並須披露或然負債。該等假設及估計的不明朗因素可能導致須於未來對受影響的資產或負債的賬面值作出重大調整。

#### 判斷

於應用本集團的會計政策過程中，除涉及估計數額的判斷外，管理層作出以下對在財務報表中已確認數額有重大影響的判斷：

#### 釐定功能貨幣

在決定本集團各實體的功能貨幣時，需判斷決定及考慮主要影響貨品的銷售價格的貨幣；主要影響提供貨品成本的貨幣；融資活動資金的貨幣；及營運活動通常所收取的貨幣。各實體的功能貨幣取決於管理層對實體營運所在的主要經濟環境的評估。倘各指示混合及功能貨幣不明顯，則管理層利用判斷決定最能準確代表基本交易、事件及條件的經濟效果的功能貨幣。

#### 將在建工程轉移至物業、廠房及設備

在建工程於竣工及可供使用時，重新分類為適當的物業、廠房及設備類別。此後，折舊乃以直線法計算，按其估計可使用年期，撇減該物業、廠房及設備之成本至餘值，以及需要管理層判斷，以釐定在建項目是否已大致可供其擬定用途。

#### 估計不明朗因素

涉及將來及報告期末的其他主要估計不確定性來源並很有可能引致資產及負債賬面值於下一財政年度內大幅調整的主要假設在下文闡述。



# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

#### Estimation uncertainty (continued)

##### Measurement of available-for-sale investment at fair value

The fair value of available-for-sale investment that is not traded in an active market is estimated by management with reference to valuation performed by an independent professionally qualified valuer by using valuation technique that requires various sources of information and assumptions. The carrying amount of the Group's available-for-sale investment at 31 December 2017 was HK\$4,153,000 (2016: HK\$3,773,000).

##### Estimation of fair value of investment properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including;

- (a) current prices in an active market for properties of a different nature, condition or location, adjusted to reflect those differences; and
- (b) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices.

The carrying amount of investment properties at 31 December 2017 was HK\$25,074,000 (2016: HK\$19,351,000). Further details, including the key assumptions used for fair value measurement are given in note 14 to the consolidated financial statements.

##### Provision and write-down of inventories to net realisable value

The Group performs regular review of the carrying amounts of inventories to determine whether any write-down of inventories to net realisable values is required after considering, inter alia, aging analysis of the Group's inventories, the purposes for which the inventories are held, subsequent sales made and materials used, current market conditions, relevant historical data and the expected future sales of goods and usage of materials. Write-down of inventories will be made when the estimated net realisable value of inventories decline below their carrying amounts. Net realisable value of inventories is based on the estimated selling price less any estimated costs to be incurred to completion and disposal. These estimates are made with reference to the current market conditions and the historical experience of manufacturing and selling products of a similar nature. Actual selling prices and saleability/usage of goods/materials might be different from estimations and profit or loss could be affected by differences in the estimations.

### 3. 重要會計判斷及估計(續)

#### 估計不明朗因素(續)

##### 按公平值列值的可供出售投資的計量

並無於活躍市場買賣的可供出售投資的公平值由管理層參考獨立專業合資格估值師使用涉及多項資料來源及假設之估值技巧進行的估值進行估計。本集團可供出售投資於二零一七年十二月三十一日的賬面值為4,153,000港元(二零一六年: 3,773,000港元)。

##### 投資物業的公平值估計

倘若類似物業並無活躍市場的現行價格可作參考，本集團會考慮來自不同來源的資料，包括：

- (a) 不同性質、狀況或地點的物業在活躍市場上的現行價格，並作出調整以反映上述差異；及
- (b) 類似物業於活躍程度稍遜市場的最近期價格，並作出調整以反映自交易按有關價格進行的日期起出現的任何經濟狀況變動。

於二零一七年十二月三十一日，投資物業的賬面值為25,074,000港元(二零一六年: 19,351,000港元)。進一步詳情(包括用作公平值計量的主要假設)載於綜合財務報表附註14。

##### 撥備及撇減存貨至可變現淨值

本集團定期審核其存貨賬面值，當中經考慮(其中包括)本集團的存貨的賬齡分析、持有存貨的目的、其後所作出銷售及使用材料、現行市況、相關過往數據及貨品的預期未來銷售及材料的使用，以釐定是否撇減存貨至可變現淨值。倘存貨賬面值下降到其可變現價值淨值以下，則會撇減存貨。存貨的可變現淨值乃根據估計售價減任何估計完成及出售將會產生的成本計算。該等估計乃參照當前市況以及製造及銷售相似性質產品的歷史經驗作出。貨品/物料實際售價及銷售能力/使用可能異於估計，而損益可能受估計差異影響。

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

#### Estimation uncertainty (continued)

##### Provision for income taxes

Provision for income tax is made based on the taxable income for the period as determined by the Group. The determination of taxable income involves the exercise of judgement on interpretation of the relevant tax rules and regulations. The amounts of income tax and hence profit or loss could be affected by any interpretations and clarifications which the tax authorities may issue from time to time.

##### Impairment of trade and bills receivables

The Group assesses at the end of each reporting period whether there is any objective evidence that a receivable is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

The Group maintains an allowance for the estimated loss arising from the inability of its debtors to make the required payments. The Group makes its estimates based on the aging of its receivable balances, debtors' creditworthiness, past payment history and historical write-off experience. If the financial condition of its debtors was to deteriorate so that the actual impairment loss might be higher than expected, the Group would be required to revise the basis of making the allowance.

##### Deferred tax liabilities

Deferred tax liabilities are recognised for withholding tax in respect of certain unremitted earnings of certain subsidiaries of the Group established in Mainland China to the extent that the directors are of the opinion that it would be probable for distribution in the foreseeable future. Significant management judgement is required to determine the amount of deferred tax liabilities that should be recognised. Further details are contained in note 26 to the consolidated financial statements.

##### Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profits will be available against which the tax losses can be utilised. Recognition of deferred tax assets primarily involves management judgement and estimations regarding the taxable profits of the entities in which the losses arose. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

### 3. 重要會計判斷及估計(續)

#### 估計不明朗因素(續)

##### 所得稅撥備

所得稅撥備乃按本集團所釐定之期內應課稅收入而作出。釐定應課稅收入涉及在詮釋有關稅務規則及法規時進行判斷。所得稅稅額(以至溢利或虧損)可能因稅務機關不時所頒佈之任何詮釋及澄清而受到影響。

##### 貿易應收款項及應收票據的減值

本集團於各報告期末評估有否客觀證據表明應收款項出現減值。釐定是否有減值的客觀證據時，本集團會考慮包括債務人破產或陷入重大財務困難的可能性及拖欠或嚴重延遲付款等因素。

本集團就因其債務人未能按要求付款而產生的估計虧損計提撥備。本集團根據其應收款項結餘的賬齡、債務人的信譽、過往付款歷史及歷史撇銷經驗作出估計。倘債務人的財政狀況惡化以致實際減值虧損或高於預期，本集團或須修訂撥備基準。

##### 遞延稅項負債

就本集團於中國內地所成立的若干附屬公司的若干未匯出的盈利，本公司董事認為可能會於可見將來分派該等盈利而對相關遞延稅項負債進行確認。釐定所需確認的遞延稅項負債金額時，管理層須作出重大判斷。更多詳情載於綜合財務報表附註26。

##### 遞延稅項資產

遞延稅項資產乃就未使用稅項虧損確認，前提為可能有應課稅溢利可供稅項虧損使用以抵銷。確認遞延稅項資產主要涉及管理層對產生虧損之實體之應課稅溢利以及判斷及估計。釐定可確認之遞延稅項資產金額需要根據未來應課稅溢利的可能產生時間及水平，連同未來稅項計劃策略，作出重大管理判斷。

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 4. OPERATING SEGMENT INFORMATION

The Group focuses primarily on the manufacturing and selling of printed circuit boards during the year. Information reported to the Group's chief operating decision maker, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

#### Geographical information

##### (a) Revenue from external customers

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Mainland China	中國內地	268,345	260,542
Europe	歐洲	152,485	168,366
Hong Kong	香港	23,560	27,717
North America	北美洲	56,036	57,590
Asia (except Mainland China and Hong Kong)	亞洲(不包括中國內地及香港)	101,242	64,434
Africa	非洲	31,732	12,186
Oceania	大洋洲	136	572
South America	南美洲	36	-
		<b>633,572</b>	<b>591,407</b>

The revenue information above is based on the locations of the customers who placed the orders.

上述收益資料乃基於下達訂單的客戶所在地。

##### (b) Non-current assets

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong	香港	1,042	2,594
Mainland China	中國內地	448,763	428,972
		<b>449,805</b>	<b>431,566</b>

The non-current asset information above is based on the locations of the assets and excludes an available-for-sale investment and deferred tax assets.

上述非流動資產資料乃基於資產所在地及不包括一項可供出售投資及遞延稅項資產。

### 4. 經營分部資料

本集團於年內主要專注於製造及銷售印刷電路板。向本集團主要營運決策人匯報的資料(用作資源分配及表現評估)集中於本集團的整體營運業績，因為本集團綜合資源，並無獨立經營分部財務資料可供呈報。據此，並無呈列經營分部資料。

#### 地區資料

##### (a) 來自外部客戶的收益

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Mainland China	中國內地	268,345	260,542
Europe	歐洲	152,485	168,366
Hong Kong	香港	23,560	27,717
North America	北美洲	56,036	57,590
Asia (except Mainland China and Hong Kong)	亞洲(不包括中國內地及香港)	101,242	64,434
Africa	非洲	31,732	12,186
Oceania	大洋洲	136	572
South America	南美洲	36	-
		<b>633,572</b>	<b>591,407</b>

上述收益資料乃基於下達訂單的客戶所在地。

##### (b) 非流動資產

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong	香港	1,042	2,594
Mainland China	中國內地	448,763	428,972
		<b>449,805</b>	<b>431,566</b>

上述非流動資產資料乃基於資產所在地及不包括一項可供出售投資及遞延稅項資產。

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 4. OPERATING SEGMENT INFORMATION

(continued)

#### Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue is set out below:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Customer A	客戶 A	191,217	175,615
Customer B	客戶 B	82,362	73,451
		<b>273,579</b>	<b>249,066</b>

### 5. REVENUE, OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

An analysis of revenue, other income and gains is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Revenue</b>	<b>收益</b>		
Sale of goods	銷售貨品	633,572	591,407
<b>Other income</b>	<b>其他收入</b>		
Bank interest income	銀行利息收入	258	272
Rental income	租金收入	281	295
Government grants <sup>^</sup>	政府補貼 <sup>^</sup>	885	2,205
Others	其他	211	120
		<b>1,635</b>	<b>2,892</b>
<b>Gains</b>	<b>收益</b>		
Fair value gains on investment properties	投資物業之公平值收益	4,211	8,727
Gains on disposal of items of property, plant and equipment	出售物業、廠房及設備項目收益	270	-
Sales of scraps	銷售廢品	1,238	431
		<b>5,719</b>	<b>9,158</b>
		<b>7,354</b>	<b>12,050</b>

<sup>^</sup> Government grants have been received from certain government authorities of the PRC in recognition of the Group's efforts in environmental awareness and protection and technological development.

### 4. 經營分部資料(續)

#### 有關主要客戶的資料

來自各主要客戶的收益(佔本集團收益10%或以上)載列如下:

### 5. 收益、其他收入及收益

收益指已售貨品於扣除退貨及貿易折扣撥備後的發票淨值。

收益、其他收入及收益分析載列如下:

<sup>^</sup> 已獲若干中國政府部門發出政府補貼，以表揚本集團在環境意識及保護及技術發展等方面的努力。



# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/  
(crediting):

### 6. 除稅前溢利

本集團的除稅前溢利已扣除／(計入)：

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cost of inventories sold <sup>^</sup>	已售存貨成本 <sup>^</sup>		511,450	471,514
Minimum lease payments under operating leases	經營租賃的最低租金		2,143	2,147
Auditor's remuneration	核數師酬金		2,023	1,842
Depreciation	折舊	13	26,960	29,120
Amortisation of land lease payments	土地租賃款項攤銷	15	243	246
Employee benefit expense <sup>®</sup> (including directors' and chief executive's remuneration as disclosed in note 8):	僱員福利開支 <sup>®</sup> (包括披露於附註8的董事及行政總裁酬金)：			
Wages, salaries, allowances, bonuses, commission and benefits in kind	工資、薪金、津貼、花紅、佣金及實物福利		92,603	93,191
Pension scheme contributions (defined contribution schemes)	退休金計劃供款 (定額供款計劃)		240	245
Other employee benefits	其他僱員福利		9,079	6,631
			<b>101,922</b>	<b>100,067</b>
Research and development costs <sup>##</sup>	研究及發展成本 <sup>##</sup>		8,299	10,896
Write-off of items of property, plant and equipment	物業、廠房及設備項目撇銷	13	71	69
Write-off of deposits paid for purchases of items of property, plant and equipment	撇銷就購買物業、廠房及設備項目支付之按金	16	—	1,064
Reversal of write-down of inventories to net realisable value <sup>^</sup>	撥回撇減存貨至可變現淨值 <sup>^</sup>		(242)	(2,390)
Fair value gains on investment properties	投資物業公平值收益	5	(4,211)	(8,727)
Impairment of other receivables	其他應收款項減值	20	112	—
Gain on disposal of items of property, plant and equipment <sup>*</sup>	出售物業、廠房及設備項目之收益 <sup>*</sup>	5	(270)	—
Foreign exchange differences, net <sup>*</sup>	匯兌差額淨額 <sup>*</sup>		535	598

\* These gains are included in "Other income and gains" and the losses are included in "General and administrative expenses", as appropriate, in the consolidated statement of profit or loss.

\* 於綜合損益表，收益計入「其他收入及收益」，而虧損則計入「一般及行政開支」(如適用)。

® Part of the employee benefit expense is included in "Cost of inventories sold" in the consolidated statement of profit or loss.

® 於綜合損益表，部分僱員福利開支計入「已售存貨成本」。

^ Reversal of write-down of inventories to net realisable value is included in "Cost of inventories sold" in the consolidated statement of profit or loss.

^ 於綜合損益表，撥回撇減存貨至可變現淨值計入「已售存貨成本」。

## Research and development costs are included in "General and administrative expenses" in the consolidated statement of profit or loss.

## 於綜合損益表，研究及發展成本計入「一般及行政開支」。

# Notes to Financial Statements

## 財務報表附註

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### 7. FINANCE COSTS

### 7. 融資成本

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest on:	以下各項的利息：		
Bank loans and trust receipt loans	銀行貸款及信託收據貸款	7,134	7,195
Finance leases	融資租賃	403	652
		7,537	7,847
Less: Interest capitalised*	減：資本化利息*	(29)	(298)
		7,508	7,549

\* The borrowing costs had been capitalised at the rate of 6.54% (2016: 6.54%) per annum for the year.

\* 本年度的借款成本按年利率6.54% (二零一六年：6.54%) 資本化。

### 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Hong Kong Companies (Disclosure of information about Benefits of Directors) Regulation, is as follows:

### 8. 董事及行政總裁薪酬

根據聯交所證券上市規則(「上市規則」)、香港公司條例第383(1)(a)、(b)、(c)及(f)條及香港公司(披露董事利益資料)規例第二部披露的年度董事及行政總裁薪酬載列如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Fees	費用	1,428	1,429
Other emoluments:	其他薪酬：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	4,964	5,336
Commission	佣金	3,146	3,107
Retirement benefit scheme contributions	退休福利計劃供款	33	36
		8,143	8,479
		9,571	9,908

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## 財務報表附註

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### 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

#### (a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Mr. Chung Yuk Ming	鍾玉明先生	204	204
Mr. Yau Wing Yiu	邱榮耀先生	204	204
Mr. Yeung Kam Ho <sup>#</sup>	楊錦浩先生 <sup>#</sup>	-	153
Mr. Lau Shun Chuen <sup>*</sup>	劉順銓先生 <sup>*</sup>	204	52
		<b>612</b>	<b>613</b>

\* Appointed as an independent non-executive director on 30 September 2016.

<sup>#</sup> Resigned as an independent non-executive director on 30 September 2016.

There were no other emoluments payable to the independent non-executive directors during the year (2016: Nil).

### 8. 董事及行政總裁薪酬(續)

#### (a) 獨立非執行董事

年內已付獨立非執行董事之費用如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Mr. Chung Yuk Ming	204	204
Mr. Yau Wing Yiu	204	204
Mr. Yeung Kam Ho <sup>#</sup>	-	153
Mr. Lau Shun Chuen <sup>*</sup>	204	52
	<b>612</b>	<b>613</b>

\* 於二零一六年九月三十日獲委任為獨立非執行董事。

<sup>#</sup> 於二零一六年九月三十日辭任獨立非執行董事。

年內概無應付獨立非執行董事之其他薪酬(二零一六年：無)。

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

#### (b) Executive directors, a non-executive director and the chief executive

### 8. 董事及行政總裁薪酬(續)

#### (b) 執行董事、非執行董事及行政總裁

		Fees	Salaries, allowances and benefits in kind	Commission	Pension scheme contributions	Total remuneration
		費用	薪金、津貼及實物利益	佣金	退休金計劃供款	薪酬總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>2017</b>	<b>二零一七年</b>					
Executive directors:	執行董事：					
Mr. Chan Wing Yin*	陳榮賢先生*	204	1,764	–	–	1,968
Mrs. Chan Yung	陳勇女士	204	1,358	–	–	1,562
Mr. Chan Yan Kwong#	陳恩光先生#	170	865	–	15	1,050
Mr. Chan Yan Wing	陳恩永先生	204	977	3,146	18	4,345
		782	4,964	3,146	33	8,925
Non-executive director:	非執行董事：					
Mr. Chan Yan Kwong#	陳恩光先生#	34	–	–	–	34
		816	4,964	3,146	33	8,959
<b>2016</b>	<b>二零一六年</b>					
Executive directors:	執行董事：					
Mr. Chan Wing Yin*	陳榮賢先生*	204	1,740	–	–	1,944
Mrs. Chan Yung	陳勇女士	204	1,328	–	–	1,532
Mr. Chan Yan Kwong	陳恩光先生	204	1,318	–	18	1,540
Mr. Chan Yan Wing	陳恩永先生	204	950	3,107	18	4,279
		816	5,336	3,107	36	9,295

\* Mr. Chan Wing Yin is also the chief executive officer of the Company.

\* 陳榮賢先生亦為本公司行政總裁。

# Mr. Chan Yan Kwong has been re-designated from an executive director to a non-executive director since 1 November 2017.

# 於二零一七年十一月一日起，陳恩光先生從執行董事調任為非執行董事。

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

年內概無安排致使董事或行政總裁豁免或同意豁免任何薪酬。



# Notes to Financial Statements

## 財務報表附註

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### 9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two directors (2016: four directors), details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining three (2016: one) highest paid employees who are neither a director nor the chief executive of the Company are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	4,373	2,259
Discretionary bonuses	酌情花紅	149	1,232
Pension scheme contributions	退休金計劃供款	50	18
		4,572	3,509

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員數目	
		2017 二零一七年	2016 二零一六年
Nil to HK\$1,000,000	零至 1,000,000 港元	—	—
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	2	—
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	—	—
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	1	—
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	—	—
HK\$3,000,001 to HK\$3,500,000	3,000,001 港元至 3,500,000 港元	—	—
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元	—	1
		3	1

The non-director and non-chief executive highest paid employees are also members of senior management of the Group.

### 10. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2016: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

The provision for land appreciation tax has been estimated according to the requirements set forth in the relevant PRC laws and regulations. Land appreciation tax has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

### 9. 五名最高薪酬僱員

年內五名最高薪酬僱員包括兩名(二零一六年：四名)董事，其薪酬詳情載於上文附註8。餘下三名(二零一六年：一名)最高薪酬僱員(既非本公司董事亦非行政總裁)於年內的薪酬詳情詳述如下：

薪酬屬於以下範圍的最高薪酬僱員(非董事及非行政總裁)人數載列如下：

非董事及非行政總裁的最高薪酬僱員亦是本集團高級管理層的成員。

### 10. 所得稅

香港利得稅乃按年內於香港產生的估計應課稅溢利的16.5%(二零一六年：16.5%)計提撥備。其他地區的應課稅溢利稅項已根據本集團營運所在司法權區的現行稅率計算。

土地增值稅之撥備已按有關中國法例及規例所載之規定作出估計。土地增值稅按增值價值減除若干可扣減之費用後，按遞增稅率之幅度作出撥備。

# Notes to Financial Statements

## 財務報表附註

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### 10. INCOME TAX (continued)

All subsidiaries of the Group established in the PRC are subject to PRC corporate income tax at a standard rate of 25% (2016: 25%) during the year, except for a subsidiary of the Group which qualified as a High and New Technology Enterprise in Mainland China and a lower PRC corporate income tax rate of 15% (2016: 15%) has been applied for the year.

### 10. 所得稅(續)

年內，本集團於中國成立的所有附屬公司須按25%（二零一六年：25%）的標準稅率繳交中國企業所得稅，惟本集團一間附屬公司在中國內地符合高新技術企業的資格，於年內按較低的中國企業所得稅率15%（二零一六年：15%）繳稅。

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current — Hong Kong	即期 — 香港		
Charge for the year	年內支出	37	46
Overprovision in prior years	過往年度超額撥備	(31)	(21)
Current — Mainland China	即期 — 中國內地		
Charge for the year	年內支出	5,789	4,630
Overprovision in prior years	過往年度超額撥備	(864)	(144)
Deferred (note 26)	遞延(附註26)	40	2,519
<b>Total tax charge for the year</b>	<b>年內稅項支出總額</b>	<b>4,971</b>	<b>7,030</b>

A reconciliation of the tax charge applicable to profit before tax at the statutory rate for Hong Kong in which the principal place of business of the Company and certain of its major subsidiaries is located, to the tax charge at the effective tax rate, and a reconciliation of the applicable rate (i.e., the statutory tax rate) to the effective tax rate, are as follows:

按本公司及若干主要附屬公司主要營運地點位於香港的法定稅率計算適用於除稅前溢利的稅項與按實際稅率計算的稅項的對賬，以及適用稅率（即法定稅率）與實際稅率的對賬載列如下：

		2017 二零一七年		2016 二零一六年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Profit before tax	除稅前溢利	29,246		30,413	
Tax at the Hong Kong statutory tax rate	按香港法定稅率計算稅項	4,826	16.5	5,018	16.5
Effect of different tax rates for specific entities in the PRC	中國特定實體的不同稅率之影響	(549)	(1.9)	(580)	(1.9)
Adjustment in respect of current tax of previous periods	就過往期間對本期稅項的調整	(895)	(3.1)	(165)	(0.6)
Income not subject to tax	無須課稅之收入	(663)	(2.3)	(4)	—
Expenses not deductible for tax	不可扣稅之支出	1,401	4.8	1,567	5.1
Tax losses utilised from previous periods	使用過往期間之稅項虧損	—	—	(59)	(0.2)
Tax losses not recognised	未確認稅項虧損	87	0.3	—	—
Additional deduction for research and development costs	研究及發展成本額外扣減	(1,375)	(4.7)	(1,531)	(5.0)
Land appreciation tax	土地增值稅	2,218	7.6	2,819	9.3
Others	其他	(79)	(0.2)	(35)	(0.1)
<b>Tax charge at the Group's effective rate</b>	<b>按本集團實際稅率計算的稅項</b>	<b>4,971</b>	<b>17.0</b>	<b>7,030</b>	<b>23.1</b>

# Notes to Financial Statements

## 財務報表附註

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### 11. DIVIDEND

The board of directors does not recommend the payment of any dividend for the year ended 31 December 2017 (2016: Nil).

### 12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount for the year attributable to ordinary equity holders of the Company is based on the profit for the year attributable to ordinary equity holders of the Company of HK\$24,275,000 (2016: HK\$23,383,000) and the weighted average number of ordinary shares of 240,000,000 (2016: 240,000,000) in issue during the year.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2017 and 2016 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during these years.

### 11. 股息

董事會不建議就截至二零一七年十二月三十一日止年度派付任何股息(二零一六年：無)。

### 12. 本公司普通權益持有人應佔每股盈利

年內本公司普通權益持有人應佔之每股基本盈利金額乃根據本公司普通權益持有人應佔年內溢利24,275,000港元(二零一六年：23,383,000港元)及本年度已發行普通股加權平均數240,000,000股(二零一六年：240,000,000股)計算。

由於本集團於截至二零一七年及二零一六年十二月三十一日止年度並無具潛在攤薄效應之已發行普通股，故並無就潛在攤薄對該等年度呈列之每股基本盈利金額作出調整。

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## 財務報表附註

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### 13. PROPERTY, PLANT AND EQUIPMENT

### 13. 物業、廠房及設備

		Land and buildings	Construction in progress	Leasehold improvements	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
		土地及樓宇	在建工程	租賃裝修	廠房及機器	傢俱、固定裝置及設備	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>31 December 2017</b>	<b>二零一七年十二月三十一日</b>							
At 31 December 2016 and at 1 January 2017:	於二零一六年十二月三十一日及二零一七年一月一日:							
Cost	成本	178,401	80,813	16,392	275,526	23,577	8,990	583,699
Accumulated depreciation	累計折舊	(19,440)	-	(12,869)	(129,914)	(18,086)	(6,865)	(187,174)
Net carrying amount	賬面淨值	158,961	80,813	3,523	145,612	5,491	2,125	396,525
At 1 January 2017, net of accumulated depreciation	於二零一七年一月一日，已扣除累計折舊	158,961	80,813	3,523	145,612	5,491	2,125	396,525
Additions	添置	-	1,997	855	4,822	123	231	8,028
Transfers	轉移	15,998	(16,263)	265	-	-	-	-
Transfer from deposits for purchases of items of property, plant and equipment (note 16)	轉移自購買物業、廠房及設備項目的按金(附註16)	-	-	-	8,632	-	-	8,632
Disposals	出售	-	-	-	(858)	(116)	(41)	(1,015)
Write-off	撇銷	-	-	-	(71)	-	-	(71)
Depreciation provided during the year	年內折舊撥備	(7,207)	-	(1,046)	(16,067)	(1,630)	(1,010)	(26,960)
Exchange realignment	匯兌調整	11,474	5,141	237	11,218	313	28	28,411
At 31 December 2017, net of accumulated depreciation	於二零一七年十二月三十一日，已扣除累計折舊	179,226	71,688	3,834	153,288	4,181	1,333	413,550
At 31 December 2017:	於二零一七年十二月三十一日:							
Cost	成本	207,500	71,688	18,636	307,786	23,983	9,010	638,603
Accumulated depreciation	累計折舊	(28,274)	-	(14,802)	(154,498)	(19,802)	(7,677)	(225,053)
Net carrying amount	賬面淨值	179,226	71,688	3,834	153,288	4,181	1,333	413,550



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## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 13. PROPERTY, PLANT AND EQUIPMENT (continued)

### 13. 物業、廠房及設備(續)

		Land and buildings	Construction in progress	Leasehold improvements	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
		土地及樓宇	在建工程	租賃裝修	廠房及機器	傢俱、固定 裝置及設備	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>31 December 2016</b>	<b>二零一六年 十二月三十一日</b>							
At 1 January 2016:	於二零一六年一月一日:							
Cost	成本	190,415	79,602	15,109	263,900	21,598	9,426	580,050
Accumulated depreciation	累計折舊	(14,203)	-	(10,602)	(121,057)	(18,102)	(5,921)	(169,885)
Net carrying amount	賬面淨值	176,212	79,602	4,507	142,843	3,496	3,505	410,165
At 1 January 2016, net of accumulated depreciation	於二零一六年一月一日， 已扣除累計折舊	176,212	79,602	4,507	142,843	3,496	3,505	410,165
Additions	添置	-	7,436	1,426	11,800	3,295	-	23,957
Addition under sales and leaseback	銷售及回租下之添置	-	-	-	-	-	2,130	2,130
Disposal under sales and leaseback	銷售及回租下之出售	-	-	-	-	-	(2,072)	(2,072)
Transfers	轉移	-	(850)	850	-	-	-	-
Transfer from deposits for purchases of items of property, plant and equipment (note 16)	轉移自購買物業、廠房及 設備項目的按金 (附註16)	-	-	-	18,846	-	-	18,846
Write-off	撇銷	-	(64)	-	(5)	-	-	(69)
Depreciation provided during the year	年內折舊撥備	(6,412)	-	(3,031)	(17,269)	(994)	(1,414)	(29,120)
Exchange realignment	匯兌調整	(10,839)	(5,311)	(229)	(10,603)	(306)	(24)	(27,312)
At 31 December 2016, net of accumulated depreciation	於二零一六年 十二月三十一日， 已扣除累計折舊	158,961	80,813	3,523	145,612	5,491	2,125	396,525
At 31 December 2016:	於二零一六年 十二月三十一日:							
Cost	成本	178,401	80,813	16,392	275,526	23,577	8,990	583,699
Accumulated depreciation	累計折舊	(19,440)	-	(12,869)	(129,914)	(18,086)	(6,865)	(187,174)
Net carrying amount	賬面淨值	158,961	80,813	3,523	145,612	5,491	2,125	396,525

The net carrying amounts of the Group's property, plant and equipment held under finance leases included in the total amounts of plant and machinery and motor vehicles at 31 December 2017 were HK\$14,004,000 (2016: HK\$13,012,000) and HK\$828,000 (2016: HK\$1,812,000), respectively.

計入二零一七年十二月三十一日廠房及機器及汽車總額之本集團根據融資租賃持有之物業、廠房及設備賬面淨值分別為14,004,000港元(二零一六年:13,012,000港元)及828,000港元(二零一六年:1,812,000港元)。

### 13. PROPERTY, PLANT AND EQUIPMENT

(continued)

At 31 December 2017, certain of the Group's leasehold land and buildings and construction in progress with an aggregate net carrying amount of HK\$186,640,000 (2016: HK\$177,239,000) were pledged to secure general banking facilities granted to the Group (note 24).

Certain of the Group's building structures situated in Mainland China with an aggregate net carrying amount of approximately HK\$116,000 at 31 December 2017 (2016: HK\$217,000) do not have building ownership certificates because they were either built on land where the Group does not have the land use right certificates or being built without obtaining the construction works planning permit and construction works commencement permit. The Group has continued to occupy and use the land and building structures constructed thereon as the Group has not received any formal removal notice, which management of the Group has considered as an implied consent to use. According to the Company's directors, the Group had also conducted face-to-face interviews with the relevant PRC bureaus of land and resources in May 2015 and confirmed that (i) the relevant PRC bureaus of land and resources were fully aware of the situation and the Group could continue to use these building structures at least up to 31 December 2018; and (ii) the Group had not been and would not be imposed of any fines or penalised in relation to those structures. In the opinion of the directors, the risk of the relevant government authorities imposing a fine on the Group or confiscating the building structures before 31 December 2018 is relatively low.

### 13. 物業、廠房及設備(續)

於二零一七年十二月三十一日，本集團若干租賃土地及樓宇及在建工程總賬面淨值為186,640,000港元(二零一六年：177,239,000港元)已抵押，以擔保本集團獲授的一般銀行融資(附註24)。

於二零一七年十二月三十一日，本集團有若干位於中國內地的建築物的總賬面淨值約116,000港元(二零一六年：217,000港元)並無房屋所有權證，原因為有關建築物建於本集團並無土地使用權證的地塊之上，或是由於其興建時並無取得建設工程規劃許可證及建築工程施工許可證。本集團繼續佔用及使用該土地及其上的建築物，因為本集團並無接獲正式遷拆通知，本集團管理層視之為默許同意使用。根據本公司董事的意見，本集團亦於二零一五年五月與相關中國的國土資源局方進行面談，並確認：(i)相關中國國土資源局方清楚知悉情況，並且本集團可繼續使用該等建築物最低限度至二零一八年十二月三十一日；及(ii)本集團並無及不會就有關構築物被罰款或處分。董事認為，有關政府部門於二零一八年十二月三十一日前向本集團罰款或充公該等建築物的風險較低。

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## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 14. INVESTMENT PROPERTIES

### 14. 投資物業

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日的賬面金額	19,351	5,966
Transfer from deposits for purchases of investment properties	轉移自購買投資物業的按金	-	5,667
Net gain from a fair value adjustment (note 6)	公平值調整收益淨額 (附註6)	4,211	8,727
Exchange realignment	匯兌調整	1,512	(1,009)
Carrying amount at 31 December	於十二月三十一日的賬面金額	25,074	19,351

The Group's investment properties consist of residential properties and a commercial property in the PRC.

The Group's investment properties were revalued on 31 December 2017 based on valuations performed by Colliers International (Hong Kong) Limited, an independent professionally qualified valuer, at HK\$25,074,000. Each year, the Group's chief financial officer decides, after approval from the directors, to appoint which external valuer to be responsible for the external valuations of the Group's investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group's chief financial officer has discussions with the valuer on the valuation assumptions and valuation results twice a year when the valuations are performed for interim and annual financial reporting.

One of the investment properties consisting of a commercial property is leased to a third party under an operating lease, further summary details of which are included in note 32(a) to the consolidated financial statements.

At 31 December 2017, an investment property of the Group with a carrying amount of HK\$6,484,000 (2016: HK\$5,970,000) was pledged to secure general banking facilities granted to the Group (note 24).

本集團的投資物業包括中國的住宅物業及一項商用物業。

本集團的投資物業於二零一七年十二月三十一日根據由獨立專業合資格估值師高力國際物業顧問(香港)有限公司執行之估值25,074,000港元重新估值。每年經董事的批准後，本集團財務總監決定外聘估值師人選，以負責本集團投資物業的外部估值工作。甄選準則包括市場知識、聲譽、獨立性及是否符合專業準則。每半年當為了中期及年度財務申報目的執行估值時，本集團財務總監會就估值假設及估值得出的結果與估值師作討論。

其中一個由該商用物業組成的投資物業按經營租約租予一名第三方，有關的概況資料已載入綜合財務報表附註32(a)。

於二零一七年十二月三十一日，本集團將賬面值為6,484,000港元(二零一六年：5,970,000港元)之一項投資物業已抵押作為本集團獲授一般銀行貸款之擔保(附註24)。

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 14. INVESTMENT PROPERTIES (continued)

#### Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

### 14. 投資物業(續)

#### 公平值層級

下表說明本集團投資物業的公平值計量層級：

		Fair value measurement using 使用以下輸入數據的公平值計量			
		Quoted prices in active markets 於活躍市場 報價 (Level 1) (第一級) HK\$'000 千港元	Significant observable inputs 重大可觀察 輸入數據 (Level 2) (第二級) HK\$'000 千港元	Significant unobservable inputs 重大非觀察 輸入數據 (Level 3) (第三級) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Recurring fair value measurement for:	就以下各項的經常性 公平值計量：				
At 31 December 2017	於二零一七年 十二月三十一日				
Commercial property	商用物業	—	—	6,484	6,484
Residential properties	住宅物業	—	—	18,590	18,590
		—	—	25,074	25,074
At 31 December 2016	於二零一六年 十二月三十一日				
Commercial property	商用物業	—	—	5,970	5,970
Residential properties	住宅物業	—	—	13,381	13,381
		—	—	19,351	19,351

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2016: Nil).

年內，第一級與第二級之間概無發生公平值計量的轉移，第三級亦無轉入或轉出(二零一六年：無)。



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## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 14. INVESTMENT PROPERTIES (continued) Fair value hierarchy (continued)

Reconciliation of fair value measurements categorised within Level 3 of the fair value hierarchy:

### 14. 投資物業(續) 公平值層級(續)

分類至公平值層級中第三級的公平值計量的對賬：

		<b>Commercial property</b> 商用物業 HK\$'000 千港元	<b>Residential properties</b> 住宅物業 HK\$'000 千港元
Carrying amount at 1 January 2016	於二零一六年一月一日的賬面金額	5,966	–
Transfer from deposits for purchases of investment properties	轉撥自購買投資物業的按金	–	5,667
Net gain from a fair value adjustment recognised in profit or loss	於損益中確認的公平值調整 收益淨額	398	8,329
Exchange realignment	匯兌調整	(394)	(615)
Carrying amount at 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及 二零一七年一月一日的賬面金額	5,970	13,381
Net gain from a fair value adjustment recognised in profit or loss	於損益中確認的公平值調整 收益淨額	92	4,119
Exchange realignment	匯兌調整	422	1,090
Carrying amount at 31 December 2017	於二零一七年十二月三十一日的 賬面金額	6,484	18,590

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 14. INVESTMENT PROPERTIES (continued)

#### Fair value hierarchy (continued)

Below is a summary of the valuation technique used and the key inputs to the valuation of the investment properties:

Investment properties held by the Group 本集團持有的投資物業	Fair value hierarchy 公平值層級	Valuation technique 估值技術	Significant unobservable input 重大非觀察輸入數據	Range 範圍
Commercial property in Mainland China 於中國大陸之商用物業	Level 3 第三級	Sales comparison method 銷售比較法	Estimated price per square metre 每平方米估計價格	RMB26,877 to RMB31,000 (2016: RMB 25,400 to RMB28,476) 人民幣 26,877 元至人民幣 31,000 元 (二零一六年：人民幣 25,400 元至人民幣 28,476 元)
Residential properties in Mainland China 於中國大陸之住宅物業	Level 3 第三級	Sales comparison method 銷售比較法	Estimated price per square metre 每平方米估計價格	RMB33,026 to RMB39,662 (2016: RMB 26,777 to RMB31,011) 人民幣 33,026 元至人民幣 39,662 元 (二零一六年：人民幣 26,777 元至人民幣 31,011 元)

A significant increase (decrease) in the estimated price per square metre in isolation would result in a significant increase (decrease) in the fair value of the investment properties. The investment properties are valued using the sales comparison method having regard to comparable sales transactions as available in the relevant market. The valuations take into account the characteristics of the properties which included the location, size, floor level, year of completion and other factors collectively.

### 14. 投資物業(續)

#### 公平值層級(續)

以下為投資物業估值所用的估值技術及主要輸入數據的概要：

每平方米估計價格的個別大幅增加(減少)將導致投資物業的公平值大幅增加(減少)。投資物業以銷售比較法估值，當中考量於相關市場可供比較的相若銷售交易。估值會整體考慮物業的各種特點包括位置、大小、樓層、落成年份以及其他因素。

# Notes to Financial Statements

## 財務報表附註

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### 15. PREPAID LAND LEASE PAYMENTS

### 15. 預付土地租賃款項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日的賬面值	5,211	5,814
Recognised during the year (note 6)	年內已確認(附註6)	(243)	(246)
Exchange realignment	匯兌調整	357	(357)
Carrying amount at 31 December	於十二月三十一日的賬面值	5,325	5,211
Current portion included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的即期部分	(252)	(235)
Non-current portion	非即期部分	5,073	4,976

### 16. DEPOSITS FOR PURCHASES OF ITEMS OF PROPERTY, PLANT AND EQUIPMENT

### 16. 購買物業、廠房及設備項目的按金

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日的賬面值		8,545	28,283
Additions	添置		5,704	1,132
Transfer to property, plant and equipment	轉移至物業、廠房及設備	13	(8,632)	(18,846)
Write-off	撇銷	6	-	(1,064)
Exchange realignment	匯兌調整		491	(960)
Carrying amount at 31 December	於十二月三十一日的賬面值		6,108	8,545

The carrying amount represented deposits paid for purchases of certain machinery and equipment for the Group's manufacturing operation.

賬面值指購買若干機器及設備(供本集團生產營運之用)所付按金。

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 17. AVAILABLE-FOR-SALE INVESTMENT

### 17. 可供出售投資

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unlisted equity investment, at fair value 按公平值列值的非上市股本投資	4,153	3,773

During the year, the gross gain in respect of the Group's available-for-sale investment recognised in other comprehensive income amounted to HK\$111,000 (2016: HK\$179,000).

年內，於其他全面收益就本集團可供出售投資確認的總收益達111,000港元(二零一六年：179,000港元)。

The above investment represents an investment in an unlisted equity security which has no fixed maturity date or coupon rate.

上述投資代表對非上市股本證券之投資，該等股本證券並無固定到期日或票息。

### 18. INVENTORIES

### 18. 存貨

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Raw materials 原材料	24,006	23,869
Work in progress 在製品	13,285	10,882
Finished goods 成品	31,143	19,447
	68,434	54,198

### 19. TRADE AND BILLS RECEIVABLES

### 19. 貿易應收款項及應收票據

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade receivables 貿易應收款項	208,606	176,943
Impairment 減值	(3,082)	(2,880)
	205,524	174,063
Bills receivable 應收票據	35,106	33,169
	240,630	207,232

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 19. TRADE AND BILLS RECEIVABLES (continued)

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance may be required. The Group maintains a defined credit policy and credit periods are usually granted ranging from one to four months from the month-end of date of invoice to customers. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivables. Trade and bills receivables are non-interest-bearing.

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one month	一個月內	83,381	92,389
One to two months	一至兩個月	84,468	50,366
Two to three months	兩至三個月	51,193	46,497
Over three months	超過三個月	21,588	17,980
		<b>240,630</b>	<b>207,232</b>

The movements in provision for impairment of trade receivables are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	2,880	3,074
Exchange realignment	匯兌調整	202	(194)
At the end of year	年末	<b>3,082</b>	<b>2,880</b>

Included in the above provision for impairment of trade receivables is a provision for individually impaired trade receivables of HK\$3,082,000 (2016: HK\$2,880,000) with a carrying amount before provision of HK\$3,082,000 (2016: HK\$2,880,000).

The individually impaired trade receivables relate to customers that were in default in payments or in financial difficulties and none of the receivables is expected to be recovered.

### 19. 貿易應收款項及應收票據(續)

本集團與其客戶的交易條款主要根據信貸，惟新客戶或須預先墊款除外。本集團維持界定信貸政策，通常向客戶授出自發票日期當月底起計一至四個月的信貸期。本集團有意對未償還應收款項維持嚴格監控，以盡量減低信貸風險。高級管理層定期審核逾期結餘。本集團並無就該等結餘持有任何抵押品或其他信貸增強安排。貿易應收款項及應收票據為不計息。

於報告期末，貿易應收款項及應收票據根據發票日期及扣除撥備後的賬齡分析載列如下：

貿易應收款項的減值撥備變動載列如下：

計入上述貿易應收款項減值撥備中為個別已減值貿易應收款項3,082,000港元的撥備(二零一六年：2,880,000港元)，而撥備前賬面值為3,082,000港元(二零一六年：2,880,000港元)。

個別已減值的貿易應收款項與拖欠付款或處於財政困難的客戶有關，預期概無應收款項可予收回。



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## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 19. TRADE AND BILLS RECEIVABLES (continued)

An ageing analysis of the trade and bills receivables that are past due but not individually nor collectively considered to be impaired is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Less than one month past due	逾期少於一個月	19,819	17,958
One to three months past due	逾期一至三個月	4,325	5,290
Over three months past due	逾期超過三個月	150	251
		<b>24,294</b>	<b>23,499</b>

Receivables that were neither past due nor impaired relate to a large number of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

### 20. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Current</b>	<b>即期</b>		
Prepayments	預付款項	4,273	5,642
Deposits and other receivables	按金及其他應收款項	2,973	594
		<b>7,246</b>	<b>6,236</b>
<b>Non-current</b>	<b>非即期</b>		
Deposits	按金	-	2,169

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no history of default.

### 19. 貿易應收款項及應收票據(續)

已逾期但並未個別或集體視作減值的貿易應收款項及應收票據的賬齡分析載列如下：

未逾期亦未減值的應收款項與多名客戶有關，彼等近期並無違約記錄。

已逾期但未減值的應收款項與多名獨立客戶有關，彼等與本集團有良好往績記錄。根據過往經驗，本公司董事認為毋須就該等結餘計提減值撥備，因為信貸質素並無重大變動，而該等結餘仍視為可全數收回。

### 20. 預付款項、按金及其他應收款項

上述資產概無逾期或減值。上述結餘所載財務資產與並無違約記錄的應收款項有關。

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## 財務報表附註

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### 21. CASH AND CASH EQUIVALENTS, AND PLEDGED DEPOSITS AND RESTRICTED CASH

### 21. 現金及現金等價物，及已抵押存款及受限制現金

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	72,832	83,017
Pledged deposits and restricted cash	已抵押存款及受限制現金	34,425	34,930
		107,257	117,947
Less:	減：		
Pledged time and bank deposits for certain banking facilities	若干銀行融資之已抵押定期及銀行存款	24 (31,303)	(32,695)
Pledged bank deposits for certain bills payable	若干應付票據之已抵押銀行存款	22 (2,601)	(1,749)
Restricted cash	受限制現金	(521)	(486)
Cash and cash equivalents for the purpose of the consolidated statement of financial position	就綜合財務狀況表而言之現金及現金等價物	72,832	83,017

At 31 December 2017, the cash and bank balances, and pledged deposits and restricted cash of the Group denominated in Renminbi ("RMB") amounted to HK\$14,697,000 (2016: HK\$30,179,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances, pledged deposits and restricted cash are deposited with creditworthy banks with no recent history of default.

Restricted cash of the Group represents a special fund granted by a PRC government authority and deposited into a designated bank account in relation to the Group's purchases of certain energy saving and sewage treatment machines. Such fund will only be released to the Group's use upon fulfilment of certain attaching conditions and is not immediately available for use in the Group's business.

於二零一七年十二月三十一日，本集團按人民幣（「人民幣」）計值的現金及銀行結餘及已抵押存款及受限制現金為14,697,000港元（二零一六年：30,179,000港元）。人民幣不得自由轉換為其他貨幣，惟根據中國內地之外匯管理條例以及結匯、售匯及付匯管理規定，本集團已獲准可透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

銀行現金按每日銀行存款利率賺取浮動利率利息。銀行結餘，已抵押存款及受限制現金已存於信譽良好及並無近期違約記錄的銀行。

本集團的受限制現金指中國政府當局對本集團購買若干節能及污水處理機器而授出的特別資金，其存於指定銀行戶口。有關資金僅於達成若干條件後方會發放予本集團且未能立即應用本集團之業務。

# Notes to Financial Statements

## 財務報表附註

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### 22. TRADE AND BILLS PAYABLES

### 22. 貿易應付款項及應付票據

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade payables	貿易應付款項	112,814	97,952
Bills payable	應付票據	12,822	10,356
		<b>125,636</b>	<b>108,308</b>

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

於報告期末，貿易應付款項及應付票據根據發票日期的賬齡分析載列如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within three months	三個月內	109,596	94,437
Three to six months	三至六個月	14,574	12,077
Over six months	超過六個月	1,466	1,794
		<b>125,636</b>	<b>108,308</b>

The trade payables are unsecured, non-interest-bearing and are normally settled within three months from the month-end of the date of invoice.

貿易應付款項為無抵押、不計息及通常於發票日期月結日起計三個月內結付。

At 31 December 2017, bills payable with an aggregate carrying amount of HK\$10,992,000 (2016: HK\$8,744,000) were secured by pledged bank deposits of HK\$2,601,000 (2016: HK\$1,749,000).

於二零一七年十二月三十一日，賬面總值為10,992,000港元(二零一六年：8,744,000港元)的應付票據已由2,601,000港元(二零一六年：1,749,000港元)的已抵押銀行存款擔保。

# Notes to Financial Statements

## 財務報表附註

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### 23. OTHER PAYABLES AND ACCRUALS

### 23. 其他應付款項及應計費用

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Current</b>	<b>即期</b>		
Other payables	其他應付款項	14,118	21,477
Accruals	應計費用	42,206	33,236
Deferred income <sup>^</sup>	遞延收入 <sup>^</sup>	1,111	432
		57,435	55,145
<b>Non-current</b>	<b>非即期</b>		
Deferred income <sup>^</sup>	遞延收入 <sup>^</sup>	11,440	7,005

Other payables are non-interest-bearing and have an average term of three months.

其他應付款項為不計息，平均期限為三個月。

<sup>^</sup> Deferred income mainly represented (i) special fund of HK\$4,887,000 (2016: HK\$3,202,000) granted by a PRC government authority in relation to the construction of a sewage treatment facility; and (ii) a special fund of HK\$317,000 (2016: HK\$1,954,000) granted by a PRC government authority in relation to the Group's purchase of certain energy saving and sewage treatment machines. The deferred income is recognised in profit or loss over the expected useful lives of the relevant property, plant and equipment.

<sup>^</sup> 遞延收入主要指：(i) 中國政府當局就建設污水處理設施授予之特殊基金4,887,000港元(二零一六年：3,202,000港元)；及(ii)中國政府就本集團購買若干節能及污水處理機器授予之特殊基金317,000港元(二零一六年：1,954,000港元)。該項遞延收入按有關物業、廠房及設備之預期可使用年期於損益確認。

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## 財務報表附註

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### 24. INTEREST-BEARING BANK BORROWINGS

### 24. 計息銀行借款

	2017 二零一七年			2016 二零一六年		
	Contractual interest rate (p.a.) 合約年利率	Maturity <sup>2</sup> 到期日 <sup>2</sup>	HK\$'000 千港元	Contractual interest rate (p.a.) 合約年利率	Maturity <sup>2</sup> 到期日 <sup>2</sup>	HK\$'000 千港元
<b>Current 即期</b>						
Secured trust receipt loans due for repayment within one year <sup>6</sup> 須於一年內償還的有抵押信託收據貸款 <sup>6</sup>	LIBOR <sup>1</sup> + 1.5% to 1.75% or HIBOR <sup>3</sup> + 1.625% to 1.75% LIBOR <sup>1</sup> + 1.5% 至 1.75%, 或 HIBOR <sup>3</sup> + 1.625% 至 1.75%	2018 二零一八年	47,184	LIBOR <sup>1</sup> + 1.5% to 1.75% or HIBOR <sup>3</sup> + 1.625% to 1.75% LIBOR <sup>1</sup> + 1.5% 至 1.75%, 或 HIBOR <sup>3</sup> + 1.625% 至 1.75%	2017 二零一七年	50,215
Secured bank loans due for repayment within one year which contain repayment on demand clauses <sup>5</sup> 須於一年內償還的有抵押銀行貸款 (載有按要求償還條款) <sup>5</sup>	LIBOR <sup>1</sup> + 2.5%, HIBOR <sup>3</sup> + 2.1%, or PRIME <sup>4</sup> - 2.25% LIBOR <sup>1</sup> + 2.5%, HIBOR <sup>3</sup> + 2.1%, 或 PRIME <sup>4</sup> - 2.25%	2018 二零一八年	31,663	LIBOR <sup>1</sup> + 2.5%, HIBOR <sup>3</sup> + 2%, or PRIME <sup>4</sup> - 2.25% LIBOR <sup>1</sup> + 2.5%, HIBOR <sup>3</sup> + 2%, 或 PRIME <sup>4</sup> - 2.25%	2017 二零一七年	31,591
Secured bank loans due for repayment after one year which contain repayment on demand clauses <sup>5</sup> 須於一年後償還的有抵押銀行貸款 (載有按要求償還條款) <sup>5</sup>	LIBOR <sup>1</sup> + 2.5%, HIBOR <sup>3</sup> + 2%, or PRIME <sup>4</sup> - 2.25% LIBOR <sup>1</sup> + 2.5%, HIBOR <sup>3</sup> + 2%, 或 PRIME <sup>4</sup> - 2.25%	2018-2021 二零一八年至二零二一年	56,111	LIBOR <sup>1</sup> + 2.5%, HIBOR <sup>3</sup> + 2%, or PRIME <sup>4</sup> - 2.25% LIBOR <sup>1</sup> + 2.5%, HIBOR <sup>3</sup> + 2%, 或 PRIME <sup>4</sup> - 2.25%	2018-2021 二零一八年至二零二一年	87,773
Secured bank loans due for repayment within one year <sup>7</sup> 須於一年內償還的有抵押銀行貸款 <sup>7</sup>	PBC BLR <sup>5</sup> + 1.36% PBC BLR <sup>5</sup> + 1.36%	2018 二零一八年	46,619	PBC BLR <sup>5</sup> + 5% PBC BLR <sup>5</sup> + 5%	2017 二零一七年	16,769
Current portion of secured bank loans due for repayment after one year <sup>7</sup> 須於一年後償還的有抵押銀行貸款即期部分 <sup>7</sup>	Over-5-year PBC BLR <sup>5</sup> or 6.54% 超過五年為 PBC BLR <sup>5</sup> 或 6.54%	2018 二零一八年	3,813	Over-5-year PBC BLR <sup>5</sup> or 6.54% 超過五年為 PBC BLR <sup>5</sup> 或 6.54%	2017 二零一七年	15,925
			185,390			202,273
<b>Non-current 非即期</b>						
Secured bank loans due for repayment after one year <sup>7</sup> 須於一年後償還的有抵押銀行貸款 <sup>7</sup>	N/A 不適用	N/A 不適用	-	Over-5-year PBC BLR <sup>5</sup> or 6.54% 超過五年為 PBC BLR <sup>5</sup> 或 6.54%	2018-2020 二零一八年至二零二零年	8,108
Total 總計			185,390			210,381



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## 財務報表附註

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### 24. INTEREST-BEARING BANK BORROWINGS

(continued)

- <sup>1</sup> London Interbank Offered Rate ("LIBOR")
- <sup>2</sup> Based on the scheduled repayment dates as set out in the loan agreement/bank facilities letter
- <sup>3</sup> Hong Kong Interbank Offered Rate ("HIBOR")
- <sup>4</sup> Standard Chartered Bank Prime Rate ("PRIME")
- <sup>5</sup> People's Bank of China benchmark lending rate ("PBC BLR")
- <sup>6</sup> Denominated in HK\$ or US\$
- <sup>7</sup> Denominated in RMB

Certain of the Group's bank loan agreements contain repayment on demand clauses and the corresponding bank loans have been classified as current liabilities in the consolidated statement of financial position. Ignoring the effect of any repayment on demand clauses and based on the maturity terms of these loans, the interest-bearing bank borrowings of the Group are repayable:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	129,277	114,500
In the second year	第二年	30,733	36,980
In the third to fifth years, inclusive	第三至第五年(包括首尾兩年)	25,380	58,901
		<b>185,390</b>	<b>210,381</b>

Notes:

- (a) Certain of the Group's bank borrowings are secured by:
  - (i) the Group's leasehold land and buildings and construction in progress with an aggregate net carrying amount at the end of the reporting period of HK\$186,640,000 (2016: HK\$177,239,000) (note 13);
  - (ii) the Group's investment property with a carrying amount of HK\$6,484,000 (2016: HK\$5,970,000) (note 14);
  - (iii) the Group's parcels of leasehold land situated in Mainland China which are classified as prepaid land lease payments with a carrying amount of HK\$5,325,000 (2016: HK\$5,211,000) (note 15); and
  - (iv) pledged deposits with banks amounting to HK\$31,303,000 (2016: HK\$32,695,000) (note 21).
- (b) Included in the bank borrowings as at 31 December 2017 were borrowings with carrying amounts of HK\$50,432,000 (2016: HK\$40,802,000) and HK\$116,843,000 (2016: HK\$143,888,000) which were denominated in RMB and US\$, respectively. All other bank borrowings were denominated in HK\$.
- (c) At 31 December 2017, interest rates of the bank borrowings were either fixed or floating and determined with reference to rates such as Hong Kong/London Interbank Offered Rate, People's Bank of China benchmark lending rate and Standard Chartered Bank Prime Rate. The interest rates of the Group's bank borrowings at 31 December 2017 ranged from 2.46% to 6.54%, (2016: from 2.14% to 6.55%) per annum.

### 24. 計息銀行借款(續)

- <sup>1</sup> 倫敦銀行同業拆息("LIBOR")
- <sup>2</sup> 基於貸款協議/銀行融資信件所載預定還款日期
- <sup>3</sup> 香港銀行同業拆息("HIBOR")
- <sup>4</sup> 渣打銀行最優惠利率("PRIME")
- <sup>5</sup> 中國人民銀行基準借貸利率("PBC BLR")
- <sup>6</sup> 以港元或美元列值
- <sup>7</sup> 以人民幣列值

本集團若干銀行貸款協議載有按要求償還條款，而相應銀行貸款已於綜合財務狀況表分類為流動負債。倘不計及任何按要求償還條款之影響及根據該等貸款的到期期限，本集團之計息銀行借款須按下表償還：

附註：

- (a) 若干本集團銀行借款乃以下述各項作擔保：
  - (i) 本集團租賃土地及樓宇及在建工程，於報告期末的總賬面淨值為186,640,000港元(二零一六年：177,239,000港元)(附註13)；
  - (ii) 本集團賬面值為6,484,000港元之投資物業(二零一六年：5,970,000港元)(附註14)；
  - (iii) 本集團於中國內地的租賃地塊賬面值為5,325,000港元(二零一六年：5,211,000港元)，其分類為預付土地租賃款項(附註15)；及
  - (iv) 已抵押予銀行的存款為31,303,000港元(二零一六年：32,695,000港元)(附註21)。
- (b) 於二零一七年十二月三十一日，銀行借款包括賬面值分別為50,432,000港元(二零一六年：40,802,000港元)及116,843,000港元(二零一六年：143,888,000港元)的借款(分別以人民幣及美元計值)。所有其他銀行借款均以港元計值。
- (c) 於二零一七年十二月三十一日，銀行借款按固定或浮動利率計息，利率乃參考香港/倫敦銀行同業拆息、中國人民銀行基準借貸利率及渣打銀行最優惠利率等利率後釐定。於二零一七年十二月三十一日，本集團銀行借款的年利率介乎2.46%至6.54%(二零一六年：2.14%至6.55%)。

# Notes to Financial Statements

## 財務報表附註

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### 25. FINANCE LEASE PAYABLES

The Group leases motor vehicles and certain machinery and equipment for its operations. These leases are classified as finance leases and have remaining lease terms ranging from one year to five years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

At 31 December 2017, the total future minimum lease payments under finance leases and their present values were as follows:

### 25. 融資租賃應付款項

本集團租賃汽車及若干機械及設備，以供營運之用。該等租賃分類為融資租賃，餘下租期介乎一年至五年。所有租賃乃基於固定還款基準，且並無就或然租金付款訂立任何安排。

於二零一七年十二月三十一日，融資租賃項下未來最低租金付款總額及其現值載列如下：

		Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款現值	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Amounts payable:	應付款項：				
Within one year	一年內	6,591	6,219	6,421	5,826
In the second year	第二年	635	6,212	609	6,050
In the third to fifth years, inclusive	第三年至第五年 (包括首尾兩年)	575	1,210	563	1,172
Total minimum finance lease payments	最低融資租賃付款總額	7,801	13,641	7,593	13,048
Future finance charges	未來融資費用	(208)	(593)		
Total net finance lease payables	融資租賃應付款項 淨值總額	7,593	13,048		
Portion classified as current liabilities	分類為即期負債的部分	(6,421)	(5,826)		
Non-current portion	非即期部分	1,172	7,222		

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## 財務報表附註

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### 26. DEFERRED TAX

The movements in deferred tax liabilities and assets during the year are as follows:

#### Deferred tax liabilities

		Depreciation allowances in excess of related depreciation 折舊撥備超過有關折舊 HK\$'000 千港元	Revaluation of properties 重估物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	(293)	(49)	(342)
Deferred tax credited/(charged) to profit or loss during the year (note 10)	於年內於損益計入／(扣除)的遞延稅項(附註10)	274	(3,588)	(3,314)
Exchange realignment	匯兌調整	-	161	161
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	(19)	(3,476)	(3,495)
Deferred tax credited/(charged) to profit or loss during the year (note 10)	於年內於損益計入／(扣除)的遞延稅項(附註10)	11	(2,218)	(2,207)
Exchange realignment	匯兌調整	-	(326)	(326)
At 31 December 2017	於二零一七年十二月三十一日	(8)	(6,020)	(6,028)

### 26. 遞延稅項

遞延稅項負債及資產於年內的變動如下：

#### 遞延稅項負債

Depreciation allowances in excess of related depreciation 折舊撥備超過有關折舊 HK\$'000 千港元	Revaluation of properties 重估物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
--	--	--------------------------------

(293)	(49)	(342)
274	(3,588)	(3,314)
-	161	161
(19)	(3,476)	(3,495)
11	(2,218)	(2,207)
-	(326)	(326)
(8)	(6,020)	(6,028)

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 26. DEFERRED TAX (continued) Deferred tax assets

### 26. 遞延稅項(續) 遞延稅項資產

		Provision for accrued staff welfare costs	Depreciation in excess of related depreciation allowance	Provision for inventories and trade receivables	Losses available for offsetting against future taxable profits 可供抵銷未來 應課稅溢利 之虧損	Other deductible temporary differences	Total
		累計員工福利 成本撥備 HK\$'000 千港元	折舊超過有關 折舊撥備 HK\$'000 千港元	存貨及貿易 應收款項撥備 HK\$'000 千港元	應課稅溢利 之虧損 HK\$'000 千港元	其他可扣減 臨時差異 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	1,879	1,917	2,293	357	1,205	7,651
Deferred tax credited/(charged) to profit or loss during the year (note 10)	於年內於損益計入/(扣除) 的遞延稅項(附註10)	(63)	1,057	(358)	(59)	218	795
Exchange realignment	匯兌調整	(116)	(168)	(129)	-	(86)	(499)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日 及二零一七年一月一日	1,700	2,806	1,806	298	1,337	7,947
Deferred tax credited/(charged) to profit or loss during the year (note 10)	於年內於損益計入/(扣除) 的遞延稅項(附註10)	273	243	(36)	-	1,687	2,167
Exchange realignment	匯兌調整	127	206	124	-	160	617
At 31 December 2017	於二零一七年十二月三十一日	2,100	3,255	1,894	298	3,184	10,731

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5%. The Group is therefore liable to withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

根據中國企業所得稅法，於中國內地成立的外商投資企業向海外投資者宣派股息時，須徵收10%預扣稅。規定於二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後的盈利。倘中國內地與海外投資者的司法權區訂有稅務協議，則可按較低的預扣稅率繳稅。適用於本集團的稅率為5%。因此，該等於中國內地成立的附屬公司就二零零八年一月一日後產生的盈利分派股息時，本集團須繳納預扣稅。

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## 財務報表附註

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### 26. DEFERRED TAX (continued) Deferred tax assets (continued)

At the end of the reporting period, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of a subsidiary of the Group established in Mainland China. In the opinion of the directors, it is not probable that this subsidiary will distribute earnings arising from 1 January 2008 to 31 December 2017 in the foreseeable future. The aggregate amount of temporary differences associated with the investment in the subsidiary in Mainland China for which deferred tax liabilities have not been recognised totalled approximately HK\$213 million as at 31 December 2017 (2016: HK\$188.9 million).

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

### 26. 遞延稅項 (續) 遞延稅項資產 (續)

於報告期末，就本集團於中國內地成立的附屬公司的未匯出盈利(須繳納預扣稅)所須繳納的預扣稅而言，概無就此確認遞延稅項。董事認為，該附屬公司於可見未來不大可能分派於二零零八年一月一日至二零一七年十二月三十一日產生的盈利。於二零一七年十二月三十一日，於該中國內地附屬公司之投資有關之臨時差異總額(並未確認遞延稅項負債)分別合共約達213百萬港元(二零一六年：188.9百萬港元)。

本公司向其股東派付股息並無附帶所得稅後果。

### 27. SHARE CAPITAL

Shares	股份	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Authorised: 10,000,000,000 ordinary shares of HK\$0.01 each	法定： 10,000,000,000 股每股 0.01 港元 的普通股	100,000	100,000
Issued and fully paid: 240,000,000 ordinary shares of HK\$0.01 each	已發行及繳足： 240,000,000 股每股 0.01 港元的 普通股	2,400	2,400

There was no movement in the Company's share capital during the year.

### 27. 股本

年內，本公司股本概無變動。



### 28. SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The Scheme became effective on 18 November 2014 and, unless otherwise cancelled or amended, will remain in force for ten years from that date.

Any grant of share options to a director, chief executive or substantial shareholder of the Company or any of their respective associate, is required to be approved by the independent non-executive directors. In addition, any grant of share options to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within the date as specified in the offer letter issued by the Company, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of any option granted under the Scheme is determined by the board of directors in its absolute discretion, save that no option may be exercised more than ten years after it has been granted.

The exercise price of share options is determinable by the board of directors at its absolute discretion, but may not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average of the closing prices of the Company's shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the shares on the date of grant.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

Further details of the Company's share option scheme are set out in the Company's Report of the Directors.

No share options were granted during the years ended 31 December 2017 and 2016 and no share options under the Scheme were outstanding as at 31 December 2017 and 2016.

### 28. 購股權計劃

本公司設立購股權計劃(「該計劃」)以向對本集團業務作出貢獻的合資格參與者提供獎勵及獎賞。該計劃於二零一四年十一月十八日生效，除非另有註銷或修訂，否則將由該日起計十年內維持有效。

向本公司董事、行政總裁或主要股東，或任何彼等之聯繫人士授出任何購股權須獲得獨立非執行董事的批准，方可落實。此外，於任何十二個月期間，向本公司主要股東或獨立非執行董事，或任何彼等各自之聯繫人士授出的任何購股權超過本公司任何時間已發行股份的0.1%，或總額(根據本公司股份於授出日期的收市價)超過五百萬港元須於股東大會獲得股東的事先批准，方可落實。

授出購股權之要約可由承授人於本公司發出之要約函件所列明之日期內透過支付1港元之名義代價接納。根據該計劃授出的任何購股權的行使期由董事會酌情釐定，惟前提是購股權於授出起計十年後不得行使。

購股權之行使價由董事會酌情釐定，但不得低於下列最高者：(i)本公司股份於授出日期的收市價；(ii)本公司股份於緊接授出日期前五個營業日之平均收市價；及(iii)股份於授出日期之面值。

購股權概無賦予持有人收取股息或於股東大會上投票之權利。

本公司購股有計劃之更多詳情載於本公司之董事會報告。

截至二零一七年及二零一六年十二月三十一日止年度，概無授出任何購股權，而於二零一七年及二零一六年十二月三十一日，該計劃下概無購股權尚未行使。

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## 財務報表附註

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### 29. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 62 and 63 of the financial statements.

#### Capital reserve

The capital reserve represents the capital contribution from Mr. Chan Wing Yin and Mrs. Chan Yung by way of a waiver of shareholders' loan and the difference between the consideration and the carrying amount of the non-controlling interest acquired.

### 30. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

#### (a) Major non-cash transaction

During the year ended 31 December 2016, the Group entered into a finance lease arrangement in respect of property, plant and equipment with a total capital value at the inception of the lease of HK\$2,130,000.

#### (b) Changes in liabilities arising from financing activities

### 29. 儲備

於本年度及先前年度，本集團儲備金額及其變動乃呈列於財務報表第62及63頁的綜合權益變動表。

#### 資本儲備

資本儲備指陳榮賢先生及陳勇女士通過豁免股東貸款進行注資及代價與所收購的非控股權益賬面值之間的差額。

### 30. 綜合現金流量表附註

#### (a) 主要非現金交易

於截至二零一六年十二月三十一日止年度，本集團就物業、廠房及設備訂立一項融資租賃安排，租賃開始時之資本價值總額為2,130,000港元。

#### (b) 融資活動產生的負債變動

		Interest-bearing bank borrowings 計息銀行借款 HK\$' 000 千港元	Finance lease payables 融資租賃應付款項 HK\$' 000 千港元
At 1 January 2017	於二零一七年一月一日	210,381	13,048
Changes from financing cash flows	融資現金流動變動	(28,095)	(5,989)
Foreign exchange movement	外匯變動	3,104	534
At 31 December 2017	於二零一七年十二月三十一日	185,390	7,593

### 31. PLEDGE OF ASSETS

Details of the Group's bills payable and bank borrowings, which are secured by certain assets of the Group, are included in note 22 and note 24, respectively, to the consolidated financial statements.

### 31. 資產質押

有關本集團應付票據及銀行借款(以本集團若干資產作抵押)的詳情，已分別載入綜合財務報表附註22及附註24。

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## 財務報表附註

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### 32. OPERATING LEASE ARRANGEMENTS

#### (a) As lessor

The Group leases one of its investment properties (note 14) under an operating lease arrangement, with the lease negotiated for a term of two years. The terms of the lease also require the tenant to pay a security deposit.

As at the end of the reporting period, the Group had total future minimum lease receivables under a non-cancellable operating lease with its tenant falling due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	287	94
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	96	-
		<b>383</b>	<b>94</b>

#### (b) As lessee

The Group leases certain of its properties under operating lease arrangements. Leases for the properties are negotiated for terms ranging from one to two years. At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	1,158	2,041
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	-	1,158
		<b>1,158</b>	<b>3,199</b>

### 32. 經營租賃安排

#### (a) 作為出租人

本集團根據經營租賃安排出租其一項投資物業(附註14)，物業租賃經商定為期兩年。租賃條款亦要求租戶繳付保證金。

於報告期末，本集團根據與租戶的不可撤銷經營租賃應收的未來最低租金總額的到期情況如下：

#### (b) 作為承租人

本集團根據經營租賃安排租用若干物業。物業租賃經商定為期一至兩年。於報告期末，本集團根據不可撤銷經營租賃應付的未來最低租賃付款總額的到期情況如下：

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### 33. COMMITMENTS

In addition to the operating lease commitments detailed in note 32 (b) above, the Group had the following capital commitments at the end of the reporting period:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Contracted, but not provided for:	已訂約但未撥備：		
Construction and purchases of items of property, plant and equipment	建設及購買物業、廠房及設備項目	7,608	9,663

### 33. 承擔

於報告期末，除上文附註32(b)詳述的經營租賃承擔外，本集團有以下資本承擔：

### 34. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions, arrangements and balances detailed elsewhere in these financial statements, the Group had the following transactions with a related party during the year:

		Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
A related company:	關聯公司：			
Rentals paid	已付租金	(i)	1,624	1,624

Note:

(i) The rentals were charged by Yantek Electronics Company Limited ("Yantek"), a related company of the Group owned as to 33% by Mr. Chan Yan Kwong and 34% by Mr. Chan Yan Wing, who are directors of the Company, and 33% by Ms. Chan Yan Sam, the sister of Mr. Chan Yan Kwong and Mr. Chan Yan Wing, in accordance with the tenancy agreements entered into between the Group and Yantek.

### 34. 關聯方交易

(a) 除該等財務報表其他部分詳述之交易、安排及結餘外，本集團於年內與關聯方進行以下交易：

附註：

(i) 租金費用乃恩德電子有限公司(「恩德」)(本集團的關聯公司)，由陳恩光先生、陳恩永先生(彼等為本公司董事)及陳恩沁女士(陳恩光先生及陳恩永先生的胞妹)分別擁有33%、34%及33%權益)根據本集團與恩德訂立的租賃協議徵收。

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### 34. RELATED PARTY TRANSACTIONS (continued)

#### (b) Other transaction with a related party

A director of the Company received sales commission of HK\$3,146,000 (2016: HK\$3,107,000) for his services provided to the Group during the year based on 3% (2016: 3%) of the transaction amounts.

#### (c) Commitments with a related party

Certain subsidiaries of the Group entered into two two-year non-cancellable agreements with Yantek to lease certain office properties and a director quarter under operating lease arrangements. The amount of rentals charged for the year is included in note 34(a)(i) to the consolidated financial statements. At 31 December 2017, the Group's total future minimum lease payments to Yantek falling due within one year and in the second to fifth years, inclusive were approximately HK\$1,158,000 (2016: HK\$1,624,000) and Nil (2016: HK\$1,158,000), respectively.

#### (d) Compensation of key management personnel of the Group:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Short term employee benefits	短期僱員福利	14,060	15,731
Post-employment benefits	離職後福利	83	90
Total compensation paid to key management personnel	已付主要管理人員的補償總額	14,143	15,821

Further details of directors' and the chief executive's emoluments are included in note 8 to the consolidated financial statements.

The related party transaction in respect of note 34(a)(i) above also constitutes continuing connected transaction as defined in Chapter 14A of the Listing Rules.

### 34. 關聯方交易(續)

#### (b) 其他與關聯方進行的交易

年內，本公司一名董事因向本集團提供服務而獲得銷售佣金3,146,000港元(二零一六年：3,107,000港元)，金額乃分別根據交易金額的3%(二零一六年：3%)計算。

#### (c) 與關聯方的承擔

本集團若干附屬公司與恩德訂立兩份兩年期不可撤銷協議，以根據經營租賃安排租用若干辦公室物業及董事宿舍。年內收取之租金費用載於綜合財務報表附註34(a)(i)。於二零一七年十二月三十一日，本集團支付予恩德之未來最低租金總額，於一年內到期及於第二至第五年內(包括首尾兩年)之金額分別約為1,158,000港元(二零一六年：1,624,000港元)及零港元(二零一六年：1,158,000港元)。

#### (d) 本集團主要管理人員的補償：

董事及行政總裁薪酬的其他詳情載於綜合財務報表附註8。

上述附註34(a)(i)之關聯方交易亦構成上市規則第14A章界定之持續關連交易。



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## 財務報表附註

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### 35. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

### 35. 按類別劃分的金融工具

各類金融工具於報告期末的賬面值載列如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Financial assets</b>	<b>財務資產</b>		
Loans and receivables:	貸款及應收款項：		
Trade and bills receivables	貿易應收款項及應收票據	240,630	207,232
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的財務資產	2,973	2,763
Pledged deposits and restricted cash	已抵押存款及限制性現金	34,425	34,930
Cash and cash equivalents	現金及現金等價物	72,832	83,017
		<b>350,860</b>	<b>327,942</b>
Available-for-sale financial asset:	可供出售財務資產：		
Available-for-sale investment	可供出售投資	4,153	3,773
		<b>355,013</b>	<b>331,715</b>
<b>Financial liabilities</b>	<b>財務負債</b>		
Financial liabilities at amortised cost:	按攤銷成本列賬的財務負債：		
Trade and bills payables	貿易應付款項及應付票據	125,636	108,308
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的財務負債	25,004	32,043
Interest-bearing bank borrowings	計息銀行借款	185,390	210,381
Finance lease payables	融資租賃應付款項	7,593	13,048
		<b>343,623</b>	<b>363,780</b>

# Notes to Financial Statements

## 財務報表附註

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### 36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

### 36. 金融工具的公平值及公平值層級

本集團金融工具的賬面值及公平值(賬面值與其公平值合理相若的金融工具除外)載列如下:

		Carrying amounts 賬面值		Fair values 公平值	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Financial asset</b>	<b>財務資產</b>				
Available-for-sale investment	可供出售投資	4,153	3,773	4,153	3,773
<b>Financial liabilities</b>	<b>財務負債</b>				
Finance lease payables	融資租賃應付款項	7,593	13,048	7,766	13,360
Interest-bearing bank borrowings	計息銀行借款	185,390	210,381	187,391	217,078
		<b>192,983</b>	<b>223,429</b>	<b>195,157</b>	<b>230,438</b>

Management has assessed that the fair values of cash and cash equivalents, pledged deposits and restricted cash, trade and bills receivables, trade and bills payables, financial assets included in prepayments, deposits and other receivables, and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments or the effect of discounting is not material.

The Group's chief financial officer is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the chief financial officer analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The directors review the results of the fair value measurement of financial instruments for annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

管理層已評定，現金及現金等價物、已抵押存款及受限制現金、貿易應收款項及應收票據、貿易應付款項及應付票據、計入預付款項、按金及其他應收款項的財務資產、計入其他應付款項及應計費用的財務負債的公平值與其賬面值相若，主要原因為該等工具於短期內到期或其貼現影響並不重大。

本集團財務總監負責決定金融工具公平值計量的政策及程序。於各報告日期，財務總監分析金融工具的價值變動，並釐定估值所用的主要輸入數據。董事為年度財務報告審閱金融工具公平值計量的結果。

財務資產及負債的公平值乃按該工具於目前由自願訂約方交易(惟不包括脅迫或清盤出售)下所能交換的金額入賬。估計公平值時已使用以下方法及假設:

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### 36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The fair values of the non-current portion of interest-bearing bank borrowings and finance lease payables have been calculated by discounting the expected future cash flows using discount rates that reflect the Group's borrowing rates as at the end of the reporting period. The Group's own non-performance risk for interest-bearing bank borrowings and finance lease payables as at the end of the reporting period was assessed to be insignificant.

For the fair value of the unlisted available-for-sale equity investment, management of the Group has estimated the fair value of the investment using an asset-based approach as its major asset is a property held for self-use and the investee is yet to have sufficient earning history to support the use of other approaches. The value of this property is adjusted to its fair value at the end of each reporting period for the purpose of determining the Group's share of adjusted net asset value and fair value of the investment.

#### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

### 36. 金融工具的公平值及公平值層級(續)

計息銀行借款非即期部分及應付融資租賃的公平值的計算方法，為以反映本集團於報告期末的借款利率的貼現率貼現預期未來現金流量。本集團自身於報告期末就計息銀行借款及應付融資租賃的不履約風險獲評定為不重大。

就非上市可供出售權益投資的公平值，本集團管理層已使用資產估值法估計投資的公平值，因主要資產為一項持有自用物業而有關投資對象並未有充分盈利記錄以支持使用其他方法。該物業的價值已調整至於各個報告期末之公平值，以釐定本集團應佔經調整資產淨值及投資公平值。

#### 公平值層級

下表列示本集團金融工具的公平值計量層級：

		Fair value measurement using 使用以下輸入數據的公平值計量			
		Quoted prices in active markets 活躍市場 報價 (Level 1) (第一級) HK\$'000 千港元	Significant observable inputs 重大可觀察 輸入數據 (Level 2) (第二級) HK\$'000 千港元	Significant unobservable inputs 重大不可觀察 輸入數據 (Level 3) (第三級) HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Asset measured at fair value:</b>	<b>按公平值計量的資產：</b>				
At 31 December 2017	於二零一七年十二月三十一日				
Available-for-sale investment	可供出售投資	—	—	4,153	4,153
At 31 December 2016	於二零一六年十二月三十一日				
Available-for-sale investment	可供出售投資	—	—	3,773	3,773

# Notes to Financial Statements

## 財務報表附註

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### 36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

#### Fair value hierarchy (continued)

The movements in fair value measurements within Level 3 during the year are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Available-for-sale investment — unlisted:	可供出售投資 — 非上市：		
At 1 January	於一月一日	3,773	1,697
Addition	添置	—	2,105
Fair value gains recognised in other comprehensive income	於其他全面收益確認的 公平值收益	111	179
Exchange realignment	匯兌調整	269	(208)
At the end of year	年末	4,153	3,773

The Group did not have any financial liabilities measured at fair value as at 31 December 2017 and 31 December 2016.

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets (2016: Nil).

### 36. 金融工具的公平值及公平值層級(續)

#### 公平值層級(續)

於年內第三級的公平值計量變動如下：

於二零一七年十二月三十一日及二零一六年十二月三十一日，本集團並無任何按公平值計量的財務負債。

年內，就財務資產而言，第一級與第二級之間概無發生公平值計量的轉移，第三級亦無轉入或轉出(二零一六年：無)。

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

### 36. 金融工具的公平值及公平值層級(續)

公平值層級(續)

		Fair value measurement using 使用以下輸入數據的公平值計量			Total 總計 HK\$'000 千港元
		Quoted prices in active markets (Level 1) 活躍市場報價 (Level 1) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察輸入數據 (Level 2) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察輸入數據 (Level 3) HK\$'000 千港元	
<b>Liabilities for which fair values are disclosed:</b>		<b>披露公平值的負債：</b>			
At 31 December 2017	於二零一七年十二月三十一日				
Finance lease payables	融資租賃應付款項	–	–	7,766	7,766
Interest-bearing bank borrowings	計息銀行借款	–	–	187,391	187,391
		–	–	195,157	195,157
At 31 December 2016	於二零一六年十二月三十一日				
Finance lease payables	融資租賃應付款項	–	–	13,360	13,360
Interest-bearing bank borrowings	計息銀行借款	–	–	217,078	217,078
		–	–	230,438	230,438



# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

#### Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's cash and time deposits at banks and borrowings with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on deposits with banks and floating rate borrowings). There is no impact on the Group's equity except on the retained profits.

### 37. 財務風險管理目標及政策

本集團主要金融工具直接源於其營運。

本集團金融工具產生的主要風險為利率風險、外幣風險、信貸風險及流動資金風險。董事會審閱及同意本集團管理各項該等風險的政策，而該等政策概述如下。

#### 利率風險

利率風險乃指金融工具的未來現金流量將因市場利率改變而波動的風險。本集團面臨市場利率變動風險主要與本集團的銀行現金及定期存款及浮息借款有關。

下表列示本集團除稅前溢利(因銀行存款及浮息借款的影響)對利率出現合理可能變動(其他所有變數維持不變)的敏感度。除保留溢利外，本集團權益概無受影響。

		Increase/ (decrease) in basis points 基點增加/ (減少)	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) HK\$'000 千港元
<b>2017</b>	<b>二零一七年</b>		
HK\$	港元	50	(306)
RMB	人民幣	50	(105)
HK\$	港元	(50)	306
RMB	人民幣	(50)	105
<b>2016</b>	<b>二零一六年</b>		
HK\$	港元	50	(446)
RMB	人民幣	50	7
HK\$	港元	(50)	446
RMB	人民幣	(50)	(7)

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Foreign currency risk

The Group has transactional currency exposures. Those exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. The Group's main operating subsidiaries are located in Hong Kong and Mainland China and the Group's sales and purchases were mainly conducted in HK\$, RMB and US\$.

The RMB is not a freely convertible currency. Future exchange rates of the RMB could vary significantly from the current or historical exchange rates as a result of the changes in the PRC foreign currency policy. The exchange rates may also be affected by economic developments and political changes domestically and internationally, and the demand and supply of the RMB. The appreciation or devaluation of RMB against HK\$ and US\$ may have impact on the operating results of the Group.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB exchange rates, with all other variables held constant, of the Group's profit before tax (due to changes in the fair values of monetary assets and liabilities). There is no impact on the Group's equity except on the retained profits.

		Increase/ (decrease) in RMB rate 人民幣匯率 上升/(下跌) %	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) HK\$'000 千港元
<b>2017</b>	<b>二零一七年</b>		
If HK\$ weakens against RMB	倘港元兌人民幣下跌	5	(3)
If HK\$ strengthens against RMB	倘港元兌人民幣上升	(5)	3
If US\$ weakens against RMB	倘美元兌人民幣下跌	5	(347)
If US\$ strengthens against RMB	倘美元兌人民幣上升	(5)	347
<b>2016</b>	<b>二零一六年</b>		
If HK\$ weakens against RMB	倘港元兌人民幣下跌	5	(190)
If HK\$ strengthens against RMB	倘港元兌人民幣上升	(5)	190
If US\$ weakens against RMB	倘美元兌人民幣下跌	5	(338)
If US\$ strengthens against RMB	倘美元兌人民幣上升	(5)	338

### 37. 財務風險管理目標及政策(續)

#### 外幣風險

本集團面臨交易貨幣風險。該等風險源於營運單位以該單位的功能貨幣以外的貨幣進行買賣。本集團的主要營運附屬公司位於香港及中國內地，而本集團的買賣主要以港元、人民幣及美元進行。

人民幣並非自由兌換貨幣。人民幣的未來匯率可能因為中國外匯政策變動而與目前或過往匯率有很大出入。匯率亦可能受國內外經濟發展及政治變動以至人民幣的供求所影響。人民幣兌港元及美元升值或貶值或會對本集團之經營業績造成影響。

下表列示於報告期末本集團除稅前溢利(因貨幣資產及負債公平值的變動)對人民幣匯率出現合理可能變動(其他所有變數維持不變)的敏感度。除保留溢利外，本集團權益概無受影響。

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## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures and payment in advance may be required. In addition, receivable balances are monitored on an ongoing basis.

The credit risk of the Group's financial assets, which comprise trade and bills receivables, pledged deposits and restricted cash, cash and cash equivalents, and financial assets included in prepayments, deposits and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Concentrations of credit risk are managed by customer/counterparty. At the end of the reporting period, the Group had certain concentrations of credit risk as 43.4% (2016: 36.9%) and 74.9% (2016: 64.8%) of the Group's trade receivables were due from the Group's largest customer and the five largest customers, respectively.

#### Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings. The Group's policies are to regularly monitor the current and expected liquidity requirements, and to ensure that it maintains sufficient reserves of cash and available banking facilities to meet its liquidity requirements in short and longer terms.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

### 37. 財務風險管理目標及政策(續)

#### 信貸風險

本集團僅與獲認可及信譽良好的第三方交易。本集團的政策是任何有意按信貸期交易的客戶須經信貸核實程序，並可能需要預先付款。此外，本集團持續監察應收款項餘額。

本集團財務資產(包括貿易應收款項及應收票據、已抵押存款及受限制現金、現金及現金等價物及列入預付款項、按金及其他應收款項之財務資產)的信貸風險源於對手方違約，最大風險程度等於該等工具的賬面值。

按客戶/對手方管理信貸集中風險。於報告期末，本集團有若干信貸集中風險，因為本集團應收貿易款項中，分別有43.4%(二零一六年：36.9%)及74.9%(二零一六年：64.8%)應收本集團最大及五大客戶。

#### 流動現金風險

本集團的目標為利用銀行借款維持資金的持續性與靈活性之平衡。本集團的政策為定期監察現有及預期流動資金需求，以確保能維持充裕現金儲備及可用銀行融資，以滿足短期及長期流動資金需求。

本集團於報告期末根據合約未貼現付款的財務負債到期狀況如下：

		On demand 按要求償還 HK\$'000 千港元	Less than 1 year 少於一年 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>2017</b>	<b>二零一七年</b>				
Trade and bills payables	貿易應付款項及應付票據	-	125,636	-	125,636
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的財務負債	-	25,004	-	25,004
Interest-bearing bank borrowings	計息銀行借款	87,774	97,829	-	185,603
Finance lease payables	融資租賃應付款項	-	6,591	1,210	7,801
		87,774	255,060	1,210	344,044

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## 財務報表附註

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### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Liquidity risk (continued)

		流動現金風險(續)			
		On demand 按要求償還 HK\$'000 千港元	Less than 1 year 少於一年 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>2016</b>	<b>二零一六年</b>				
Trade and bills payables	貿易應付款項及應付票據	-	108,308	-	108,308
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的財務負債	-	32,043	-	32,043
Interest-bearing bank borrowings	計息銀行借款	119,364	83,960	8,446	211,770
Finance lease payables	融資租賃應付款項	-	6,219	7,422	13,641
		119,364	230,530	15,868	365,762

Included in interest-bearing bank borrowings are term loans of which the loan agreements contain a repayment on-demand clause giving the banks the unconditional right to call in the loans at any time and therefore, for the purpose of the above maturity profile, the total amount is classified as "on demand".

Notwithstanding the above clause, the directors do not believe that the loans will be called in its entirety within 12 months, and they consider that the loans will be repaid in accordance with the maturity dates as set out in the loan agreements. This evaluation was made considering: the financial position of the Group at the date of approval of the financial statements; the lack of events of default, and the fact that the Group has made all previously scheduled repayments on time. In accordance with the terms of the loans which contain a repayment on demand clause, the maturity profile of those loans as at the end of the reporting period, based on the contractual undiscounted payments and ignoring the effect of any repayment on demand clause, is as follows:

計息銀行借款中包括定期貸款，其貸款協議中包括須應要求還款之條款，給予銀行無條件權利可於任何時間追收貸款，因此，就上述到期狀況而言，該貸款乃全數分類為「按要求償還」。

縱然有以上條款，董事並不相信該貸款會被要求於十二個月內悉數償還，而董事認為該貸款將按貸款協議所載之到期日償還。此項評估之考慮因素為：本集團於財務報表獲批准當日之財務狀況；並無違約事件；及本集團先前一直按照時間表依時還款。根據包括須應要求還款條款之貸款的條款，若不論須應要求還款條款之影響，根據已訂約未貼現付款，該等貸款於報告期末時之到期情況如下：

		Less than 1 year 少於一年 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 December 2017	於二零一七年十二月三十一日	34,392	58,341	92,733
As at 31 December 2016	於二零一六年十二月三十一日	35,220	92,261	127,481

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## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or raise new capital from its investors. The Group is required to comply with certain externally imposed capital requirements set out in certain of its bank loan agreements/bank facility letters. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2017 and 31 December 2016.

The Group monitors capital using a gearing ratio, which is total debt divided by total equity. Total debt includes interest-bearing bank borrowings and finance lease payables.

The gearing ratios as at the end of the reporting period are as follows:

### 37. 財務風險管理目標及政策(續)

#### 資本管理

本集團管理資本的主要目的為保障本集團維持持續經營能力，並保有穩健的資本比率，以支持業務及爭取最大股東價值。

本集團因應經濟狀況變動而管理資本架構及作出調整。為維持或調整資本架構，本集團可能調整付予股東的股息或向投資者籌集新資本。本集團須遵守若干銀行貸款協議／銀行融資信件所載列的若干外部施加的資本規定。於截至二零一七年十二月三十一日及二零一六年十二月三十一日止年度，管理資本的目標、政策或程序概無變動。

本集團按資產負債比率(即總債務除以總權益)管理資本。總債務包括計息銀行借款及融資租賃應付款項。

於報告期末之資產負債比率載列如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest-bearing bank borrowings	計息銀行借款	185,390	210,381
Finance lease payables	融資租賃應付款項	7,593	13,048
Total debt	總債務	192,983	223,429
Total equity	總權益	480,420	421,829
Gearing ratio	資產負債比率	0.4	0.5



# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

### 38. 本公司財務狀況表

於報告期末本公司財務狀況表的資料如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
NON-CURRENT ASSET	<b>非流動資產</b>		
Investment in a subsidiary	於一間附屬公司的投資	1	1
CURRENT ASSETS	<b>流動資產</b>		
Due from subsidiaries	應收附屬公司款項	65,866	65,864
Prepayments	預付款項	412	360
Cash and cash equivalents	現金及現金等價物	336	218
Total current assets	流動資產總值	66,614	66,442
CURRENT LIABILITIES	<b>流動負債</b>		
Other payables and accruals	其他應付款項及應計款項	1,129	1,190
Due to a subsidiary	應付一間附屬公司款項	5,561	1,463
Total current liabilities	流動負債總額	6,690	2,653
NET CURRENT ASSETS	<b>流動資產淨值</b>	59,924	63,789
Net assets	資產淨值	59,925	63,790
EQUITY	<b>權益</b>		
Issued capital	已發行股本	2,400	2,400
Reserves (note)	儲備(附註)	57,525	61,390
Total equity	總權益	59,925	63,790

# Notes to Financial Statements

## 財務報表附註

31 December 2017 二零一七年十二月三十一日

### 38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

		Share premium account 股份溢價賬 HK\$'000 千港元	Retained profit/ (accumulated losses) 保留溢利/ (累計虧損) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	62,609	2,839	65,448
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	(4,058)	(4,058)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及 二零一七年一月一日	62,609	(1,219)	61,390
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	(3,865)	(3,865)
At 31 December 2017	於二零一七年十二月三十一日	62,609	(5,084)	57,525

### 39. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 26 March 2018.

### 38. 本公司財務狀況表(續)

附註：

本公司儲備概要如下：

### 39. 批准財務報表

財務報表已於二零一八年三月二十六日獲董事會批准及授權刊發。



**Yan Tat Group Holdings Limited**  
恩達集團控股有限公司



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