

N&Q

福建諾奇股份有限公司

Fujian Nuoci Co., Ltd.

(A Joint Stock Limited Liability Company Incorporated
In The People's Republic of China)

Stock Code: 1353

(於中華人民共和國註冊成立之股份有限公司)

股份代號：1353



年報
ANNUAL
REPORT
2017





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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Ding Hui (*Chairman and Chief Executive Officer*)
(removed on 21 April 2017)

Mr. Ding Canaryang (resigned on 15 May 2017)

Mr. Chen Quanyi (resigned on 21 April 2017)

Mr. Xu Hai Ying (*Chairman*) (appointed on 15 May 2017)

Mr. Zhang Aiping

(appointed on 21 April 2017 and resigned on 30 September 2017)

Mr. Gao Shufang

(appointed on 21 April 2017 and resigned on 30 September 2017)

Mr. Sit Hon Wing (appointed on 21 April 2017)

Non-executive Directors

Mr. Han Huiyuan

Ms. Ding Lixia (resigned on 21 April 2017)

Independent non-executive Directors

Mr. Chan Ming Sun Jonathan (appointed on 21 April 2017)

Mr. Lee Chi Hwa Joshua (appointed on 21 April 2017)

Mr. Mak Yiu Tong (appointed on 21 April 2017)

AUDIT COMMITTEE

Mr. Chan Ming Sun Jonathan (*Chairman*)
(appointed on 21 April 2017)

Mr. Lee Chi Hwa Joshua (appointed on 21 April 2017)

Mr. Mak Yiu Tong (appointed on 21 April 2017)

REMUNERATION COMMITTEE

Mr. Chen Quanyi (resigned on 21 April 2017)

Mr. Mak Yiu Tong (*Chairman*)
(appointed on 21 April 2017)

Mr. Gao Shufang

(appointed on 21 April 2017 and resigned on 30 September 2017)

Mr. Lee Chi Hwa Joshua (appointed on 21 April 2017)

Mr. Xu Hai Ying (appointed on 30 September 2017)

董事會

執行董事

丁輝先生 (*董事長兼行政總裁*)

(於二零一七年四月二十一日罷免)

丁燦陽先生 (於二零一七年五月十五日辭任)

陳全懿先生 (於二零一七年四月二十一日辭任)

許海鷹先生 (*主席*)

(於二零一七年五月十五日獲委任)

張愛平先生

(於二零一七年四月二十一日獲委任)

及於二零一七年九月三十日辭任)

高書方先生

(於二零一七年四月二十一日獲委任)

及於二零一七年九月三十日辭任)

薛漢榮先生

(於二零一七年四月二十一日獲委任)

非執行董事

韓惠源先生

丁麗霞女士 (於二零一七年四月二十一日辭任)

獨立非執行董事

陳銘樂先生 (於二零一七年四月二十一日獲委任)

李智華先生 (於二零一七年四月二十一日獲委任)

麥耀棠先生 (於二零一七年四月二十一日獲委任)

審核委員會

陳銘樂先生 (*主席*)

(於二零一七年四月二十一日獲委任)

李智華先生 (於二零一七年四月二十一日獲委任)

麥耀棠先生 (於二零一七年四月二十一日獲委任)

薪酬委員會

陳全懿先生 (於二零一七年四月二十一日辭任)

麥耀棠先生 (*主席*)

(於二零一七年四月二十一日獲委任)

高書方先生

(於二零一七年四月二十一日獲委任)

及於二零一七年九月三十日辭任)

李智華先生 (於二零一七年四月二十一日獲委任)

許海鷹先生 (於二零一七年九月三十日獲委任)



CORPORATE INFORMATION 公司資料

NOMINATION COMMITTEE

Ms. Ding Lixia (resigned on 21 April 2017)
Mr. Mak Yiu Tong (*Chairman*)
(appointed on 21 April 2017)
Mr. Chan Ming Sun Jonathan (appointed on 21 April 2017)
Mr. Gao Shufang (appointed on 21 April 2017 and
resigned on 30 September 2017)
Mr. Xu Hai Ying (appointed on 30 September 2017)

SUPERVISORY COMMITTEE

Ms. Gu Tao (*Chairman and Employee Representative*)
(resigned on 21 April 2017)
Mr. Ye Yongguan (resigned on 21 April 2017)
Ms. Guo Zhuojun (resigned on 21 April 2017)
Ms. Wang Zhiyu (*Chairman*)
(appointed on 21 April 2017)
Mr. Cheung Wang Lok, Anthony (appointed on 21 April 2017)
Ms. Cai Hong (*Employee Representative*)
(elected on 21 April 2017 and resigned on 1 August 2017)

Mr. Cai Han Zong (*Employee Representative*)
(elected on 1 August 2017)

COMPANY SECRETARY

Mr. Law Geoff Chun Mo, *HKICPA*

INTERNATIONAL AUDITORS

ZHONGHUI ANDA CPA Limited
Certified Public Accountants

LEGAL ADVISERS IN HONG KONG

Chiu and Partners

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 55 Chongwen Road
Economic and Technical Development Zone
Quanzhou
Fujian province
PRC

提名委員會

丁麗霞女士 (於二零一七年四月二十一日辭任)
麥耀棠先生 (主席)
(於二零一七年四月二十一日獲委任)
陳銘樂先生 (於二零一七年四月二十一日獲委任)
高書方先生 (於二零一七年四月二十一日獲委任
及於二零一七年九月三十日辭任)
許海鷹先生 (於二零一七年九月三十日獲委任)

監事會

顧濤女士 (主席及僱員代表)
(於二零一七年四月二十一日辭任)
葉永觀先生 (於二零一七年四月二十一日辭任)
郭卓君女士 (於二零一七年四月二十一日辭任)
王智宇女士 (主席)
(於二零一七年四月二十一日獲委任)
張宏樂先生 (於二零一七年四月二十一日獲委任)
蔡虹女士 (僱員代表)
(於二零一七年四月二十一日獲選
及於二零一七年八月一日辭任)
蔡漢忠先生 (僱員代表)
(於二零一七年八月一日獲選)

公司秘書

羅俊武先生 · *HKICPA*

國際核數師

中匯安達會計師事務所有限公司
執業會計師

香港法律顧問

趙不渝馬國強律師事務所

註冊辦事處及中國主要營業地點

中國
福建省
泉州市
經濟技術開發區
崇文路55號



CORPORATE INFORMATION

公司資料

PLACE OF BUSINESS IN HONG KONG

Rooms 1405-1412
14/F Sun Hung Kai Centre
30 Harbour Road
Wanchai
Hong Kong

H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL BANKS

China Minsheng Banking Corp., Ltd.
China Construction Bank

COMPANY WEBSITE

www.nuoqi.com.hk

STOCK CODE

1353

香港營業地點

香港
灣仔
港灣道30號
新鴻基中心14樓
1405-1412室

H股證券登記處

香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心17樓
1712-1716號舖

主要往來銀行

中國民生銀行股份有限公司
中國建設銀行

公司網站

www.nuoqi.com.hk

股份代號

1353



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

The Company is a fashion casual wear apparel company in the PRC offering a wide range of fashion casual wear products such as jackets, sweaters, shirts, T-shirts, trousers, shoes and accessories under its own brand, N&Q.

The implementation of the reorganisation proposal in relation to the reorganisation (“Reorganisation”) of the Company (“Reorganisation Proposal”) was completed following the issue of a court order in relation to the execution of the Reorganisation Proposal by the Quanzhou Court on 28 December 2016. After the completion of the Reorganisation, the Company was able to rehabilitate its business to a more meaningful level and achieve increase in sales from both the traditional retail points and online sales channels. The performance of the Company improved after Hao Tian Development Group Limited and its subsidiaries (“Hao Tian Group”), the white knight, invested into the Company and provided loans of RMB20 million to the Group for working capital purpose. The Group recorded a revenue of approximately RMB39 million for the year ended 31 December 2017 which exceeded the revenue of approximately RMB4 million for 2016. Profit from operations of the Group was approximately RMB2 million for the year ended 31 December 2017 as compared to loss from operations of approximately RMB12 million for 2016.

The Group recorded total assets of approximately RMB164 million at 31 December 2017 as compared to RMB78 million as at 31 December 2016. The improved financial position of the Group was mainly attributable to, among other things, the drawing down of a loan facility of RMB80 million.

業務回顧

本公司為一間中國休閒時裝公司，以自建品牌「諾奇 (N&Q)」提供各式各樣的休閒時裝產品（如夾克、毛衣、襯衫、T恤、褲子、鞋及配飾等）。

隨著泉州法院於二零一六年十二月二十八日頒佈有關執行重整計劃之法庭判令，有關實施本公司重整（「重整」）之重整計劃（「重整計劃」）宣告完成。於重整完成後，本公司可恢復其業務至更具意義之水平，並達致傳統零售點及網上銷售渠道之銷售增加。於昊天發展集團有限公司及其附屬公司（「昊天集團」）「白武士」投資本公司並向本集團提供人民幣20,000,000元之貸款作為一般營運資金後，本公司業績有所改善。本集團截至二零一七年十二月三十一日止年度錄得收入約人民幣39,000,000元，其超過二零一六年之收入約人民幣4,000,000元。截至二零一七年十二月三十一日止年度，本集團之經營溢利約為人民幣2,000,000元，而二零一六年之經營虧損約為人民幣12,000,000元。

本集團於二零一七年十二月三十一日錄得資產總值約人民幣164,000,000元，而於二零一六年十二月三十一日之資產總值則為人民幣78,000,000元。本集團之財務狀況有所改善主要歸因於（其中包括）本公司提取貸款融資人民幣80,000,000元。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

VERY SUBSTANTIAL ACQUISITION/REVERSE TAKEOVER

As disclosed in the announcement of the Company dated 4 December 2017, the Company, Zhong Hong Holdings Group Limited (the "Vendor"), the Vendor's Warrantor (Mr. Hu Yulin who was interested in 76% of the issued shares of the Vendor) entered into a sale and purchase agreement on 6 November 2017 in relation to the Company's acquisition of the entire issued share capital (the "Acquisition") in Zhong Hong International Limited (the "Target Company") which is a wholly-owned subsidiary of the Vendor. Pursuant to the sale and purchase agreement, the consideration payable by the Company shall be HK\$1,053,024,128 and shall be paid by the Company by allotting and issuing to the Vendor 1,541,878,659 new H Shares, credited as fully paid, at the issue price of HK\$0.6829 per share. Completion of the Acquisition is conditional upon fulfillment or waiver of a number of conditions precedents, as disclosed in the announcement of the Company on 4 December 2017.

The Target Company and its subsidiaries (the "Target Group") are principally engaged in the provision of construction services, mainly as a general contractor for residential construction projects, commercial and public works construction projects, and industrial and other construction projects, in the PRC.

BUSINESS PROSPECTS

Since the suspension of the trading in H Shares in July 2014, the Company has been striving to reactivate its business and to fulfill the resumption conditions imposed by The Stock Exchange of Hong Kong Limited ("Stock Exchange"). As disclosed in its 2016 annual report, the Company would seek to resume the trading of the H Shares at the earliest possible time in order to re-establish a fund raising platform to be available for the future expansion of the Group. In light of the various challenges and uncertainties lying ahead in the apparel industry under the current PRC macro-economic environment, the Board has continuously been exploring different investment opportunities to broaden the income stream of the Group with a view to promote growth in the revenue and profits of the Group which will be beneficial to the Shareholders. Through the Acquisition, the Company can acquire the well-established businesses of the Target Group which is engaged in the construction industry in the PRC and allows the scope of business of the Group to be expanded and its existing business portfolio to be diversified.

非常重大收購事項／反向收購

誠如本公司日期為二零一七年十二月四日之公告所披露，本公司、中宏控股集團有限公司（「賣方」）與賣方擔保人（胡玉林先生，彼擁有賣方已發行股份之76%權益）於二零一七年十一月六日訂立買賣協議，內容有關本公司收購中宏國際有限公司（「目標公司」，其為賣方之全資附屬公司）之全部已發行股本（「收購事項」）。根據買賣協議，本公司應付之代價為1,053,024,128港元，須由本公司透過按發行價（每股0.6829港元）向賣方配發及發行1,541,878,659股新H股（入賬列作繳足）之方式支付。誠如本公司於二零一七年十二月四日之公告所披露，收購事項須待多項先決條件獲達成或豁免後，方告完成。

目標公司及其附屬公司（「目標集團」）主要從事提供建築服務，主要於中國擔任住宅建築項目、商業及公共工程建築項目以及工業及其他建築項目之總承建商。

業務前景

自二零一四年七月暫停H股買賣後，本公司一直致力重新開展業務，以符合香港聯合交易所有限公司（「聯交所」）施加之復牌條件。誠如本公司二零一六年年報所披露，本公司將尋求H股盡早恢復買賣，以重建可供本集團未來擴展之集資平台。鑑於服裝行業在目前中國宏觀經濟環境下面臨各種挑戰及不確定性，董事會一直探索不同投資機遇以拓寬本集團之收入來源，以促進本集團收入及利潤增長，此將對股東有利。透過收購事項，本公司能夠收購目標集團於中國從事建造業之成熟業務，並可擴大本集團之業務範圍，令其現有業務組合更多元化。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS PROSPECTS *(continued)*

The construction industry in the PRC has experienced rapid growth in the recent years in accordance with the improvement of urbanisation as well as investment in infrastructure in the PRC. In order to accommodate the increasing urban population in cities, there are growing opportunities for building construction projects of both residential and commercial properties. Further, as public facilities and infrastructure are necessary to drive the urbanisation, the Company is optimistic towards the growth potential in the construction industry. The Board is of the view that the growth potential and prospect of the construction industry is expected to be more promising than that of the apparel industry.

The Target Group has an established business and is a valuable asset to be added into the business as a diversification for the Company. After completion of the Acquisition subject to the condition precedents as disclosed in the announcement made by the Company on 4 December 2017, the Target Group will become wholly-owned subsidiaries of the Company.

FINANCIAL REVIEW

Revenue

The Group generated revenue for the year ended 31 December 2017 of approximately RMB39 million, which represented an approximately 875% increase as compared to approximately RMB4 million for 2016. With the loans from the controlling shareholder of the Company for working capital purpose, the Company was able to rehabilitate its business to a more meaningful level and achieve increase in sales from both the traditional retail points and online sales channels.

Cost of sales, gross profit and gross profit margin

Gross profit for the year ended 31 December 2017 was approximately RMB21 million which improved significantly as compared to approximately RMB1 million for 2016. The improvement was mainly due to the rehabilitation of the business of the Company to a more meaningful level and increase in sales.

業務前景 (續)

近年來，由於中國城市化進程及投資於基礎設施有所增加，中國建造業經歷急速增長。為了適應城市日益增長之都市人口，住宅及商業物業之建築項目機會也越來越多。此外，由於公共設施及基礎設施對推動城市化而言屬必要，本公司對建造業之增長潛力感到樂觀。董事會認為，預期建造業之增長潛力及前景優於服裝行業。

目標集團擁有已建立規模之業務，及為一項寶貴資產，將作為本公司之多元化加入業務內。收購事項須待本公司於二零一七年十二月四日作出之公告所披露之先決條件獲達成後，方告完成，目標集團將成為本公司之全資附屬公司。

財務回顧

收入

本集團於截至二零一七年十二月三十一日止年度產生收益約人民幣39,000,000元，較二零一六年約人民幣4,000,000元增加約875%。憑藉本公司控股股東為營運資金用途作出之貸款，本公司可恢復其業務至更具意義之水平，並達致傳統零售點及網上銷售渠道之銷售增加。

銷售成本、毛利及毛利率

截至二零一七年十二月三十一日止年度，毛利約為人民幣21,000,000元，較二零一六年約人民幣1,000,000元大幅增加。該增加乃主要由於本公司恢復其業務至更具意義之水平及銷售增加所致。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW *(continued)*

Administrative and other expenses

Administrative and other expenses for year ended 31 December 2017 were approximately RMB14 million, which remained stable as compared to approximately RMB13 million of 2016 due to strengthened cost control by the Company

Impairment losses on various assets

Impairments losses on various assets for the year ended 31 December 2017 was mainly attributable to impairment of inventories to net realizable value of approximately RMB5 million, whilst impairments losses for the year ended 31 December 2016 included impairment of property, plant and equipment, inventories, trade receivables, other receivables and prepayments of approximately RMB3 million, RMB16 million, RMB4 million and RMB7 million respectively.

Finance costs

Finance costs of approximately RMB3 million was mainly attributable to the interest expenses arising from other borrowings of RMB80 million which was arranged and drawn down in 2017.

(Loss)/profit attributable to owners of the Company

Based on the above, loss attributable to owners of the Company for the year ended 31 December 2017 amounted to approximately RMB6 million (2016: a profit of approximately RMB406 million).

財務回顧 (續)

行政及其他開支

截至二零一七年十二月三十一日止年度，行政及其他開支約為人民幣14,000,000元，較二零一六年約人民幣13,000,000元維持穩定，乃因本公司加強成本控制。

多項資產減值虧損

截至二零一七年十二月三十一日止年度，多項資產減值虧損乃主要由於存貨減值至可變現淨值約人民幣5,000,000元所致，而截至二零一六年十二月三十一日止年度之減值虧損包括物業、廠房及設備、存貨、應收貿易款項、其他應收款項及預付款項分別減值約人民幣3,000,000元、人民幣16,000,000元、人民幣4,000,000元及人民幣7,000,000元。

財務成本

財務成本約人民幣3,000,000元乃主要由於自於二零一七年安排及提取之其他借款人民幣80,000,000元產生之利息開支所致。

本公司擁有人應佔(虧損)/溢利

基於上文所述，截至二零一七年十二月三十一日止年度，本公司擁有人應佔虧損約為人民幣6,000,000元（二零一六年：溢利約人民幣406,000,000元）。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (continued)

Liquidity, financial resources and capital structure

As at 31 December 2017, bank and cash balances of the Group were approximately RMB90 million (2016: approximately RMB1 million).

The Group's gearing ratio (measured as total borrowings over total assets) as at 31 December 2017 was approximately 61% (31 December 2016: 10%). As at 31 December 2017, the Group's other borrowings was secured by a) a charge over the 311,504,940 domestic shares of the Company by Hao Tian Investment (China) Company Limited, the controlling shareholder of the Company and b) a charge over the Company's land with carrying amount of approximately RMB10 million (31 December 2016: Not applicable) and building with carrying amount of approximately RMB57 million (2016: Not applicable).

Foreign currency risks

Most of the Group's transactions, assets and liabilities are principally denominated in Renminbi, the functional currency of the Group. Therefore, the Group had minimal exposure to foreign currency risk and hence the Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure of the Group from time to time and will consider hedging significant foreign currency exposure should the need arise.

Significant investments/Material acquisitions and disposals

Save as the Acquisition, the Group had not made any significant investments or material acquisitions of subsidiaries during the year.

Contingent liabilities and capital commitments

As at 31 December 2017, the Group did not have any significant contingent liabilities and capital commitments (31 December 2016: nil).

財務回顧 (續)

流動資金、財務資源及資本結構

於二零一七年十二月三十一日，本集團的銀行及現金結餘約為人民幣90,000,000元（二零一六年：約人民幣1,000,000元）。

於二零一七年十二月三十一日，本集團之資產負債比率（按總借款除以總資產計量）約為61%（二零一六年十二月三十一日：10%）。於二零一七年十二月三十一日，本集團其他借款以a)本公司控股股東昊天投資（中國）有限公司持有之本公司311,504,940股內資股之押記；及b)本公司賬面值約為人民幣10,000,000元（二零一六年十二月三十一日：不適用）之土地及賬面值約為人民幣57,000,000元（二零一六年：不適用）之樓宇之押記作抵押。

外幣風險

本集團大部分交易、資產及負債主要以本集團之功能貨幣人民幣計值。因此，本集團之外匯風險甚微及因此本集團目前並無外匯對沖政策。然而，管理層不時監察本集團之外匯風險及將於需要時考慮對沖重大外匯風險。

重要投資／重大收購及出售事項

除收購事項外，本集團於年內並無任何重要投資或重大附屬公司收購。

或然負債及資本承擔

於二零一七年十二月三十一日，本集團並無任何重大或然負債及資本承擔（二零一六年十二月三十一日：無）。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

DIVIDENDS

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2017.

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發末期股息(二零一六年:無)。

購買、贖回或出售本公司上市證券

本公司或其任何附屬公司於截至二零一七年十二月三十一日止年度內概無購買、贖回或出售任何本公司上市證券。



DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE 董事及高級管理層的履歷

BOARD OF DIRECTORS

Executive Directors

Xu Hai Ying (許海鷹)

Mr. Xu, aged 63, was appointed to the Board on 15 May 2017. He was appointed as a non-executive director of Hao Tian on 1 January 2012 and was re-designated as an executive director of Hao Tian in February 2012. Mr. Xu is the senior technical consultant and senior manager of 中國節能環保集團有限公司 (China Jieneng Huangbao Group Company Limited*), whose principal business is the development of energy conservation technologies, clean and new energy, and energy infrastructure construction. Mr. Xu has substantial management experience and has been the manager of the representative offices of Wallem & Company Limited (華林船務集團有限公司) in Shanghai and Tianjin, the PRC and the chief representative of the Shanghai representative office of Hong Kong Maritime Company Limited (香港海運有限公司) and has served other management positions.

Sit Hon Wing (薛漢榮)

Mr. Sit Hon Wing ("Mr. Sit"), aged 40, was appointed to the Board on 21 April 2017. He has served as the chief financial officer, financial controller and company secretary of certain listed companies in Hong Kong. During the period from June 2006 to January 2008, Mr. Sit was the financial controller and company secretary of Sau San Tong Holdings Limited which was listed on the Stock Exchange (Stock Code: 8200). During the period from January 2008 to September 2015, Mr. Sit was the chief financial officer and company secretary of CT Environmental Group Limited ("CTEG") which was listed on the Stock Exchange (Stock Code: 1363). Since September 2015 and October 2016 and up to August 2017, Mr. Sit has been the financial controller and company secretary of Hao Tian Development Group Limited respectively. Mr. Sit is currently the Company Secretary of CTEG. Mr. Sit is a fellow member of both the Hong Kong Institute of Certified Public Accountants (HKICPA) and Association of Chartered Certified Accountants (ACCA).

董事會

執行董事

許海鷹

許先生，63歲，於二零一七年五月十五日獲委任為董事會成員。彼於二零一二年一月一日獲委任為昊天非執行董事，並於二零一二年二月調任為昊天之執行董事。許先生為中國節能環保集團有限公司的高級技術顧問及高級經理，該公司主要從事節能技術開發、潔淨及新能源以及能源基礎建設業務。許先生擁有豐富的管理經驗，曾擔任華林船務集團有限公司中國上海及天津代表辦事處經理，以及香港海運有限公司上海代表辦事處的首席代表及其他管理職位。

薛漢榮

薛漢榮先生（「薛先生」），40歲，於二零一七年四月二十一日獲委任為董事會成員。彼曾擔任香港若干上市公司之首席財務官、財務總監及公司秘書。於二零零六年六月至二零零八年一月期間，薛先生出任修身堂控股有限公司（其於聯交所上市，股份代號：8200）之財務總監及公司秘書。於二零零八年一月至二零一五年九月期間，薛先生出任中滔環保集團有限公司（「中滔環保」）（其於聯交所上市，股份代號：1363）之首席財務官及公司秘書。自二零一五年九月及二零一六年十月起及直至二零一七年八月，薛先生分別獲委任為昊天發展集團有限公司之財務總監及公司秘書。薛先生現時為中滔環保之公司秘書。薛先生為香港會計師公會（香港會計師公會）及英國特許公認會計師公會（英國特許公認會計師公會）之資深會員。



DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE

董事及高級管理層的履歷

BOARD OF DIRECTORS (continued)

Non-executive Director

Han Huiyuan (韓惠源)

Mr. Han Huiyuan (韓惠源), aged 54, is a non-executive Director. He was appointed to the Board on 9 July 2013. Mr. Han is currently the managing director of Heaven-Sent Capital Management Group Co., Ltd. (硅谷天堂資產管理集團股份有限公司), a corporate shareholder of Silicon Valley Solar Venture Capital Co., Ltd. (深圳硅谷天堂陽光創業投資有限公司) and is responsible for the overall business operation. Mr. Han obtained a master degree in urban economics from the Renmin University of China (中國人民大學) in 2011 and a bachelor degree in industrial automation from Huazhong Technical College (華中工學院) (currently known as the "Huazhong University of Science and Technology (華中科技大學)") in 1984.

Independent non-executive Directors

Chan Ming Sun (陳銘樂)

Mr. Chan Ming Sun Jonathan ("Mr. Chan"), aged 45, was appointed to the Board on 21 April 2017. Mr. Chan graduated from the University of New South Wales, Australia with a Bachelor of Commerce degree in Accounting and Computer Information Systems. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of Certified Practising Accountants, Australia. Mr. Chan has over 20 years of experience in auditing, accounting, investment and financial management. Mr. Chan is currently an investment manager of Sprint Asset Management Limited. Mr. Chan is also an independent non-executive director of each of China Dredging Environment Protection Holdings Limited (stock code: 871), Shenyang Public Utility Holdings Company Limited (stock code: 747), Up Energy Development Group Limited (stock code: 307) and Hao Tian Development Group Limited (stock code: 474), whose securities are listed on the main board of the Stock Exchange, and of Changhong Jiahua Holdings Limited (stock code: 8016) and Dining Concepts Holdings Limited (stock code: 8056), whose securities are listed on the Growth Enterprise Market of the Stock Exchange. Mr. Chan resigned as independent non-executive director of Beautiful China Holdings Company Limited (stock code: 706), Focus Media Network Limited (stock code: 8112), L&A International Holdings Limited (stock code: 8195), Far East Holdings International Limited (stock code: 36) on 28 February 2014, 27 November 2015, 3 March 2017 and 18 July 2017 respectively.

董事會 (續)

非執行董事

韓惠源

韓惠源先生，54歲，非執行董事。彼於二零一三年七月九日獲委任加入董事會。韓先生現時為深圳硅谷天堂陽光創業投資有限公司的公司股東硅谷天堂資產管理集團股份有限公司的董事總經理，負責整體業務營運。韓先生於二零一一年取得中國人民大學城市經濟學碩士學位，並於一九八四年取得華中工學院（現稱為華中科技大學）的工業自動化學士學位。

獨立非執行董事

陳銘樂

陳銘樂先生（「陳先生」），45歲，於二零一七年四月二十一日獲委任為董事會成員。陳先生畢業於澳洲新南威爾斯大學，持有會計及電腦資訊系統學系商學士學位。彼現為香港會計師公會之資深會員及澳洲會計師公會之會員。陳先生於審計、會計、投資及財務管理方面擁有逾20年經驗。陳先生現時為新銳資產管理有限公司之投資經理。陳先生亦為中國疏浚環保控股有限公司（股份代號：871）、瀋陽公用發展股份有限公司（股份代號：747）、優派能源發展集團有限公司（股份代號：307）及昊天發展集團有限公司（股份代號：474）各自之獨立非執行董事，該等公司之證券於聯交所主板上市，以及長虹佳華控股有限公司（股份代號：8016）及飲食概念控股有限公司（股份代號：8056）之獨立非執行董事，該等公司之證券於聯交所創業板上市。陳先生分別於二零一四年二月二十八日、二零一五年十一月二十七日、二零一七年三月三日及二零一七年七月十八日辭任美麗中國控股有限公司（股份代號：706）、Focus Media Network Limited（股份代號：8112）、樂亞國際控股有限公司（股份代號：8195）及遠東控股國際有限公司（股份代號：36）之獨立非執行董事。



DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE 董事及高級管理層的履歷

BOARD OF DIRECTORS (continued)

Independent non-executive Directors (continued)

Lee Chi Hwa Joshua (李智華)

Mr. Lee Chi Hwa Joshua ("Mr. Lee"), aged 45, was appointed to the Board on 21 April 2017. He is a fellow member of the Association of Chartered Certified Accountants and a member of Hong Kong Institute of Certified Public Accountants. Mr. Lee has extensive experience in the fields of auditing, accounting and finance. Mr. Lee currently serves as an independent non-executive director of Hao Tian, Hao Tian International Construction Investment Group Limited (Stock code: 1341), Up Energy Development Group Limited (Stock code: 307), China Fortune Investments (Holding) Limited (Stock code: 8116), Code Agriculture (Holdings) Limited (Stock code: 8153) and Cornerstone Financial Holdings Limited (Stock code: 8112) respectively, whose shares are listed on the Stock Exchange. He currently serves as an executive director of China Healthcare Enterprise Group Limited (Stock code: 1143), whose shares are listed on the Main Board of the Stock Exchange. He was an independent non-executive director of King Stone Energy Group Limited (Stock code: 663) from January 2012 to April 2013, China Minsheng Drawin Technology Group Limited (Stock code: 726) from December 2013 to February 2015 and Teamway International Group Holdings Limited (Stock code: 1239) from March 2015 to August 2017, all companies are listed on the Stock Exchange.

Mak Yiu Tong (麥耀棠)

Mr. Mak Yiu Tong ("Mr. Mak"), aged 58, was appointed to the Board on 21 April 2017. Mr. Mak graduated from the China University of Political Science and Law with a Bachelor of Law degree in 1998. Mr. Mak is a legal executive of C. K. Mok & Co., a firm of solicitors in Hong Kong. Mr. Mak has been working in the legal industry for over 30 years. Mr. Mak currently serves as an independent non-executive director of Talent Property Group Limited (Stock code: 760), Up Energy Development Group Limited (Stock code: 307) and Hao Tian International Construction Investment Group Limited (Stock code: 1341), whose shares are listed on the main board of the Stock Exchange.

董事會 (續)

獨立非執行董事 (續)

李智華

李智華先生(「李先生」)，45歲，於二零一七年四月二十一日獲委任為董事會成員。彼為英國特許公認會計師公會資深會員及香港會計師公會會員。李先生於核數、會計及財務方面擁有豐富經驗。李先生現分別為昊天、昊天國際建設投資集團有限公司(股份代號：1341)、優派能源發展集團有限公司(股份代號：307)、中國幸福投資(控股)有限公司(股份代號：8116)、科地農業控股有限公司(股份代號：8153)及基石金融控股有限公司(股份代號：8112)之獨立非執行董事，該等公司之股份均於聯交所上市。彼現為華夏健康產業集團有限公司(股份代號：1143)之執行董事，該公司之股份於聯交所主板上市。彼於二零一二年一月至二零一三年四月出任金山能源集團有限公司(股份代號：663)、於二零一三年十二月至二零一五年二月出任中民築友科技集團有限公司(股份代號：726)及於二零一五年三月至二零一七年八月出任Teamway International Group Holdings Limited(股份代號：1239)(該等公司均於聯交所上市)之獨立非執行董事。

麥耀棠

麥耀棠先生(「麥先生」)，58歲，於二零一七年四月二十一日獲委任為董事會成員。麥先生於一九九八年畢業於中國政法大學，獲頒授法學學士學位。麥先生為莫超權律師行(一家香港律師行)之法律行政人員。麥先生於法律行業工作逾三十年。麥先生現時擔任新天地產集團有限公司(股份代號：760)、優派能源發展集團有限公司(股份代號：307)及昊天國際建設投資集團有限公司(股份代號：1341)之獨立非執行董事，該等公司之股份均於聯交所主板上市。



DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE

董事及高級管理層的履歷

BOARD OF SUPERVISORS

Wang Zhiyu (王智宇)

Ms. Wang Zhiyu (“Ms. Wang”), aged 34, joined the Company and was appointed to the Board on 21 April 2017. She obtained a bachelor’s degree in business administration and has over 14 years of experience in administrative and human resources management. Between 2003 and 2010, she served as a manager in two companies and was responsible for daily administration management and establishing the administration and staff policy of the companies. In 2010, she joined Hao Tian Development Group Limited (“Hao Tian”) and served a number of management positions, and was responsible for administrative and human resources management for the Hao Tian group and its subsidiaries. Ms. Wang was also appointed as a director of various subsidiaries of the Hao Tian group since June 2012.

Cheung Wang Lok (張宏樂)

Mr. Cheung Wang Lok (“Mr. Cheung”), aged 40, joined the Company and was appointed to the Board on 21 April 2017. He has more than 17 years of experience in internal auditing, external auditing, accounting, finance, taxation, treasury management, internal control and personnel management in international and listed companies. Mr. Cheung was an associate general manager and finance manager in a listed company in the United States of America from 2007 to 2010. Mr. Cheung joined Hao Tian in 2010. He was appointed as a director of various subsidiaries of Hao Tian group since May 2016 and was promoted to Finance Manager in 2017.

Cai Han Zong (蔡漢忠)

Mr. Cai Han Zong, aged 32, has over 10 years of experience in stores engineering supervision and administrative management. Mr. Cai joined the Company in August 2011 as an engineering supervisor. He has then worked as the deputy manager of the administrative department of the Company since September 2016. Prior to joining the Company in 2011, Mr. Cai had worked in 深圳市跨境體育用品有限公司 (Shenzhen Cross Domain Sports Equipment Company Limited*) as its engineering supervisor. Mr. Cai obtained a college degree in business administration from The Open University of Fujian in 2006.

* For identification purposes only

監事會

王智宇

王智宇女士（「王女士」），34歲，於二零一七年四月二十一日加入本公司並獲委任為董事會成員。彼取得工商管理學士學位並於行政及人力資源管理方面擁有逾14年經驗。於二零零三年至二零一零年間，彼擔任兩間公司之經理，負責日常行政管理並制定公司之行政及員工政策。於二零一零年，彼加入昊天發展集團有限公司（「昊天」）並擔任多項管理職位，負責昊天集團及其附屬公司之行政及人力資源管理。此外，王女士自二零一二年六月起獲委任為昊天集團多間附屬公司之董事。

張宏樂

張宏樂先生（「張先生」），40歲，於二零一七年四月二十一日加入本公司並獲委任為董事會成員。彼於國際及上市公司之內部核數、外部核數、會計、財務、稅項、財務管理、內部控制及人事管理方面擁有逾17年經驗。張先生於二零零七年至二零一零年出任一間美利堅合眾國上市公司之副總經理兼財務經理。張先生於二零一零年加入昊天。彼自二零一六年五月起獲委任為昊天集團多間附屬公司之董事及於二零一七年獲晉升為財務經理。

蔡漢忠

蔡漢忠先生，32歲，於店舖工程監理及行政管理方面擁有逾10年經驗。蔡先生於二零一一年八月加入本公司出任工程監理，彼其後自二零一六年九月起一直擔任本公司行政部副經理。於二零一一年加入本公司前，蔡先生為深圳市跨境體育用品有限公司之工程監理。蔡先生於二零零六年獲得福建廣播電視大學工商管理專科學歷。



DIRECTORS' REPORT

董事會報告

PRINCIPAL ACTIVITIES

The principal activities of the Company are retailing men's and women's casual apparels. There were no significant changes in the nature of the Group's principal activities during the year.

An analysis of the Group's revenue and profit for the year is set out in the section headed "Management Discussion and Analysis" in this report.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2017 are set out in the consolidated statement of profit or loss and other comprehensive income on page 51 of this annual report.

For details regarding a fair review of the Company's business, please refer to the paragraph headed "Business review" of the section headed "Management discussion and analysis" of this annual report.

The Board does not recommend the payment of a dividend.

Summary financial information

A summary of the published results, assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements, is set out on page 100. The summary does not form part of the audited consolidated financial statements.

主營業務

本公司的主營業務為男士及女士休閒服飾零售業務。本集團的主營業務性質於年內概無重大變動。

本集團於年內之收入及溢利分析載於本報告「管理層討論及分析」一節。

業績及股息

本集團截至二零一七年十二月三十一日止年度的業績載於本年報第51頁的綜合損益及其他全面收益表內。

有關本公司業務公平回顧的詳情，請參閱本年報「管理層討論及分析」一節「業務回顧」一段。

董事會不建議派付股息。

財務資料概要

本集團過去五個財政年度之已刊發業績、資產及負債的概要（摘錄自經審核綜合財務報表）載於第100頁。此概要並不構成經審核綜合財務報表之一部分。



DIRECTORS' REPORT

董事會報告

AGM AND CLOSURE OF REGISTER OF MEMBERS OF H SHARES

The notice of the forthcoming annual general meeting (“AGM”) and the period of closure of register of members of H Shares will be published and despatched to the shareholders of the Company, at least 45 days before the meeting, in accordance with the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and the articles of association of the Company. To ascertain the shareholders’ entitlement to attend and vote at the forthcoming AGM, all transfers of shares, accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration. Details to which will be announced in due course.

SHARE CAPITAL

Details of movements in the Company’s share capital during the year are set out in note 28 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Company and of the Group during the year are set out in note 17 to the financial statements.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 29 to the financial statements and in the consolidated statement of changes in equity, respectively.

股東週年大會及暫停辦理H股過戶登記

根據聯交所證券上市規則（「上市規則」）及本公司之公司章程之規定，應屆股東週年大會（「股東週年大會」）及暫停辦理H股過戶登記手續期間之通告將於大會前至少45日刊發及寄發予本公司股東。為確定股東出席應屆股東週年大會並於會上投票之權利，所有股份過戶文件連同有關股票及過戶表格必須遞交本公司之香港股份過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖，以辦理登記手續。其詳情將於適當時候公告。

股本

本公司於年內之股本變動詳情載於財務報表附註28。

物業、廠房及設備

本公司及本集團物業、廠房及設備於年內的變動詳情載於財務報表附註17內。

儲備

本公司及本集團儲備於年內的變動詳情分別載於財務報表附註29及綜合權益變動表。



DIRECTORS' REPORT 董事會報告

DISTRIBUTABLE RESERVES

As at 31 December 2017, our Company had no distributable reserves available for distribution to its equity holders.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company or the laws of the PRC which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2017.

ENVIRONMENTAL POLICIES

We are committed to building an environmentally-friendly workplace that pays close attention to conserving natural resources. We strive to minimize our environmental impact by saving water supplies, electricity and encouraging recycle of office supplies and other packaging materials.

COMPLIANCE WITH LAWS AND REGULATIONS

The Company's operations are mainly carried out in the PRC. Our establishment and operations accordingly shall comply with relevant laws and regulations in the PRC. During the year ended 31 December 2017 and up to the date of this report, there is no material non-compliance with all the prevailing laws and regulations in the PRC.

可分派儲備

於二零一七年十二月三十一日，本公司並無可向其股權持有人分派之可供分派儲備。

優先購買權

本公司之公司章程或中國法律並無規定本公司於發行新股時，必須按比例賦予現有股東優先購買權。

購買、贖回或出售本公司上市證券

於截至二零一七年十二月三十一日止年度內，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

環境政策

本公司致力於建立密切關注節約天然資源之環保工作環境。本公司力求盡量減少對環境造成之影響，方式為節約供水、電力及鼓勵循環再用辦公室物品及其他包裝物料。

遵守法律及法規

本公司主要於中國進行營運。因此，本公司之成立及營運均須遵守中國之相關法律及法規。於截至二零一七年十二月三十一日止年度及直至本報告日期，概無重大違反所有中國現行法律及法規。



DIRECTORS' REPORT

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

Purchases

The aggregate percentages of purchases attributable to the Group's major suppliers during the year ended 31 December 2017 are as follows:

Our largest supplier	33%
Five largest suppliers combined	72%

None of the directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest suppliers.

Sales

During the year, due to the nature of business of the Group, the percentage of the sales attributable to the Group's five largest customers is less than 30% during the year.

DIRECTORS

The composition of the Board is as follows:

Executive Directors

Mr. Ding Hui (*Chairman and Chief Executive Officer*)

(removed on 21 April 2017)

Mr. Ding Canyang (resigned on 15 May 2017)

Mr. Chen Quanyi (resigned on 21 April 2017)

Mr. Xu Hai Ying (*Chairman*) (appointed on 15 May 2017)

Mr. Zhang Aiping

(appointed on 21 April 2017 and resigned on 30 September 2017)

Mr. Gao Shufang

(appointed on 21 April 2017 and resigned on 30 September 2017)

Mr. Sit Hon Wing (appointed on 21 April 2017)

Non-executive Directors

Mr. Han Huiyuan

Ms. Ding Lixia (resigned on 21 April 2017)

Independent non-executive Directors

Mr. Chan Ming Sun Jonathan (appointed on 21 April 2017)

Mr. Lee Chi Hwa Joshua (appointed on 21 April 2017)

Mr. Mak Yiu Tong (appointed on 21 April 2017)

主要客戶及供應商

採購

截至二零一七年十二月三十一日止年度，本集團之主要供應商應佔之採購百分比總額如下：

最大供應商	33%
五大供應商合計	72%

本公司董事或任何彼等之聯繫人或任何股東（就董事所深知擁有本公司已發行股本超過5%）概無於本集團五大供應商擁有任何實益權益。

銷售

年內，由於本集團之業務性質，本集團五大客戶應佔之年內銷售百分比少於30%。

董事

董事會的組成如下：

執行董事

丁輝先生 (*董事長兼行政總裁*)

(於二零一七年四月二十一日罷免)

丁燦陽先生 (於二零一七年五月十五日辭任)

陳全懿先生 (於二零一七年四月二十一日辭任)

許海鷹先生 (*主席*)

(於二零一七年五月十五日獲委任)

張愛平先生

(於二零一七年四月二十一日獲委任

及於二零一七年九月三十日辭任)

高書方先生

(於二零一七年四月二十一日獲委任

及於二零一七年九月三十日辭任)

薛漢榮先生

(於二零一七年四月二十一日獲委任)

非執行董事

韓惠源先生

丁麗霞女士 (於二零一七年四月二十一日辭任)

獨立非執行董事

陳銘樂先生 (於二零一七年四月二十一日獲委任)

李智華先生 (於二零一七年四月二十一日獲委任)

麥耀棠先生 (於二零一七年四月二十一日獲委任)



DIRECTORS' REPORT 董事會報告

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors and supervisors of the Company and the senior management of the Group are set out on pages 10 to 14 of the annual report.

An annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules has been received from each of the independent non-executive Directors. The Company considered that all the independent non-executive Directors were independent, and that no family, material or other relevant relationships existed between any of them. In addition, none of the members of the Board were related to any of the others.

DIRECTORS' AND SUPERVISORS SERVICE CONTRACTS

Each of the directors and supervisors has entered into a service agreement with the Company for a term of three years.

No director and supervisor of the Company has entered into a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

EMPLOYEES AND REMUNERATION POLICY

The Group had approximately 45 employees as at 31 December 2017 (31 December 2016: 101 employees). The total remuneration of employees for the year ended 31 December 2017 amounted to approximately RMB7 million (2016: RMB5 million).

The Group's emolument policy is formulated based on the performance of individual employees and is reviewed regularly. Subject to the Group's profitability, the Group may also provide discretionary bonuses to its employees as an incentive for their contribution to the Group. The primary goal of the emolument policy with regard to the remuneration packages of the Group's executive Directors is to enable the Group to retain and motivate executive Directors by linking their compensation with performance as measured against corporate objectives achieved.

董事、監事及高級管理層的履歷

本公司董事及監事以及本集團高級管理層的履歷詳情載於年報的第10至第14頁。

本公司已自各獨立非執行董事收到其根據上市規則第3.13條發出之獨立性年度確認書。本公司認為，全體獨立非執行董事均屬獨立，且任何彼等之間並無存在親屬、重大或其他相關關係。此外，概無董事會成員與任何其他人士有關連。

董事及監事之服務合約

各董事及監事已與本公司訂立為期三年之服務協議。

概無本公司董事及監事已與本公司訂立本公司不可於一年內終止而毋須支付賠償（法定賠償除外）的服務合約。

僱員及薪酬政策

於二零一七年十二月三十一日，本集團有約45名僱員（二零一六年十二月三十一日：101名僱員）。截至二零一七年十二月三十一日止年度，僱員薪酬總額約為人民幣7,000,000元（二零一六年：人民幣5,000,000元）。

本集團的薪酬政策乃根據個別僱員的表現而制訂，並會定期作出檢討。視乎本集團的盈利能力，本集團亦可向其僱員派發酌情花紅，作為彼等對本集團作出貢獻之獎勵。就本集團執行董事之薪酬待遇而言，薪酬政策的首要目標乃將執行董事的薪酬與其達成企業目標的表現掛鉤，讓本集團能夠挽留及激勵執行董事。



DIRECTORS' REPORT

董事會報告

EMPLOYEES AND REMUNERATION POLICY

(continued)

The principal elements of the Group's remuneration packages include basic salaries, discretionary bonuses and housing benefits.

The directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board with reference to directors' duties, responsibilities and performance and the results of the Group.

DIRECTORS' AND SUPERVISORS' INTERESTS IN CONTRACTS

None of the directors, the supervisors of the Company nor their respective associates had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, or any of its subsidiaries was a party during the year.

CONTROLLING SHAREHOLDER'S INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save for the information disclosed under this annual report, there was no other contract of significance between the Group and the Company's controlling shareholder or any of its subsidiaries subsisted at the end of the year or at any time during the year.

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

As at 31 December 2017, none of the Directors and the Company's chief executive, and their respective associates had any interests in the Shares in and underlying shares of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have been taken under such provisions of the SFO) or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code"), or were required to be entered in the register kept by the Company pursuant to Section 352 of the SFO.

僱員及薪酬政策 (續)

本集團薪酬待遇的主要元素包括基本薪金、酌情花紅及房屋福利。

董事袍金須由股東於股東大會上批准。其他薪酬由董事會經參考董事職務、責任及表現以及本集團的業績後釐定。

董事及監事於合約的權益

概無本公司董事、監事或彼等各自之聯繫人於本公司或其任何附屬公司於年內訂立對本集團業務屬重大之任何合約當中直接或間接擁有重大權益。

控股股東於重大合約的權益

除於本年報披露之資料外，本集團與本公司之控股股東或其任何附屬公司概無訂立於年末或年內任何時間存續之其他重大合約。

董事及主要行政人員於股份及相關股份的權益及淡倉

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及彼等各自的聯繫人士於本公司及其相關法團（定義見證券及期貨條例第XV部）的股份及相關股份中，擁有根據證券及期貨條例第XV部第7及8分部（包括根據證券及期貨條例之條文彼等被當作或視為擁有的權益及淡倉）或根據上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所，或根據證券及期貨條例第352條須記錄於本公司所存置的登記冊的任何權益。

DIRECTORS' REPORT

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

主要股東於本公司股份及相關股份的權益及淡倉

As at 31 December 2017, so far as the Directors are aware of, the interests or short positions of the persons and corporations in the Shares or underlying Shares which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO were as follow:

於二零一七年十二月三十一日，據董事所悉，有關人士及法團於股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露之權益或淡倉如下：

Name of shareholder	Nature of interest	Number of Shares held	Type of shares	Approximate percentage of the respective type of shares	Approximate percentage of total issued shares
股東姓名／名稱	權益性質	持有股份數目 (Note 1) (附註1)	股份類型	佔各類股份之 概約百分比	佔已發行 股份總數之 概約百分比
Hao Tian Investment (China) Company Limited 昊天投資(中國)有限公司	Beneficial owner 實益擁有人	312,068,670 (L)	Domestic Shares (Note 2) 內資股(附註2)	69.35	51.09
Li Shao Yu 李少宇	Interest in controlled corporation 受控制法團權益	312,068,670 (L)	Domestic Shares (Note 2) 內資股(附註2)	69.35	51.09
	Interest in controlled corporation 受控制法團權益	53,991,000 (L)	H Shares (Note 3) H股(附註3)	33.58	8.84
Asia Link Capital Investment Holdings Limited 亞聯創富控股有限公司	Interest in controlled corporation 受控制法團權益	312,068,670 (L)	Domestic Shares (Note 2) 內資股(附註2)	69.35	51.09
	Interest in controlled corporation 受控制法團權益	53,991,000 (L)	H Shares (Note 3) H股(附註3)	33.58	8.84
Hao Tian Corporation Limited 昊天商貿有限公司	Beneficial owner 實益擁有人	53,991,000 (L)	H Shares (Note 3) H股(附註3)	33.58	8.84
Hao Tian Development Group Limited 昊天發展集團有限公司	Interest in controlled corporation 受控制法團權益	53,991,000 (L)	H Shares (Note 3) H股(附註3)	33.58	8.84
	Interest in controlled corporation 受控制法團權益	312,068,670 (L)	Domestic Shares (Note 2) 內資股(附註2)	69.35	51.09

DIRECTORS' REPORT

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (continued)

主要股東於本公司股份及相關股份的權益及淡倉 (續)

Name of shareholder	Nature of interest	Number of Shares held	Type of shares	Approximate percentage of the respective type of shares	Approximate percentage of total issued shares
股東姓名／名稱	權益性質	持有股份數目 (Note 1) (附註1)	股份類型	佔各類股份之 概約百分比	佔已發行 股份總數之 概約百分比
Chan Yuk Ming	Beneficial owner/ interest in controlled corporation/founder of a discretionary trust	42,800,000 (L)	H Shares (Note 4)	26.62	7.01
陳育明	實益擁有人／受控制法團權 益／全權信託創辦人		H股 (附註4)		
Theme Link Investments Ltd.	Beneficial owner	12,700,000 (L)	H Shares (Note 4)	7.90	2.08
	實益擁有人		H股 (附註4)		
Evisu (PTC) Limited	Trustee	29,400,000 (L)	H Shares (Note 5)	18.28	4.81
	受託人		H股 (附註5)		
Pacific Success Holdings Limited	Interest in controlled corporation	29,400,000 (L)	H Shares (Note 5)	18.28	4.81
	受控制法團權益		H股 (附註5)		
Evergreen International Holdings Limited	Interest in controlled corporation	29,400,000 (L)	H Shares (Note 5)	18.28	4.81
	受控制法團權益		H股 (附註5)		
Sunsonic Holdings Limited	Interest in controlled corporation	29,400,000 (L)	H Shares (Note 5)	18.28	4.81
	受控制法團權益		H股 (附註5)		
Joy Business Investments Limited	Beneficial owner	29,400,000 (L)	H Shares (Note 5)	18.28	4.81
	實益擁有人		H股 (附註5)		
Hong Jinjing	Interest in controlled corporation	17,840,000 (L)	H Shares (Note 6)	11.89	2.92
	受控制法團權益		H股 (附註6)		
Sky Success Venture Holdings Limited	Beneficial owner	17,840,000 (L)	H Shares (Note 6)	11.89	2.92
	實益擁有人		H股 (附註6)		



DIRECTORS' REPORT 董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (continued)

Notes:

1. The letter "L" denotes a person's or a corporation's long position in the Shares and "S" denotes a person's or a corporation's short position in the Shares.
2. Hao Tian Investment (China) Company Limited was wholly owned by Hao Tian Investment (Hong Kong) Limited, which was in turn wholly owned by Long Xin Holdings Limited, which was in turn wholly owned by Hao Tian Development Group Limited. Hao Tian Development Group Limited was owned by Asia Link Capital Investment Holdings Ltd as to approximately 61.67%. Asia Link Capital Investment Holdings Ltd was wholly owned by Ms. Li Shao Yu.
3. Hao Tian Corporation Limited was wholly owned by Yixin Investments Limited, which was in turn wholly owned by Hao Tian Development Group Limited. Hao Tian Development Group Limited was owned by Asia Link Capital Investment Holdings Ltd as to approximately 61.67%. Asia Link Capital Investment Holdings Ltd was wholly owned by Ms. Li Shao Yu.
4. Of the 42,800,000 H Shares in which Mr. Chan Yuk Ming ("Mr. Chan") was interested or deemed to be interested in, 700,000 H Shares were held by him personally, 12,700,000 H Shares are held by Theme Link Investments Ltd., a company wholly-owned by Mr. Chan, and 29,400,000 H Shares were held by Joy Business Investments Limited, a company wholly-owned by Sunsonic Holdings Limited which is a company indirectly owned by Evisu (PTC) Limited, the trustee of a discretionary trust of which Mr. Chan was a founder (please see Note 5 below).
5. The abovementioned 29,400,000 H Shares were held by Joy Business Investments Limited, a company wholly-owned by Sunsonic Holdings Limited which was in turn wholly-owned by Evergreen International Holdings Limited ("Evergreen"), a company the shares of which are listed on the Hong Kong Stock Exchange under stock code 238. Evergreen was owned as to 51% by Pacific Success Holdings Limited, a company wholly-owned by Evisu (PTC) Limited which was the trustee of a discretionary trust of which Mr. Chan was a founder.
6. Mr. Hong Jinjing holds 42.00% equity interest in registered capital of Sky Success Venture Holdings Limited. Accordingly, Mr. Hong Jinjing is deemed to be interested in the 17,840,000 Shares held by Sky Success Venture Holdings Limited by virtue of SFO.

主要股東於本公司股份及相關股份的權益及淡倉 (續)

附註：

1. 字母「L」指有關人士或法團於股份之好倉，而字母「S」指有關人士或法團於股份之淡倉。
2. 昊天投資(中國)有限公司由昊天投資(香港)有限公司全資擁有，而昊天投資(香港)有限公司由龍鑫控股有限公司全資擁有，而龍鑫控股有限公司由昊天發展集團有限公司全資擁有。昊天發展集團有限公司由亞聯創富控股有限公司擁有約61.67%股權。亞聯創富控股有限公司由李少宇女士全資擁有。
3. 昊天商貿有限公司由意新投資有限公司全資擁有，而意新投資有限公司由昊天發展集團有限公司全資擁有。昊天發展集團有限公司由亞聯創富控股有限公司擁有約61.67%權益。亞聯創富控股有限公司由李少宇女士全資擁有。
4. 在陳育明先生(「陳先生」)擁有或被視為擁有權益的42,800,000股H股中，700,000股H股由其個人持有，12,700,000股H股由陳先生全資擁有的公司Theme Link Investments Ltd.持有，而29,400,000股H股由Sunsonic Holdings Limited全資擁有的公司Joy Business Investments Limited持有。Sunsonic Holdings Limited由Evisu (PTC) Limited間接擁有，而Evisu (PTC) Limited為陳先生創辦的酌情信託的受託人(請見下文附註5)。
5. 上述29,400,000股H股由Sunsonic Holdings Limited全資擁有的公司Joy Business Investments Limited持有，而Sunsonic Holdings Limited由Evergreen International Holdings Limited(「Evergreen」)全資擁有，Evergreen的股份於香港聯交所上市(股份代號：238)。Evergreen由Pacific Success Holdings Limited擁有51%權益。Pacific Success Holdings Limited由Evisu (PTC) Limited全資擁有，Evisu (PTC) Limited為陳先生創辦的全權信託的受託人。
6. 洪金京先生持有Sky Success Venture Holdings Limited註冊資本中42.00%股權。因此，根據證券及期貨條例，洪金京先生被視為於Sky Success Venture Holdings Limited所持17,840,000股股份中擁有權益。



DIRECTORS' REPORT 董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save for those disclosed in the paragraphs headed and "Directors' and chief executive's interests and short positions in Shares and underlying Shares" in this Directors' report in this annual report, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any of the Directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this annual report, the Company has maintained the prescribed public float under the Listing Rules based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company.

PLEDGE OF SHARES BY CONTROLLING SHAREHOLDER

A loan agreement dated 21 April 2017 was entered into between the Company and Daye Trust Company Limited* (大業信託有限責任公司) in which the Company was granted a loan facility of up to RMB80,000,000 with a term of three years ("Loan").

As a security provided to Daye Trust Company Limited in relation to the Loan, Hao Tian Investment (China) Company Limited, a controlling shareholder of the Company, entered into a share pledge agreement pursuant to which Hao Tian Investment (China) Company Limited pledged 311,504,940 domestic shares of the Company held by it to Daye Trust Company Limited. Please refer to the announcements of the Company dated 21 April 2017 and 4 July 2017 for further details.

董事收購股份或債券的權利

除本年報之董事會報告內「董事及主要行政人員於股份及相關股份的權益及淡倉」各段所披露者外，於年內所有時間，概無任何董事或彼等各自之配偶或未成年子女獲授任何可以收購本公司股份或債券的方式獲取利益的權利，彼等亦無行使任何該等權利，本公司或其任何附屬公司亦無訂立任何安排，以使董事可獲取任何其他法團的該等權利。

足夠公眾持股量

根據本公司從公開途徑取得的資料及就本公司董事所知，於本年報日期，本公司已維持上市規則項下規定之公眾持股量。

控股股東質押股份

本公司與大業信託有限責任公司訂立日期為二零一七年四月二十一日之貸款協議，其中本公司於貸款協議中獲授出最多人民幣80,000,000元之貸款融資，為期三年（「貸款」）。

由於就有關貸款向大業信託有限責任公司提供的抵押品，本公司控股股東昊天投資（中國）有限公司已訂立股份質押協議，據此，昊天投資（中國）有限公司質押其所持有之311,504,940股本公司內資股予大業信託有限責任公司。有關進一步詳情，請參閱本公司日期為二零一七年四月二十一日及二零一七年七月四日之公告。



DIRECTORS' REPORT

董事會報告

CONNECTED TRANSACTION

Hao Tian Investment (China) Company Limited (昊天投資(中國)有限公司), the current controlling shareholder of the Company (the "Shareholder") entered into four loan agreements with the Company to provide interest-free unsecured working capital loan total RMB20 million to the Company for general working capital purposes and to support the daily operation and expansion plan. As at 31 December 2017, a total amount of RMB20 million has been provided to the Company and repayable on 1 July 2018.

Details of the related party transactions of the Company for the year ended 31 December 2017 and undertaken in the usual course of business are set out in note 32 to the consolidated financial statements. None of these related party transactions constitutes a discloseable connected transaction as defined under the Listing Rules. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

MANAGEMENT CONTRACTS

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

DIRECTORS' AND SUPERVISORS' INTEREST IN COMPETING BUSINESS

None of the directors or supervisors or their respective associates had engaged in or had any interest in any business which competes or may compete with the business of the Group.

CHARITABLE DONATIONS

During the year ended 31 December 2017, the Group did not make any charitable and other donations.

AUDIT COMMITTEE, REMUNERATION COMMITTEE AND NOMINATION COMMITTEE

Details of the Audit Committee, Remuneration Committee and Nomination Committee are set out in section headed "Corporate Governance Report" of this annual report.

關連交易

本公司目前之控股股東(「股東」)昊天投資(中國)有限公司與本公司訂立四份貸款協議,向本公司提供免息無抵押營運資金貸款合共人民幣20,000,000元,以用作一般營運資金及支持日常營運及擴展計劃。於二零一七年十二月三十一日,已向本公司提供合共人民幣20,000,000元,並須於二零一八年七月一日償還。

截至二零一七年十二月三十一日止年度,本公司於正常業務過程中進行之關連人士交易詳情載於綜合財務報表附註32。該等關連人士交易並不構成上市規則所界定之須予披露關連交易。本公司確認其已遵守上市規則第14A章的披露規定。

管理合約

年內,概無訂立或存在有關本公司全部或任何重大部分業務之管理及行政之重大合約。

董事及監事於競爭業務之權益

概無董事或監事或彼等各自之聯繫人已從事與本集團業務構成競爭或可能構成競爭的任何業務,或於其中擁有任何權益。

慈善捐款

於截至二零一七年十二月三十一日止年度內,本集團並無作出任何慈善及其他捐款。

審核委員會、薪酬委員會及提名委員會

審核委員會、薪酬委員會及提名委員會之詳情載於本年報「企業管治報告」一節。



DIRECTORS' REPORT

董事會報告

REVIEW BY AUDIT COMMITTEE

The Audit Committee together with the management have reviewed the accounting principles and practices adopted by the Group and the audited consolidated financial statements of the Company for the year ended 31 December 2017.

AUDITOR

ZHONGHUI ANDA CPA Limited have audited the accompanying financial statements for the year ended 31 December 2017.

In the opinions of the auditors, except for the possible effects of insufficiency of supporting documentation and explanations for accounting books and records in respect of the impairment losses on various assets of approximately RMB30,262,000 and gain on completion of the Group restructuring of approximately RMB448,604,000 for the year ended 31 December 2016, 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 International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance. ZHONGHUI ANDA CPA Limited will retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

Xu Hai Ying

Executive Director

Quanzhou, PRC, 12 February 2018

由審核委員會審閱

審核委員會連同管理層已審閱本集團採納之會計原則及常規以及本公司截至二零一七年十二月三十一日止年度之經審核綜合財務報表。

核數師

中匯安達會計師事務所有限公司已審核隨附之截至二零一七年十二月三十一日止年度之財務報表。

核數師認為，除了有關截至二零一六年十二月三十一日止年度之多項資產減值虧損約人民幣30,262,000元及本集團完成重組之收益約人民幣448,604,000元之會計賬簿及記錄之支持文件及解釋不充足的可能影響外，綜合財務報表已根據國際會計準則理事會頒佈的國際財務報告準則（「國際財務報告準則」）真實而公平地反映本集團於二零一七年十二月三十一日的綜合財務狀況，以及其截至該日止年度的綜合財務表現及綜合現金流量，並已根據香港公司條例的披露規定妥為編製。中匯安達會計師事務所有限公司將於應屆股東週年大會上退任，而於會上將提呈決議案續聘彼等為本公司核數師。

代表董事會

執行董事

許海鷹

中國泉州，二零一八年二月十二日



SUPERVISORY COMMITTEE REPORT

監事會報告

Dear Shareholders:

On behalf of the Supervisory Committee of the Company, I would like to present to the general meeting the work report of the Supervisory Committee for the year 2017.

In 2017, the fourth session of the Supervisory Committee of Fujian Nuoqi Co., Ltd. (hereinafter referred to as the "Company") earnestly performed its duties in compliance with the relevant national laws and regulations as well as the articles of association of the Company, highlighted its supervisory function over the financial position and senior management of the Company, and carried out its works by abiding to the objective of safeguarding the interests of the Company's shareholders.

We hereby report the work performed by the Supervisory Committee of the Company for the year 2017 as follows:

(1) INDEPENDENT OPINION OF THE SUPERVISORY COMMITTEE ON THE LAWFUL OPERATION OF THE COMPANY

The Supervisory Committee is of the view that the Company had complied with the legal requirements in its management and operation during 2017 and that directors and managers of the Company, except for Mr. Ding Hui who was not contactable by the Company and removed as a director on 21 April 2017, had fulfilled their duties without violating any laws, regulations and articles of association of the Company or performed any behaviours that were detrimental to the interests of the Company.

各位股東：

現在本人代表公司監事會，向股東大會作二零一七年度監事會工作報告。

二零一七年度福建諾奇股份有限公司（以下簡稱「公司」或「本公司」）第四屆監事會遵循國家相關法律法規和本公司之公司章程認真履行監事會的職責，突出對公司財務狀況及高級管理人員的監督職能，秉承維護公司股東權益的宗旨開展工作。

現將二零一七年度公司監事會工作匯報如下：

(一) 監事會對公司依法運作情況的獨立意見

監事會認為，公司在二零一七年的管理和運作中合乎法律規範的要求，而本公司董事及經理（不包括本公司無法聯絡及於二零一七年四月二十一日免除為董事之丁輝先生）已履行彼等之職責且並無違反任何法例、法規及本公司之公司章程或作出任何損害本公司權益之行為。



SUPERVISORY COMMITTEE REPORT

監事會報告

(2) INDEPENDENT OPINION OF THE SUPERVISORY COMMITTEE ON THE INSPECTION OF THE FINANCIAL POSITION OF THE COMPANY

The consolidated financial statement of the Company for the year 2017 was audited by ZHONGHUI ANDA CPA Limited and an audit report of qualified opinion was issued thereon. The Supervisory Committee is of the opinion that ZHONGHUI ANDA CPA Limited expressed its qualified opinions that except for the impairment losses on various assets and gain on completion on the restructuring for the year ended 31 December 2016 due to insufficiency of supporting documentation and explanations for accounting books and records, 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 International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

(3) INDEPENDENT OPINION OF THE SUPERVISORY COMMITTEE ON THE AUDIT OPINION OF ACCOUNTING FIRM

The consolidated financial statement of the Company for the year 2017 was audited by ZHONGHUI ANDA CPA Limited and an audit report of qualified opinion was issued thereon. The Supervisory Committee had no objection to the audit opinion and the report.

We hereby present this report for shareholders’ consideration.

(二) 監事會對檢查公司財務情況的獨立意見

本公司二零一七年度之綜合財務報表已經中匯安達會計師事務所有限公司審計，並就此出具保留意見審計報告。監事會認為，中匯安達會計師事務所有限公司已發表其保留意見認為，除截至二零一六年十二月三十一日止年度之多項資產減值虧損及完成重組之收益由於會計賬冊及記錄之支持文件及解釋不足外，綜合財務報表已根據國際會計準則理事會頒佈的國際財務報告準則（「國際財務報告準則」）真實而公平地反映本集團於二零一七年十二月三十一日之綜合財務狀況，以及其截至該日止年度的綜合財務表現及綜合現金流量，並已根據香港公司條例的披露規定妥為編製。

(三) 監事會對會計師事務所審計意見的獨立意見

本公司二零一七年度之綜合財務報表已經中匯安達會計師事務所有限公司審計，並就此出具保留意見審計報告。監事會對審計意見及報告並無異議。

特此報告，請各位股東審議。

Fujian Nuoqi Co., Ltd.
Supervisory Committee

Quanzhou, PRC, 12 February 2018

福建諾奇股份有限公司
監事會

中國泉州，二零一八年二月十二日



CORPORATE GOVERNANCE REPORT

企業管治報告

CODE OF CORPORATE GOVERNANCE PRACTICE

The Company has adopted the Corporate Governance Code (the "Code") contained in Appendix 14 to the Listing Rules as its own code of corporate governance. During the year ended 31 December 2017, the Company has complied with the code provisions under the Code, except for the deviation from the code provision A.2.1 and those in relation to the vacancy of the independent non-executive directors ("INED") and the company secretary of the Company. Key corporate governance principles and practices of the Company as well as details relating to the foregoing deviation are summarised below.

Pursuant to code provision A.2.1 of the Code, the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. However, the Company did not have a separate chairman and chief executive officer and these two roles were taken up by Mr. Ding Hui prior to the extraordinary general meeting of the Company ("EGM") convened on 21 April 2017. Pursuant to a resolution passed on the EGM convened on 21 April 2017, Mr. Ding Hui was removed as a Director. Since then, Mr. Zhang Aiping, an executive Director, has been elected as the chairman of the Board. On 27 June 2017, the Board has resolved to appoint Mr. Xu Hai Ying, an executive Director, as the chairman of the Board. On the other hand, the Board has yet to appoint the chief executive officer of the Company.

Ms. Hsu Wai Man, Helen, Mr. Qi Xiaozhai and Mr. Dai Zhongchuan had resigned as an INED on 3 September 2015, 8 September 2015 and 8 September 2015 respectively, rendering the Company in breach of the relevant code provisions of the Code in relation to the vacancy of the INEDs. Mr. Chan Ming Sun Jonathan, Mr. Lee Chi Hwa Joshua and Mr. Mak Yiu Tong had been appointed as the INEDs pursuant to an extraordinary general meeting convened on 21 April 2017 and the audit committee, remuneration committee and the nomination committee of the Company had been formed on the same day.

企業管治常規守則

本公司已採納上市規則附錄14所載的企業管治守則（「守則」），作為其自身的企業管治守則。於截至二零一七年十二月三十一日止年度內，本公司已遵從守則項下的守則條文，惟守則條文第A.2.1條的偏離情況及有關獨立非執行董事（「獨立非執行董事」）及本公司的公司秘書空缺的情況除外。本公司的關鍵企業管治原則及常規以及有關上述偏離的詳情概述如下。

根據守則的守則條文第A.2.1條，董事長及行政總裁的職責須予劃分，不應由同一人士擔任。然而，於本公司於二零一七年四月二十一日召開股東特別大會（「股東特別大會」）前，本公司未有區分董事長及行政總裁的職務，此兩項職務曾由丁輝先生擔任。根據於二零一七年四月二十一日舉行之股東特別大會上通過的決議案，丁輝先生被罷免董事職務。自此，執行董事張愛平先生被選舉為董事會主席。於二零一七年六月二十七日，董事會已議決委任執行董事許海鷹先生為董事會主席。此外，董事會尚未委任本公司之行政總裁。

由於徐慧敏女士、齊曉齋先生及戴仲川先生分別於二零一五年九月三日、二零一五年九月八日及二零一五年九月八日辭任獨立非執行董事職務，致使本公司違反守則有關獨立非執行董事空缺的相關守則條文。根據於二零一七年四月二十一日召開的股東特別大會，陳銘樂先生、李智華先生及麥耀棠先生已獲委任為獨立非執行董事，而本公司審核委員會、薪酬委員會及提名委員會亦已於同日成立。



CORPORATE GOVERNANCE REPORT

企業管治報告

CODE OF CORPORATE GOVERNANCE PRACTICE (continued)

During the period between 5 September 2014 (where Mr. Au Yeung Ho Yin had resigned as the company secretary of the Company) and 25 January 2017, the Company did not have a company secretary. Mr. Law Geoff Chun Mo has been appointed as the company secretary of the Company with effect from 26 January 2017.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as the code of conduct for Directors in their dealings in the securities of the Company. Having made specific enquiry by the Company to the Directors, they confirmed that they have complied with the required standard of dealings as set out in the Model Code during the year ended 31 December 2017.

BOARD OF THE DIRECTORS

The Board is currently constituted by six members, including two executive Directors, one non-executive Director and three Independent non-executive Directors. The composition of the Board is as follows:

Executive Directors

Mr. Ding Hui (*Chairman and Chief Executive Officer*)
(removed on 21 April 2017)

Mr. Ding Canyang (resigned on 15 May 2017)

Mr. Chen Quanyi (resigned on 21 April 2017)

Mr. Xu Hai Ying (*Chairman*) (appointed on 15 May 2017)

Mr. Zhang Aiping
(appointed on 21 April 2017 and resigned on 30 September 2017)

Mr. Gao Shufang
(appointed on 21 April 2017 and resigned on 30 September 2017)

Mr. Sit Hon Wing (appointed on 21 April 2017)

企業管治常規守則 (續)

於二零一四年九月五日(歐陽浩然先生辭任本公司的公司秘書)至二零一七年一月二十五日期間,本公司並無公司秘書。羅俊武先生已獲委任為本公司之公司秘書,自二零一七年一月二十六日起生效。

進行證券交易的標準守則

本公司已採納上市規則附錄10所載的上市發行人董事進行證券交易的標準守則(「標準守則」),作為董事買賣本公司證券時的操守守則。經本公司向董事作出具體查詢後,彼等確認,於截至二零一七年十二月三十一日止年度內,彼等已遵從標準守則所載的買賣規定標準。

董事會

董事會現時由六名成員組成,包括兩名執行董事、一名非執行董事及三名獨立非執行董事。董事會的組成如下:

執行董事

丁輝先生(*董事長兼行政總裁*)

(於二零一七年四月二十一日罷免)

丁燦陽先生(於二零一七年五月十五日辭任)

陳全懿先生(於二零一七年四月二十一日辭任)

許海鷹先生(*主席*)

(於二零一七年五月十五日獲委任)

張愛平先生

(於二零一七年四月二十一日獲委任

及於二零一七年九月三十日辭任)

高書方先生

(於二零一七年四月二十一日獲委任

及於二零一七年九月三十日辭任)

薛漢榮先生

(於二零一七年四月二十一日獲委任)



CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF THE DIRECTORS *(continued)*

Non-executive Directors

Mr. Han Huiyuan

Ms. Ding Lixia (resigned on 21 April 2017)

Independent non-executive Directors

Mr. Chan Ming Sun Jonathan (appointed on 21 April 2017)

Mr. Lee Chi Hwa Joshua (appointed on 21 April 2017)

Mr. Mak Yiu Tong (appointed on 21 April 2017)

Function

The Board is responsible for the oversight of the management of the Company's business and affairs with the objective of enhancing shareholder value.

The Board is also responsible for performing corporate governance duties including the developing, reviewing and monitoring of the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and compliance manual applicable to employees and Directors.

Daily operations, business strategies and administration are delegated to the executive Directors and the management with divisional heads responsible for different aspects of the business. When the Board delegates different aspects of its management and administrative functions to the senior management, it has given clear directions in relation to the scope of powers of the senior management. Although the Board is not involved in the Company's day-to-day operations, it does have a formal schedule of matters reserved for its own decision, as defined in its terms of reference, which are available on the Company's website.

董事會 (續)

非執行董事

韓惠源先生

丁麗霞女士 (於二零一七年四月二十一日辭任)

獨立非執行董事

陳銘樂先生 (於二零一七年四月二十一日獲委任)

李智華先生 (於二零一七年四月二十一日獲委任)

麥耀棠先生 (於二零一七年四月二十一日獲委任)

職能

董事會負責監督本公司業務及事務的管理，務求提高股東價值。

董事會亦負責履行企業管治職責，包括制訂、檢討及監察本公司的企業管治政策及常規、董事及高級管理層的培訓及持續專業發展、本公司在遵守法律及監管規定方面的政策及常規、遵守標準守則及適用於僱員及董事的合規手冊。

日常營運、業務策略及行政轉授執行董事及管理層執行，而部門主管負責各個方面的業務營運。當董事會將其不同管理及行政職能轉授高級管理層時，董事會已就高級管理層的權力範圍給予清晰指引。儘管董事會不參與本公司的日常營運，但設有其職權範圍明確列出須由董事會作決定的事項之正式清單 (有關內容可在本公司網站查閱)。



CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF THE DIRECTORS *(continued)*

Board meetings

During the year ended 31 December 2017, 17 meetings were held by the Board. The attendance record of each Director is set out below:

董事會 (續)

董事會會議

截至二零一七年十二月三十一日止年度，董事會舉行了17次會議。各董事出席會議的情況載列如下：

Name of Board members 董事會成員姓名	Number of attendance 出席次數	Number of meetings 會議次數
Mr. Ding Hui 丁輝先生	0	3
Mr. Ding Canyang 丁燦陽先生	6	7
Mr. Chen Quanyi 陳全懿先生	4	4
Mr. Zhang Aiping 張愛平先生	9	10
Mr. Gao Shufang 高書方先生	10	10
Mr. Sit Hon Wing 薛漢榮先生	13	13
Mr. Han Huiyuan 韓惠源先生	6	17
Ms. Ding Lixia 丁麗霞女士	4	4
Mr. Chan Ming Sun Jonathan 陳銘樂先生	10	13
Mr. Lee Chi Hwa Joshua 李智華先生	12	13
Mr. Mak Yiu Tong 麥耀棠先生	13	13
Mr. Xu Hai Ying 許海鷹先生	8	10

Notice of regular Board meetings is served to all Directors at least 14 days before the meetings while reasonable notice is generally given for other Board meetings.

定期董事會會議的通知於會議前最少14日送達全體董事，而其他董事會會議一般會給予合理通知。



CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF THE DIRECTORS *(continued)*

Independent non-executive Directors

As mentioned in the section headed “Code of corporate governance practice” above, with the resignation of each of Ms. Hsu Wai Man, Helen, Mr. Qi Xiaozhai and Mr. Dai Zhongchuan on 3 September 2015, 8 September 2015 and 8 September 2015 respectively, Mr. Chan Ming Sun Jonathan, Mr. Lee Chi Hwa Joshua and Mr. Mak Yiu Tong had been appointed as the INEDs pursuant to an extraordinary general meeting convened on 21 April 2017 and the audit committee, remuneration committee and the nomination committee of the Company had been formed on the same day.

Chairman and Chief Executive Officer

The chairman is responsible for leading the Board and is also responsible for overseeing effective functioning of the Board and application of good corporate governance practices and procedures. Whereas the role of chief executive officer focuses on implementing objectives, policies and strategies approved and delegated by the Board.

As mentioned in the section headed “Code of corporate governance practice” above, on 27 June 2017, the Board has resolved to appoint Mr. Xu Hai Ying, an executive Director, as the chairman of the Board. On the other hand, the Board has yet to appoint the chief executive officer of the Company.

Appointment, re-election and removal

A Director shall have a term of office of three years and shall be entitled to be re-appointed when the term of office expires provided that the term of office of independent non-executive Directors shall not exceed six years. The Company has entered into service agreements with each of the executive Director and non-executive Director with a term of three years. The appointment and removal of Directors shall be approved by shareholders at shareholders’ meeting. The current Directors appointed by the Board shall hold office until the next annual general meeting of the Company and be subject to re-election at such meeting.

A Director may be removed by an ordinary resolution of the Company before the expiration of his term of office and the Company may by ordinary resolution appoint another in his place.

董事會 (續)

獨立非執行董事

誠如上文「企業管治常規守則」一節所述，由於徐慧敏女士、齊曉齋先生及戴仲川先生各自分別於二零一五年九月三日、二零一五年九月八日及二零一五年九月八日辭任，根據於二零一七年四月二十一日召開的股東特別大會，陳銘樂先生、李智華先生及麥耀棠先生已獲委任為獨立非執行董事，而本公司審核委員會、薪酬委員會及提名委員會亦已於同日成立。

董事長及行政總裁

董事長的職責是領導董事會，並負責監督董事會的有效運作和應用良好企業管治常規及程序。行政總裁的職責則為專注執行董事會批准並下達的目標、政策及策略。

誠如上文「企業管治常規守則」一節所述，於二零一七年六月二十七日，董事會已議決委任執行董事許海鷹先生為董事會主席。此外，董事會尚未委任本公司之行政總裁。

委任、重選及罷免

董事之任期為三年，並有權在任期屆滿時膺選連任，惟獨立非執行董事之任期不得超過六年。本公司已與各執行董事及非執行董事訂有服務協議，任期為三年。董事之委任及罷免須獲股東於股東大會上批准。由董事會委任的現任董事任期直至本公司下一屆股東週年大會為止，並須於該大會上重選。

董事可於任期屆滿前由本公司以普通決議案罷免，而本公司亦可以普通決議案委任其他人士代替其職位。



CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF THE DIRECTORS *(continued)*

Directors' continuous training and development

Pursuant to the Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. During the year ended 31 December 2017, the Company has circulated and the Directors have received updates on changes and development on relevant laws and regulations for their reference.

COMMITTEES OF THE BOARD

Remuneration Committee

The Company established the Remuneration Committee on 16 December 2013 with written terms of reference in compliance with the Code. On 21 April 2017, Mr. Chen Quanyi had resigned as an executive Director and a member of the Remuneration Committee of the Company. Pursuant to a resolution passed on the EGM convened on 21 April 2017, Mr. Gao Shufang and Mr. Lee Chi Hwa, Joshua has been appointed as a member of the Remuneration Committee of the Company and Mr. Mak Yiu Tong has been appointed as a chairman of the Remuneration committee. With effect from 30 September 2017, Mr. Gao Shufang has resigned as an executive Director, and a member of both the Remuneration Committee and the Nomination Committee of the Company. Since then Mr. Xu Hai Ying has been appointed as a member of the Remuneration Committee of the Company.

The Remuneration Committee is responsible for making recommendations to the Board on the remuneration of the Directors and senior management and specific remuneration packages and conditions of employment for the Directors and senior management and evaluating and making recommendations on employee benefit arrangements.

The remuneration of Directors is determined by the Board, upon recommendation of the Remuneration Committee with reference to the Directors' qualifications, experience, duties, responsibilities and performance and results of the Group.

The terms of reference of the Remuneration Committee are posted on the websites of the Company and Stock Exchange.

董事會 (續)

董事的持續培訓及發展

根據守則，全體董事應參加持續專業發展以發展及更新其知識及技能，從而確保其對董事會之貢獻仍然為知情及相關。截至二零一七年十二月三十一日止年度，本公司已傳閱且董事已接獲有關法律及法規之變動及發展之更新資料，以供彼等參考。

董事委員會

薪酬委員會

本公司於二零一三年十二月十六日遵照守則成立薪酬委員會，並制定書面職權範圍。於二零一七年四月二十一日，陳全懿先生已辭任執行董事及本公司薪酬委員會成員。根據於二零一七年四月二十一日召開的股東特別大會通過的一項決議案，高書方先生及李智華先生已獲委任為本公司薪酬委員會成員以及麥耀棠先生已獲委任為薪酬委員會主席。高書方先生已辭任執行董事及本公司薪酬委員會以及提名委員會成員，自二零一七年九月三十日起生效。自此，許海鷹先生已獲委任為本公司薪酬委員會成員。

薪酬委員會負責就董事及高級管理層的薪酬及董事與高級管理層的特定薪酬組合及聘用條件向董事會提供推薦建議，以及評估僱員福利安排並提供推薦建議。

董事的薪酬乃由董事會經參考董事的資格、經驗、職務、責任及表現以及本集團的業績後，根據薪酬委員會的推薦意見釐定。

薪酬委員會的職權範圍刊登於本公司及聯交所網站。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMITTEES OF THE BOARD (continued)

Remuneration Committee (continued)

董事委員會 (續)

薪酬委員會 (續)

During the Financial Year 2017, the Remuneration Committee had held two meetings. The attendance records of the members of the Remuneration Committee are summarised below:

於二零一七年財政年度，薪酬委員會舉行了兩次會議。薪酬委員會成員出席會議的情況概述如下：

		Attendance/Numbers of meetings during the Reporting Period 於報告期內 出席會議次數／會議次數
Mr. Chen Quanyi (resigned on 21 April 2017)	陳全懿先生 (於二零一七年四月二十一日辭任)	(0/0)
Mr. Mak Yiu Tong (Chairman) (appointed on 21 April 2017)	麥耀棠先生 (主席) (於二零一七年四月二十一日獲委任)	2/2
Mr. Gao Shufang (appointed on 21 April 2017 and resigned on 30 September 2017)	高書方先生 (於二零一七年四月二十一日 獲委任及於二零一七年九月三十日辭任)	1/2
Mr. Lee Chi Hwa Joshua (appointed on 21 April 2017)	李智華先生 (於二零一七年四月二十一日獲委任)	2/2
Mr. Xu Hai Ying (appointed on 30 September 2017)	許海鷹先生 (於二零一七年九月三十日獲委任)	(0/0)



CORPORATE GOVERNANCE REPORT

企業管治報告

COMMITTEES OF THE BOARD *(continued)*

Nomination Committee

The Company established the Nomination Committee on 16 December 2013 with written terms of reference in compliance with the Code. On 21 April 2017, Ms. Ding Lixia had resigned as a non-executive Director and a member of the Nomination Committee of the Company. Pursuant to a resolution passed on the EGM convened on 21 April 2017, Mr. Gao Shufang and Mr. Chan Ming Sun, Jonathan has been appointed as a member of the Remuneration Committee of the Company and Mr. Mak Yiu Tong has been appointed as a chairman of the Nomination committee. With effect from 30 September 2017, Mr. Gao Shufang has resigned as an executive Director, and a member of both the Remuneration Committee and the Nomination Committee of the Company. Since then Mr. Xu Hai Ying has been appointed as a member of the Nomination Committee of the Company.

The Nomination Committee is responsible for making recommendations to the Board on the appointment of Directors. The Committee is also responsible for reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually; assessing the independence of the Independent Non-executive Directors; and evaluating the effectiveness and implementation of the Board Diversity Policy (see below).

The terms of reference of the Nomination Committee are posted on the websites of the Company and Stock Exchange.

董事委員會 (續)

提名委員會

本公司於二零一三年十二月十六日遵照守則成立提名委員會，並制定書面職權範圍。於二零一七年四月二十一日，丁麗霞女士已辭任非執行董事及本公司提名委員會成員。根據於二零一七年四月二十一日召開的股東特別大會通過的一項決議案，高書方先生及陳銘樂先生已獲委任為本公司薪酬委員會成員以及麥耀棠先生已獲委任為提名委員會主席。高書方先生已辭任執行董事及本公司薪酬委員會以及提名委員會成員，自二零一七年九月三十日起生效。自此，許海鷹先生已獲委任為本公司提名委員會成員。

提名委員會負責就董事的委任向董事會提供推薦建議。委員會亦負責至少每年檢討董事會的架構、規模及組成（包括技能、知識及經驗）、評估獨立非執行董事的獨立性，以及評估董事會成員多元化政策（見下文）的成效及執行情況。

提名委員會的職權範圍刊登於本公司及聯交所網站。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMITTEES OF THE BOARD (continued)

Nomination Committee (continued)

董事委員會 (續)

提名委員會 (續)

During the Financial Year 2017, the Nomination Committee had held two meetings. The attendance records of the members of the Nomination Committee are summarised below:

於二零一七年財政年度，提名委員會舉行了兩次會議。提名委員會成員出席會議的情況概述如下：

		Attendance/Numbers of meetings during the Reporting Period 於報告期內 出席會議次數／會議次數
Ms. Ding Lixia (resigned on 21 April 2017)	丁麗霞女士 (於二零一七年四月二十一日辭任)	(0/0)
Mr. Mak Yiu Tong (Chairman) (appointed on 21 April 2017)	麥耀棠先生 (主席) (於二零一七年四月二十一日獲委任)	2/2
Mr. Chan Ming Sun Jonathan (appointed on 21 April 2017)	陳銘燊先生 (於二零一七年四月二十一日獲委任)	2/2
Mr. Gao Shufang (appointed on 21 April 2017 and resigned on 30 September 2017)	高書方先生 (於二零一七年四月二十一日 獲委任及於二零一七年九月三十日辭任)	1/2
Mr. Xu Hai Ying (appointed on 30 September 2017)	許海鷹先生 (於二零一七年九月三十日獲委任)	(0/0)



CORPORATE GOVERNANCE REPORT

企業管治報告

COMMITTEES OF THE BOARD *(continued)*

Audit Committee

The audit committee of the Company currently comprises three independent non-executive Directors, namely Mr. Chan Ming Sun Jonathan, Mr. Lee Chi Hwa Joshua and Mr. Mak Yiu Tong. Mr. Chan Ming Sun Jonathan is the chairman of the audit committee of the Company. The audit committee is primarily responsible for the review and supervision of the financial reporting system, risk management and internal control systems of the Group. It has reviewed the accounting principles and practices adopted by the Group and the audited consolidated financial statements of the Company for the year ended 31 December 2017.

During the Financial Year 2017, the Audit Committee had held two meetings. The attendance records of the members of the Audit Committee are summarised below:

董事委員會 (續)

審核委員會

本公司審核委員會現時由三名獨立非執行董事，即陳銘樂先生、李智華先生及麥耀棠先生組成。陳銘樂先生為本公司審核委員會之主席。審核委員會主要負責審閱及監督本集團財務報告系統、風險管理及內部控制系統。審核委員會已審閱本集團採納之會計原則及常規以及本公司截至二零一七年十二月三十一日止年度之經審核綜合財務報表。

於二零一七年財政年度，審核委員會舉行了兩次會議。審核委員會成員出席會議的情況概述如下：

		Attendance/Numbers of meetings during the Reporting Period 於報告期內 出席會議次數／會議次數
Mr. Chan Ming Sun Jonathan (<i>Chairman</i>) (appointed on 21 April 2017)	陳銘樂先生 (主席) (於二零一七年四月二十一日獲委任)	(2/2)
Mr. Lee Chi Hwa Joshua (appointed on 21 April 2017)	李智華先生 (於二零一七年四月二十一日獲委任)	(2/2)
Mr. Mak Yiu Tong (appointed on 21 April 2017)	麥耀棠先生 (於二零一七年四月二十一日獲委任)	(2/2)



CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD DIVERSITY POLICY

The Company adopted a policy concerning diversity of board members (“Board Diversity Policy”) on 16 December 2013. The Company recognises and embraces the benefits of having a diverse Board to enhance its operating results and quality of its performance.

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. When determining the composition of the Board, board diversity will be considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of services. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

COMPANY SECRETARY

In view of the resignation of Mr. Au Yeung Ho Yin as the company secretary of the Company with effect from 5 September 2014, the Board has appointed Mr. Law Geoff Chun Mo as the company secretary of the Company with effect from 26 January 2017.

The company secretary plays an important role in supporting the Board by ensuring good information flow within the Board and that board policy and procedures are followed.

All Directors may access to the advice and services of the company secretary who regularly updates the Board on governance and regulatory matters and should also facilitate induction and professional development of Directors.

董事會成員多元化政策

於二零一三年十二月十六日，本公司採納一項關於董事會成員多元化的政策（「董事會成員多元化政策」）。本公司明白並深信董事會成員多元化對提升本公司的營運業績及表現素質裨益良多。

為達致可持續及均衡的發展，本公司視董事會層面日益多元化為支援其達到戰略目標及維持可持續發展的關鍵元素。本公司在釐定董事會的組成時，會從多個方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技巧、知識，以及服務任期。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化的裨益。

甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識，以及服務任期。最終將按人選的長處及可為董事會作出的貢獻而作決定。

公司秘書

鑑於歐陽浩然先生於二零一四年九月五日起辭任本公司的公司秘書，董事會已委任羅俊武先生為本公司之公司秘書，自二零一七年一月二十六日起生效。

公司秘書在支援董事會方面擔當重要角色，確保董事會成員之間資訊交流良好，以及遵循董事會政策及程序。

全體董事均可獲得公司秘書的建議及服務，而公司秘書定期為董事會更新有關管治及監管的事項，並應協助董事的入職培訓及專業發展。



CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the code provision D.3.1 of the Code.

The Board has reviewed the Company's corporate governance policies and practices, training and continuous professional and development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance with the Model Code, and the Company's compliance with the Code and disclosure in this Corporate Governance Report.

FINANCIAL REPORTING

The Board are responsible for the preparation of financial statements for each financial period which give a true and fair view of the state of affairs of the Group. In preparing the financial statements for the year ended 31 December 2017, the Directors have reviewed and applied suitable accounting policies, adopted appropriate International Financial Reporting Standards and International Accounting Standards, made adjustments and estimates that are prudent and reasonable, and have prepared the accounts on a going concern basis. The Directors are also responsible for keeping proper accounting records which reflect the financial information of the Group with reasonable accuracy.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the independent auditors of the Company about their reporting responsibilities on the financial statements is set out in the section headed "Independent Auditor's Report" in this annual report.

EXTERNAL AUDITORS

External auditors' responsibility is to form an independent opinion, based on their audit, on those financial statements and to report their opinion solely to the Company, as a body, and for no other purpose. They do not assume responsibility towards or accept liability to any other person for the contents of the auditors' report.

企業管治職能

董事會負責履行守則的守則條文第D.3.1條所載的職能。

董事會已檢討本公司的企業管治政策及常規、董事及高級管理層的培訓及持續專業發展、本公司在遵守法律法規規定、遵守標準守則及本公司在遵守守則方面之政策及常規以及本企業管治報告的披露情況。

財務申報

董事會負責編製各財務期間的財務報表，以真實公平地反映本集團的事務狀況。於編製截至二零一七年十二月三十一日止年度的財務報表時，董事已審閱及應用合適的會計政策、採納適當的國際財務報告準則及國際會計準則、作出審慎而合理的調整及估計以及按持續經營基準編製賬目。董事亦負責保留適當會計記錄，以在合理準確程度下反映本集團的財務資料。

董事並不知悉任何重大不明朗因素，其涉及可能對本公司持續經營能力產生重大疑慮的事件或狀況。

本公司獨立核數師有關彼等就財務報表的申報責任的聲明，載於本年報「獨立核數師報告」一節。

外聘核數師

外聘核數師的責任乃根據其審核工作的結果，對該等財務報表發表獨立意見，並僅向本公司作整體報告。除此之外，該報告不可用作其他用途。核數師概不會就核數師報告的內容，對任何其他人士負責或承擔任何責任。

CORPORATE GOVERNANCE REPORT

企業管治報告

EXTERNAL AUDITORS (continued)

Zhonghui Anda has been appointed as the Company's external auditor in with effect from 20 October 2016. The remuneration paid to the Company's external auditor, Zhonghui Anda, in respect of audit services and non-audit services, for the year ended 31 December 2017 is set out below:

Nature of services 服務的性質

外聘核數師 (續)

中匯安達已獲委任為本公司的外聘核數師，自二零一六年十月二十日起生效。截至二零一七年十二月三十一日止年度，就本公司外聘核數師中匯安達的審核服務及非審核服務而已付予彼等的薪酬載列如下：

Fee paid/payable 已付／應付費用 RMB'000 人民幣千元

Audit services	審核服務	451
Non-audit services	非審核服務	295
Total	總計	746

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for maintaining a sound and effective risk management and internal control system and for reviewing its effectiveness, particularly in respect of controls on financial, operational, compliance and risk management, to safeguard shareholders' investment and the Group's assets.

The Company has developed its disclosure policy which provides a general guide to the Directors, the Company's officers, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries. Control procedures have been implemented to ensure that unauthorised access and use of inside information are strictly prohibited.

風險管理及內部監控

董事會有整體責任維持一個健全和有效的風險管理及內部監控系統以及檢閱其有效性，尤其是有關財務、營運、法規的符合和風險管理的監控，以保障股東的投資和本集團的資產。

本公司已制訂其披露政策，其就處理機密資料、監管資料披露及回應查詢向董事、本公司高級職員、高級管理層及相關僱員提供全面指引。監控程序經已實施，以確保嚴禁於未獲授權之情況下取得及使用內幕消息。



CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL (continued)

The internal control system is designed to provide reasonable, but not absolute, assurance. The system aims to eliminate, or otherwise manage, risks of failure in achieving the Company's objectives.

During the year, the Board had engaged an external internal control consultant to perform an assessment of the Company's internal control systems and to make recommendations for improvement where applicable. The remediation actions to the recommendations for improvement have been completed during the year.

The internal audit department was established during the year and performs regular financial and operational review and recommending necessary actions to the management. The works carried out by the internal audit department ensure the risk management and internal control measures are in place and function properly as intended. The internal audit department reports the internal audit plan and results to the Audit Committee directly.

The Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems. The management has reported and confirmed to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems during the year ended 31 December 2017.

No material issues on the Group's internal control system have been identified and reported to the Audit Committee by the Group's internal audit department and the Company's external auditors during the year which required significant rectification measures. The Board considered that the Group's risk management and internal control systems for financial reporting and Listing Rules compliance are effective and adequate.

風險管理及內部監控 (續)

內部監控系統旨在提供合理(但並非絕對)的保證。該系統的目的是在達致本公司目標過程中消除或管理其失誤的風險。

於本年度,董事會已外聘內部監控顧問,以對本公司之內部監控系統進行評估,並作出改善建議(如適用)。本集團已於本年度完成改善建議之補救措施。

內部審核部門於本年度成立,以定期進行財務及營運檢討及向管理層建議必要行動。內部審核部門開展的工作確保風險管理及內部監控措施實施到位並按計劃妥善發揮作用。內部審核部門直接向審核委員會呈報內部審計計劃及結果。

審核委員會協助董事會領導管理層,並監督風險管理及內部監控系統的設計、實施及監察。於截至二零一七年十二月三十一日止年度,管理層已向董事會及審核委員會報告及確認風險管理及內部監控系統的效能。

於本年度,本集團內部審核部門及本公司外聘核數師並無識別有關本集團內部監控系統並須實施重大糾正措施的重大事項並向審核委員會呈報。董事會認為本集團的就財務報告及遵守上市規則而言的風險管理及內部監控系統為有效及充分。



CORPORATE GOVERNANCE REPORT

企業管治報告

REGULATORY COMPLIANCE

As disclosed under the section headed “Directors’ continuous training and development” in this annual report, the Directors have sufficient up-to-date knowledge of relevant laws and regulations.

The Company had engaged external professional advisers, including legal advisers, to render professional advice as to compliance with the statutory requirements applicable to the Group from time to time.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company believes that effective communication with shareholders is essential for enhancing investor relations and investors’ understanding of the Group’s business performance and strategies. The Group also recognises the importance of transparency and timely disclosure of corporate information, which enables shareholders and investors to make appropriate investment decisions.

The members of the Board and committees of the Board and the external auditor will be present to answer shareholders’ questions in the annual general meetings of the Company. Circulars will be distributed to all shareholders before the annual general meeting and any special general meetings in accordance with the timeline requirement as laid down in the Listing Rules and the articles of association of the Company. All the resolutions proposed to be approved at the general meetings will be taken by poll and poll voting results will be published on the websites of the Stock Exchange and the Company after the relevant general meetings.

As a channel to promote effective communication, the Group maintains a website where information on the Company’s announcements, financial information and other information are posted. Shareholders and investors may write directly to the Company at its principal place of business in Hong Kong with any enquires.

監管合規

誠如本年報「董事的持續培訓及發展」一節所披露，董事已就相關法律及法規掌握足夠的最新知識。

本公司已委聘外部專業顧問（包括法律顧問）不時就適用於本集團的法定規定合規情況提供專業意見。

與股東及投資者的溝通

本公司相信與股東有效溝通對增進投資者關係與令投資者了解本集團的業務表現及策略甚為重要。本集團亦明白公司資料透明及適時披露的重要性，這令股東及投資者能夠作出合適的投資決定。

董事會成員及董事會屬下委員會成員與外聘核數師將出席本公司股東週年大會回答股東提問。通函將按照上市規則及本公司的公司章程所規定的時限，於股東週年大會及任何股東特別大會前派發予全體股東。全部提呈並將於股東大會上批准的決議案將以投票方式進行表決，投票結果將於有關股東大會後在聯交所及本公司網站刊登。

作為鼓勵有效溝通的渠道，本集團設立網站以刊登本公司公佈的資料、財務資料及其他資料。股東和投資者可將查詢以書面形式直接寄往本公司的香港主要營業地點。



CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHTS

Convening of extraordinary general meeting on requisition by Shareholders

The shareholders, individually or collective holding not less than 10% of the paid-up capital of the Company, may by written requisition request the Board to convene an extraordinary general meeting. The Board shall within 10 days after the receipt of the written requisition provide a written reply as to whether an extraordinary general meeting will be convened in respect of the written requisition received.

If the Board do not within 10 days from the date of the deposit of the requisition proceed to convene a meeting, the requisitionists may by written requisition request the supervisory committee of the Company ("Supervisory Committee") to convene an extraordinary general meeting.

In the event that the Supervisory Committee did not provide a notice of extraordinary general meeting within the specified timeframe, the Supervisory Committee shall be considered to be unwilling to convene and preside over the extraordinary general meeting. The shareholders that, either individually or jointly, hold over 10% of shares of the Company for a period of 90 consecutive days or more may at their sole discretion convene and preside over the extraordinary general meeting in accordance with the articles of association of the Company.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the company secretary of the Company at the Company's principal place of business at Rooms 1405-1412, 14/F, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong and may consist of several documents in like form each signed by one or more requisitionists.

The request will be verified with the Company's share registrars and upon their confirmation that the request is proper and in order, the company secretary of the Company will ask the Board to include the resolution in the agenda for the extraordinary general meeting.

股東權利

應股東請求召開股東特別大會

個別或合共持有本公司繳足股本不少於10%的股東可透過請求書要求董事會召開股東特別大會。董事會於接獲請求書後10天內，須就會否針對所接獲的請求書召開股東特別大會作出書面回復。

倘董事會並無於遞交請求日期起計10天內召開會議，則請求人可透過請求書要求本公司監事會（「監事會」）召開股東特別大會。

倘監事會並無於指定時限內提供股東特別大會通告，則監事會將被視為不願召開及主持股東特別大會。於連續90日以上期間個別或合共持有本公司超過10%股份之股東可根據本公司之公司章程全權酌情召開及主持股東特別大會。

請求書必須註明會議目的及由請求人簽署，並送達本公司主要營業地點（地址為香港灣仔港灣道30號新鴻基中心14樓1405-1412室）交予本公司之公司秘書。請求書可由多份各自自由一名或多名請求人簽署的相同格式文件組成。

請求將由本公司股份登記處核實，經股份登記處確認該請求為恰當及適當後，本公司之公司秘書將要求董事會在股東特別大會的議程內加入有關決議案。



CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHTS (continued)

Procedures for putting forward proposals at general meetings by Shareholders

To put forward proposals at an AGM or extraordinary general meeting, the shareholders, individually or collective holding not less than 3% of the paid-up capital of the Company, should submit a written notice of those proposals 10 days before the holding of such meeting to the company secretary of the Company at the Company's principal place of business at Rooms 1405-1412, 14/F, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong. The contents of the proposals to be raised shall be within the scope of duties of the general meetings. It shall have a clear topic and specific matters to be resolved on, and shall be in compliance with relevant requirements of the laws, administrative regulations and the articles of association of the Company.

Procedures for directing Shareholders' enquiries to the Board

Shareholders may at any time send their enquiries and concerns with contact information of the requisitionists to the Board in writing through the company secretary of the Company by mail to the Company's principal place of business in Hong Kong at Rooms 1405-1412, 14/F, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong.

股東權利 (續)

股東在股東大會上提呈建議的程序

如欲在股東週年大會或股東特別大會上提呈建議，個別或合共持有本公司繳足股本不少於3%的股東應在舉行該大會前10天將有關建議的書面通知遞交至本公司主要營業地點（地址為香港灣仔港灣道30號新鴻基中心14樓1405-1412室）交予本公司之公司秘書。將提出的建議內容應當屬於股東大會的職責範圍，有明確的議題及具體決議事項，並且符合法律、行政法規及本公司之公司章程的相關規定。

股東向董事會發送查詢的程序

股東可隨時透過本公司之公司秘書以書面形式將彼等的查詢及所關注事項連同請求人的聯絡資料發送予董事會，方式為郵寄至本公司的香港主要營業地點（地址為香港灣仔港灣道30號新鴻基中心14樓1405-1412室）。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



TO THE SHAREHOLDERS OF FUJIAN NUOQI CO., LTD.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

QUALIFIED OPINION

We have audited the consolidated financial statements of Fujian Nuoqi Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 51 to 99, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and 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, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, 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 International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致福建諾奇股份有限公司股東

(於中華人民共和國註冊成立之股份有限公司)

保留意見

我們已審核載於第51至99頁的福建諾奇股份有限公司（「貴公司」）及其附屬公司（統稱為「貴集團」）的綜合財務報表，包括於二零一七年十二月三十一日的綜合財務狀況表以及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表及綜合財務報表附註，包括主要會計政策概要。

我們認為，除我們報告保留意見的基準一節所述事項的潛在影響外，綜合財務報表已根據國際會計準則理事會頒佈的國際財務報告準則（「國際財務報告準則」）真實而公平地反映 貴集團於二零一七年十二月三十一日的綜合財務狀況，以及其截至該日止年度的綜合財務表現及綜合現金流量，並已根據香港公司條例的披露規定妥為編製。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

BASIS FOR QUALIFIED OPINION

Limited accounting books and records of the Group

Due to the insufficiency of supporting documentation and explanations for accounting books and records in respect of the Group for the year ended 31 December 2016, we were unable to carry out audit procedures to satisfy ourselves as to whether the impairment losses on various assets of approximately RMB30,262,000 and gain on completion of the Group restructuring of approximately RMB448,604,000 for the year ended 31 December 2016 have been accurately recorded and properly accounted for in the consolidated financial statements.

Any adjustments to the figures as described above might have a consequential effect on the Group's financial performance and cash flows for the year ended 31 December 2016 and the related disclosures thereof in the consolidated financial statements.

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the Hong Kong Institute of Certified Public Accountants (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 qualified opinion.

KEY AUDIT MATTERS

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

保留意見的基準

貴集團的有限會計賬簿及記錄

由於有關 貴集團截至二零一六年十二月三十一日止年度的會計賬簿及記錄的支持文件及解釋不充足，我們無法進行審核程序，以令我們信納截至二零一六年十二月三十一日止年度的多項資產減值虧損約人民幣30,262,000元及 貴集團完成重組的收益約人民幣448,604,000元是否已於綜合財務報表準確記錄及妥為入賬。

以上所述數字的任何調整可能對 貴集團截至二零一六年十二月三十一日止年度的財務表現及現金流量及綜合財務報表中有關的披露事項造成相應影響。

我們已根據香港會計師公會（「香港會計師公會」）頒佈的香港審計準則（「香港審計準則」）進行審核。根據該等準則，我們的責任於本報告核數師就審核綜合財務報表須承擔的責任一節中進一步詳述。根據香港會計師公會頒佈的《專業會計師道德守則》（「守則」），我們獨立於 貴集團，並已履行守則中的其他道德責任。我們相信，我們所獲得的審核憑證足夠及能適當地為我們的保留意見提供基礎。

關鍵審核事項

關鍵審核事項是根據我們的專業判斷，認為對本期間的綜合財務報表的審核最為重要的事項。此等事項是在我們審核整體綜合財務報表及就此出具意見時進行處理的。我們不會對此等事項提供單獨的意見。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

PROPERTY, PLANT AND EQUIPMENT AND PREPAID LAND LEASE PAYMENTS

Refer to Note 17 and 18 to the consolidated financial statements.

The Group tested the amount of property, plant and equipment and prepaid land lease payments for impairment. This impairment test is significant to our audit because the balance of property, plant and equipment of approximately RMB58,522,000 and prepaid land lease payments of approximately RMB10,087,000 as at 31 December 2017 are material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on assumptions and estimates.

Our audit procedures included, among others:

- Assessing the competence, independence and integrity of the external valuer engaged by the management;
- Obtaining the external valuation reports and meeting with the external valuer to discuss and challenge the valuation process, methodologies used and market evidence to support significant judgments and assumptions applied in the valuation model;
- Checking key assumption and input data in valuation model to supporting evidence; and
- Checking arithmetical accuracy of the valuation model.

We consider that the Group's impairment test for property, plant and equipment and prepaid land lease payments is supported by the available evidence.

物業、廠房及設備以及預付土地租賃款項

參閱綜合財務報表附註17及18。

貴集團對物業、廠房及設備以及預付土地租賃款項的金額進行減值測試。該減值測試對我們的審核而言屬重大，原因是於二零一七年十二月三十一日的物業、廠房及設備結餘約人民幣58,522,000元及預付土地租賃款項結餘約人民幣10,087,000元對綜合財務報表而言屬重大。此外，貴集團的減值測試涉及運用判斷並基於假設及估計。

我們的審核程序包括（其中包括）：

- 評估管理層所委聘的外部估值師的資格、獨立性及誠信；
- 取得外部估值報告，並與外部估值師會面，以討論及質詢所採用的估值程序、方法及就支持估值模型中所用的重大判斷及假設的市場憑證；
- 對照支持憑證，檢查估值模型中的主要假設及輸入數據；及
- 檢查估值模型中的算術準確性。

我們認為，貴集團對物業、廠房及設備以及預付土地租賃款項的減值測試乃獲可得憑證支持。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

The directors of the Company (the "Directors") are responsible for the other information. The other information comprises all the information in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

其他資料

貴公司董事（「董事」）須對其他資料負責。其他資料包括載於 貴公司年報的全部資料，惟不包括綜合財務報表及我們就此發出的核數師報告。預期我們將於本核數師報告日期後獲提供其他資料。

我們對綜合財務報表的意見並不涵蓋其他資料，我們不會對其他資料發表任何形式的核證結論。

就我們審核綜合財務報表而言，我們的責任為閱讀上文指出可以向我們提供的其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審核過程中所了解的情況存在重大不一致，或似乎存在重大錯誤陳述。

董事就綜合財務報表須承擔的責任

董事須負責根據國際財務報告準則及按照香港公司條例的披露規定編製真實而公平的綜合財務報表，並落實董事認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或終止經營，或別無實際可行替代方案。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, 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.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the HKICPA's website at: <http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>

This description forms part of our auditor's report.

ZHONGHUI ANDA CPA Limited

Certified Public Accountants

Fong Tak Ching

Audit Engagement Director

Practising Certificate Number P06353

Hong Kong, 12 February 2018

核數師就審核綜合財務報表須承擔的責任

我們的目標為對整體綜合財務報表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核證，並發出包括我們意見的核數師報告。我們僅向整體股東報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理核證乃高水平的核證，但不能保證按香港審計準則進行的審核總能發現存在的某一重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期其個別或匯總起來可能影響該等綜合財務報表的基準的使用者所作出的經濟決定，則有關的錯誤陳述可被視為屬重大。

我們就審核綜合財務報表須承擔的責任的進一步描述載於香港會計師公會網站：

<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>

該描述構成本核數師報告的一部分。

中匯安達會計師事務所有限公司

執業會計師

方德程

審核委聘董事

執業證書編號P06353

香港，二零一八年二月十二日



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the 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 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
	Notes 附註			
Revenue	7	收入	39,098	4,430
Cost of sales		銷售成本	(18,558)	(3,541)
Gross profit		毛利	20,540	889
Other income	8	其他收入	415	5,136
Selling and distribution expenses		銷售及分銷開支	(4,535)	(5,154)
Administrative and other expenses		行政及其他開支	(14,083)	(13,018)
Profit/(loss) from operations		經營溢利／(虧損)	2,337	(12,147)
Impairment losses on various assets		多項資產減值虧損	(5,203)	(30,262)
Gain on completion of the restructuring	10	完成重組之收益	-	448,604
Finance costs	11	財務成本	(3,027)	-
(Loss)/profit before tax		除稅前(虧損)／溢利	(5,893)	406,195
Income tax	12	所得稅	-	-
(Loss)/profit and total comprehensive (loss)/income for the year attributable to the owners of the Company	13	本公司擁有人應佔年內(虧損)／溢利及全面(虧損)／收益總額	(5,893)	406,195
(Loss)/earnings per share		每股(虧損)／盈利		
Basic (RMB per share)	16	基本(每股人民幣)	(0.01)	0.67
Diluted (RMB per share)		攤薄(每股人民幣)	(0.01)	0.67

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2017 於二零一七年十二月三十一日

			2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
	Notes 附註			
Non-current assets		非流動資產		
Property, plant and equipment	17	物業、廠房及設備	58,522	61,150
Prepaid land lease payments	18	預付土地租賃款項	9,851	10,087
			68,373	71,237
Current assets		流動資產		
Inventories	19	存貨	2,258	2,717
Trade receivables	20	應收貿易款項	68	12
Other receivables and prepayments	21	其他應收款項及預付款項	2,772	2,667
Prepaid land lease payments	18	預付土地租賃款項	236	236
Bank and cash balances	22	銀行及現金結餘	90,258	1,357
			95,592	6,989
Current liabilities		流動負債		
Trade payables	23	應付貿易款項	663	335
Other payables and accruals	24	其他應付款項及應計費用	1,739	2,751
Amount due to ultimate holding company	25	應付最終控股公司款項	316	-
Loan from a shareholder	26	股東貸款	20,000	-
			22,718	3,086
Net current assets		流動資產淨額	72,874	3,903
Total assets less current liabilities		總資產減流動負債	141,247	75,140
Non-current liabilities		非流動負債		
Loan from a shareholder	26	股東貸款	-	8,000
Borrowings	27	借款	80,000	-
			80,000	8,000
NET ASSETS		資產淨額	61,247	67,140
Capital and reserves		資本及儲備		
Share capital	28	股本	122,159	122,159
Reserves	29	儲備	(60,912)	(55,019)
TOTAL EQUITY		權益總額	61,247	67,140

The consolidated financial statements on pages 51 to 99 were approved and authorised for issue by the Board of Directors on 12 February 2018 and signed on its behalf by:

第51至99頁之綜合財務報表已於二零一八年二月十二日獲董事會批准及授權刊發，並由以下人士代表董事會簽署：

Xu Hai Ying
許海鷹
Director
董事

Sit Hon Wing
薛漢榮
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Share capital	Share premium	Statutory surplus reserve	Proposed final dividends	Accumulated losses	Total
		股本	股份溢價賬	法定盈餘儲備	擬派末期股息	累計虧損	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2016	於二零一六年一月一日	122,159	320,811	33,856	(30,540)	(815,881)	(369,595)
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	406,195	406,195
Completion of the restructuring	完成重組	-	-	(10,916)	30,540	10,916	30,540
At 31 December 2016	於二零一六年十二月三十一日	122,159	320,811	22,940	-	(398,770)	67,140
At 1 January 2017	於二零一七年一月一日	122,159	320,811	22,940	-	(398,770)	67,140
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	(5,893)	(5,893)
At 31 December 2017	於二零一七年十二月三十一日	122,159	320,811	22,940	-	(404,663)	61,247

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the 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 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Cash flows from operating activities	經營活動現金流量		
(Loss)/profit before tax	除稅前(虧損)/溢利	(5,893)	406,195
Adjustments for:	就以下各項調整:		
Finance costs	財務成本	3,027	-
Depreciation	折舊	3,947	3,595
Amortisation	攤銷	236	236
Loss on disposal/write-off of property, plant and equipment	出售/撤銷物業、廠房及設備虧損	416	-
Interest income	利息收入	(285)	(3)
Waiver of other loan	豁免其他貸款	-	(5,000)
Gain on completion of the restructuring	完成重組之收益	-	(448,604)
Impairment losses on property, plant and equipment	物業、廠房及設備減值虧損	-	3,174
Impairment losses on inventories	存貨減值虧損	4,922	16,111
Impairment losses on trade and other receivables	應收貿易賬款及其他應收款項減值虧損	281	10,977
Operating cash flows before working capital changes	營運資金變動前的經營現金流量	6,651	(13,319)
Change in inventories	存貨變動	(4,463)	372
Change in trade receivables	應收貿易款項變動	(231)	(175)
Change in other receivables and prepayments	其他應收款項及預付款項變動	(211)	(2,428)
Change in trade payables	應付貿易款項變動	328	1,879
Change in other payables and accruals	其他應付款項及應計費用變動	(1,012)	973
Cash generated from/(used in) operations	經營所得/(所用)現金	1,062	(12,698)
Interest paid	已付利息	(3,027)	-
Net cash used in operating activities	經營活動所用現金淨額	(1,965)	(12,698)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the 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 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Cash flows from investing activities	投資活動現金流量		
Purchase of property, plant and equipment	購買物業、廠房及設備	(1,850)	(205)
Proceed from disposals of property, plant and equipment	出售物業、廠房及設備所得款項	115	51
Interest received	已收利息	285	3
Net cash used in investing activities	投資活動所用現金淨額	(1,450)	(151)
Cash flows from financing activities	融資活動現金流量		
Other loan raised	其他貸款	-	5,000
New borrowings raised	新增借款	80,000	-
Advance from ultimate holding company	來自最終控股公司之墊款	316	-
Loan from a shareholder	股東貸款	12,000	8,000
Net cash generated from financing activities	融資活動所得現金淨額	92,316	13,000
Net increase in cash and cash equivalents	現金及現金等價物淨額增加	88,901	151
Cash and cash equivalents at beginning of year	年初現金及現金等價物	1,357	1,206
Cash and cash equivalents at end of year	年末現金及現金等價物	90,258	1,357
Analysis of cash and cash equivalents	現金及現金等價物分析		
Bank and cash balances	銀行及現金結餘	90,258	1,357



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

1. GENERAL INFORMATION

The Company was incorporated in the People's Republic of China (the "PRC") on 14 October 2004 as a domestic company with limited liability under the name of Quanzhou City Nuoqi Fashion Chain Sales Co., Ltd. (泉州市諾奇時裝連鎖銷售有限公司). On 22 January 2008, the Company was renamed Fujian Nuoqi Co., Ltd. (福建諾奇股份有限公司) and transformed into a joint stock company with limited liability. The Company's registered office is located at No. 55 Chongwen Road, Economic and Technical Development Zone, Quanzhou, Fujian Province, the PRC.

The principal activities of the Company are investment holding and retailing of men's casual apparels. There were no significant changes in the nature of the Group's principal activities during the year.

The Company's ordinary shares (the "H Shares") that are approved for listing and trading on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") were listed on the Stock Exchange on 9 January 2014 and have been suspended for trading since 23 July 2014. As at 5 September 2016, the Company became a subsidiary of Hao Tian Development Group Limited, whose shares were listed on the Stock Exchange (stock code: 474).

1. 一般資料

本公司於二零零四年十月十四日以泉州市諾奇時裝連鎖銷售有限公司的名義在中華人民共和國(「中國」)註冊成立為本地有限公司。於二零零八年一月二十二日，本公司更名為福建諾奇股份有限公司，並轉型為股份有限公司。本公司的註冊辦事處位於中國福建省泉州經濟技術開發區崇文路55號。

本公司的主營業務為投資控股及男士休閒服飾零售業務。本集團的主營業務性質於年內概無重大變動。

本公司獲香港聯合交易所有限公司(「聯交所」)批准上市及買賣的普通股(「H股」)於二零一四年一月九日於聯交所上市及自二零一四年七月二十三日起暫停買賣。於二零一六年九月五日，本公司成為昊天發展集團有限公司(其股份於聯交所上市，股份代號：474)之附屬公司。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

2. BASIS OF PREPARATION

Suspension of trading in shares of the Company

The trading of the shares of the Company on the Stock Exchange has been suspended due to the unauthorised acts discovered of Mr. Ding Hui, the former Chairman, the former chief executive officer and executive director of the Company. Reference is made to the Company's announcement dated 23 July 2014.

In accordance with the circular of the Company dated 6 March 2017 and the notice of the extraordinary general meeting (the "EGM") incorporated thereof, an EGM was convened on 21 April 2017 for the approval of resolutions regarding the appointment of three executive Directors, three independent non-executive Directors, change in supervisors of the Company, removal of Mr. Ding Hui as a Director and relevant amendments to the articles of the Company. As set out in the EGM poll results announcement of the Company dated 21 April 2017, all the resolutions as set out in the notice of EGM were duly passed by the shareholders of the Company at the EGM.

With effect from 8 May 2017, each of Mr. Sit Hon Wing, an executive Director appointed on 21 April 2017, and Mr. Law Geoff Chun Mo, the company secretary of the Company, has been appointed as an authorised representative (the "LR Authorised Representative") of the Company for the purpose of Rule 3.05 of the Listing Rules to replace the then LR Authorised Representatives, namely Mr. Chen Quanyi who has resigned as an executive Director on 21 April 2017, and Mr. Ding Canyang who was the then executive Director. Furthermore, Mr. Law Geoff Chun Mo has been appointed as the authorised representative (the "CR Authorised Representative") of the Company for purpose of Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) with effect from 5 April 2017 to fill the vacancy of the CR Authorised Representative since Mr. Au Yeung Ho Yin has ceased to act as the CR Authorised Representative on 22 May 2015.

2. 編製基準

本公司股份暫停買賣

由於發現本公司之前董事長、前行政總裁兼執行董事丁輝先生多項未經授權行為，故本公司股份已於聯交所暫停買賣。茲提述本公司日期為二零一四年七月二十三日之公告。

根據本公司日期為二零一七年三月六日之通函及當中所載之股東特別大會（「股東特別大會」）通告，已於二零一七年四月二十一日召開股東特別大會以批准有關委任三名執行董事、三名獨立非執行董事、更換本公司監事、罷免丁輝先生之董事職務及本公司細則之有關修訂之決議案。誠如本公司日期為二零一七年四月二十一日之股東特別大會投票表決結果公告所載，股東特別大會通告所載之所有決議案已由本公司股東於股東特別大會上正式通過。

自二零一七年五月八日起，於二零一七年四月二十一日獲委任為執行董事之薛漢榮先生及本公司之公司秘書羅俊武先生各自已獲委任為上市規則第3.05條所指本公司之授權代表（「上市規則授權代表」），以取代當時在任上市規則授權代表陳全懿先生（彼已於二零一七年四月二十一日辭任執行董事）及丁燦陽先生（彼當時為執行董事）。此外，羅俊武先生已獲委任為香港法例第622章公司條例第16部所指本公司之授權代表（「公司條例授權代表」），自二零一七年四月五日起生效，以填補自歐陽浩然先生已於二零一五年五月二十二日起不再擔任公司條例授權代表以來之公司條例授權代表之空缺。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

2. BASIS OF PREPARATION (continued)

Suspension of trading in shares of the Company (continued)

The Company received a letter from the Stock Exchange dated 17 May 2017 which stated that the Listing Committee, having considered all the submissions (both written and oral) made by the Company and the Listing Department of the Stock Exchange, decided to uphold the decision in the letter from the Stock Exchange to place the Company into the third delisting stage under Practice Note 17 to the Listing Rules. On 26 May 2017, the Company submitted an application to the Stock Exchange for a review of the ruling in the Listing Committee's Letter by the Listing (Review) Committee under Rule 2B.06(2) of the Listing Rules.

As set out in the poll results announcement of the annual general meeting of the Company dated 27 June 2017, Mr. Xu Hai Ying was appointed as the chairman of the Board with effect from 27 June 2017.

On 15 September 2017 the Listing (Review) Committee upheld the Listing Committee's decision to place the Company into the third delisting stage.

If no viable resumption proposal is received by the end of the third delisting stage (i.e. 26 March 2018), the Company's listing will be cancelled. The Exchange will make a further announcement if the delisting takes place.

On 22 December 2017, the Company submitted the Resumption Proposal to the Stock Exchange.

2. 編製基準 (續)

本公司股份暫停買賣 (續)

本公司於二零一七年五月十七日收到聯交所發出之函件，其中提述，經考慮本公司及聯交所上市科所提交之所有資料（包括書面及口頭）後，上市委員會決定維持聯交所函件之決定，即根據上市規則應用指引第17條將本公司納入第三階段除牌程序。於二零一七年五月二十六日，本公司根據上市規則第2B.06(2)條向聯交所遞交申請，尋求上市（複核）委員會對上市委員會函件內之裁定進行複核。

誠如日期為二零一七年六月二十七日本公司之股東週年大會投票表決結果公告所載，許海鷹先生已獲委任為董事會之董事長，自二零一七年六月二十七日起生效。

上市（複核）委員會於二零一七年九月十五日決定維持上市委員會將本公司置於除牌程序第三階段的裁決。

若聯交所在除牌程序第三階段結束時（即二零一八年三月二十六日）尚未接獲可行的復牌建議，該公司的上市地位將被取消。若本公司被除牌，聯交所將另行發出通告。

於二零一七年十二月二十二日，本公司向聯交所提交復牌建議。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board that are relevant to its operations and effective for its accounting year beginning on 1 January 2017. IFRSs comprise International Financial Reporting Standards; International Accounting Standards; and Interpretations. The adoption of these new and revised IFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current year and prior years.

The Group has not applied the new and revised IFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised IFRSs but is not yet in a position to state whether these new and revised IFRSs would have a material impact on its results of operations and financial position.

3. 應用新訂及經修訂國際財務報告準則

本集團於本年度已採納國際會計準則理事會頒佈的與其經營業務有關並於二零一七年一月一日開始之會計年度生效之所有新訂及經修訂國際財務報告準則（「國際財務報告準則」）。國際財務報告準則包括國際財務報告準則；國際會計準則；及詮釋。採納此等新訂及經修訂國際財務報告準則並無令本集團之會計政策、本集團財務報表之呈列方式及本年度與過往年度呈報之金額出現重大變動。

本集團並未採用已頒佈但尚未生效之新訂及經修訂國際財務報告準則。本集團已開始評估該等新訂及經修訂國際財務報告準則之影響，惟暫未能說明該等新訂及經修訂國際財務報告準則是否會對其經營業績及財務狀況構成重大影響。



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綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with IFRSs, and the applicable disclosures required by the Listing Rules and by the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention. The functional currencies and presentation currencies of the Company and its subsidiaries in the PRC are Renminbi (“RMB”). All values are rounded to the nearest thousand except when otherwise indicated.

The preparation of financial statements in conformity with IFRSs requires the use of certain key assumptions and estimates. It also requires the Directors to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these financial statements, are disclosed in note 5 to the financial statements.

The significant accounting policies applied in the preparation of these financial statements are set out below.

Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity’s returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

4. 主要會計政策

此等財務報表乃根據國際財務報告準則及上市規則以及香港公司條例的適用披露規定編製。

此等財務報表以歷史成本法編製。本公司及其附屬公司於中國的功能及呈報貨幣為人民幣（「人民幣」）。除另有指明外，所有數值已四捨五入至最接近的千位數。

編製符合國際財務報告準則之財務報表需要採用若干關鍵之假設及估計，亦需要董事於應用會計政策之過程作出判斷。涉及關鍵判斷之範疇及對此等財務報表而言屬重大之假設及估計範疇於財務報表附註5予以披露。

於編製此等財務報表時應用之重要會計政策載列如下。

合併

綜合財務報表包括本公司及其附屬公司截至十二月三十一日編製的財務報表。附屬公司指本集團擁有控制權之實體。當本集團承受或享有參與實體所得之可變回報，且有能力透過其對實體之權力影響該等回報時，則本集團控制該實體。當本集團之現有權力賦予其目前掌控有關業務（即大幅影響實體回報之業務）之能力時，則本集團對該實體擁有權力。

在評估控制權時，本集團會考慮其潛在投票權以及其他人士持有之潛在投票權，以釐定其是否擁有控制權。僅在持有人能實際行使潛在投票權之情況下，方會考慮其權利。



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

4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Consolidation *(continued)*

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RMB, which is the presentation currency and the functional currency of the Company and its subsidiaries in the PRC.

(b) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

4. 主要會計政策 (續)

合併 (續)

附屬公司之賬目由其控制權轉至本集團當日起綜合入賬，直至控制權終止之日起不再綜合入賬。

集團內公司間之交易、結餘及未變現溢利予以對銷。除非交易提供已轉讓資產出現減值之憑證，未變現虧損亦予以對銷。附屬公司之會計政策在必要時會作出更改，以確保與本集團所採納之政策一致。

外幣換算

(a) 功能及呈報貨幣

本集團各實體之財務報表內項目均以該實體業務所在主要經濟環境通行之貨幣（「功能貨幣」）計量。綜合財務報表以人民幣呈列，該貨幣為本公司及其附屬公司於中國的呈報貨幣及功能貨幣。

(b) 各實體財務報表之交易及結餘

外幣交易於初始確認時使用交易日期之通行匯率換算為功能貨幣。以外幣為單位之貨幣資產及負債按各報告期末之匯率換算。此換算政策產生之盈虧於損益內確認。



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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Foreign currency translation *(continued)*

(c) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

4. 主要會計政策 (續)

外幣換算 (續)

(c) 綜合賬目時進行換算

功能貨幣與本公司之呈報貨幣不同的所有集團實體之業績及財務狀況均按以下方法換算為本公司之呈報貨幣：

- 各財務狀況表所列之資產及負債按財務狀況表日之收市匯率換算；
- 收入及支出均按平均匯率換算，除非該平均值並非為按於交易日之匯率累計影響之合理近似值，在此情況下，收入及支出按交易日期匯率換算；及
- 一切因此而產生之匯兌差額均在外幣換算儲備內確認。

於綜合賬目時，換算境外實體之投資淨額及借貸所產生之匯兌差額於外幣換算儲備內確認。當境外業務被出售時，有關匯兌差額作為出售之盈利或虧損之一部份於綜合損益內確認。

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綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Buildings	5%
Leasehold improvements	Over the shorter of lease terms and 25%
Furniture, fixtures and office equipment	10%-20%
Motor vehicles	12.5%

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

Construction in progress represents buildings under construction and plant and machinery pending installation, and is stated at cost less impairment losses. Depreciation begins when the relevant assets are available for use.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

4. 主要會計政策 (續)

物業、廠房及設備

物業、廠房及設備按成本減累計折舊及任何減值虧損列賬。

倘與該項目有關之日後經濟利益有可能流入本集團，及該項目成本能可靠計量時，則其後成本可計入資產賬面值或確認為個別資產（如適用）。所有其他維修及保養於其產生期間在損益確認。

物業、廠房及設備之折舊，按足以撇銷其成本減剩餘價值之比率，於估計可使用年期內使用直線法計算。主要年率如下：

樓宇	5%
租賃裝修	租賃期及25%之較短者
傢俱、裝置及辦公室設備	10%-20%
汽車	12.5%

剩餘價值、可使用年期和折舊方法於各報告期間末予以檢討並在適當情況下予以調整。

在建工程乃建築中的樓宇及等待安裝的廠房及機器，按成本減去減值虧損列賬。當有關資產可供使用時，折舊即開始。

出售物業、廠房及設備的收益或虧損乃銷售所得款項淨額及有關資產的賬面值之間的差額，並於損益內確認。



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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Operating leases

The Group as lessee

Leases that do not substantially transfer all the risks and rewards of ownership of assets to the Group are accounted for as operating leases. Lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

4. 主要會計政策 (續)

經營租約

本集團作為承租人

資產所有權之所有風險及回報未實質上轉移至本集團之租約入賬列為經營租約。租賃款額在扣除自出租人收取之任何獎勵金後，於租期內以直線法確認為開支。

存貨

存貨按成本與可變現淨值兩者中的較低者入賬。成本按加權平均基準釐定。可變現淨值乃按日常業務過程中估計的銷售價格減去估計的完成成本及估計銷售所需費用計算。

確認及終止確認金融工具

本集團於成為金融工具合約條文之訂約方時於財務狀況表中確認金融資產及金融負債。

於收取資產現金流量之已訂約權利屆滿、本集團實質上轉讓資產擁有權之全部風險及回報、或本集團既無實質上轉讓亦不保留資產擁有權之全部風險及回報，但不保留資產之控制權時，終止確認金融資產。終止確認一項金融資產時，資產賬面值與已於其他全面收益表確認之已收代價以及累計損益之總和之間之差額於損益表內確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Recognition and derecognition of financial instruments *(continued)*

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the receivables' carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate computed at initial recognition. The amount of the allowance is recognised in profit or loss.

Impairment losses are reversed in subsequent periods and recognised in profit or loss when an increase in the recoverable amount of the receivables can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the receivables at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

4. 主要會計政策 (續)

確認及終止確認金融工具 (續)

倘相關合約訂明之責任解除、註銷或失效，則終止確認金融負債。已終止確認金融負債賬面值與已付代價之差額於損益表內確認。

應收貿易賬款及其他應收款項

應收貿易賬款及其他應收款項指並非於活躍市場報價而具備固定或可釐定款項之非衍生金融資產，初期按公平值確認，其後以實際利率法按攤銷成本（減除任何減值撥備）計算。應收貿易賬款及其他應收款項的減值撥備於出現客觀證據，即證明本集團無法按應收款項的原有條款收回所有到期金額時確認。撥備金額為應收款項的賬面值與估計未來現金流量現值（按初步確認時計算之實際利率貼現計算）間的差額。撥備金額於損益表內確認。

減值虧損乃當應收款項之可收回金額增加客觀上與於確認減值後發生之事件有關時，於其後期間撥回並在損益表確認，惟應收款項於減值被撥回日期之賬面值不得超過如並無確認減值時之攤銷成本值。



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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under IFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

4. 主要會計政策 (續)

現金及現金等價物

就現金流量表而言，現金及現金等價物指銀行及手頭現金、存於銀行及其他金融機構的活期存款，及可隨時轉換為已知數額現金而並無重大價值變動風險的短期及高度流通投資。須按的要求償還及為本集團現金管理的整體部分的銀行透支亦列入現金及現金等價物。

金融負債及權益工具

金融負債及權益工具乃根據所訂立之合約安排之性質及根據國際財務報告準則對金融負債及權益工具之定義而分類。權益工具為證明於本集團經扣除其所有負債後之資產中所剩餘權益之任何合約。就特定金融負債及權益工具而採納之會計政策載於下文。

借款

借款初步按公平值扣除所產生之交易成本確認，並其後以實際利率法按攤銷成本值計算。

除非本集團擁有無條件權利，可將負債之償還日期遞延至報告期後至少十二個月，否則借款被分類為流動負債。



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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Trade and other payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

- (a) Revenues from the sales of goods are recognised on the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customers.
- (b) Interest income is recognised on a time-proportion basis using the effective interest method.

4. 主要會計政策 (續)

應付貿易賬款及其他應付款項

應付貿易賬款及其他應付款項初步按公平值列賬，其後則以實際利率法按攤銷成本值計算，貼現影響微小則作別論，在該情況下，則按成本值列賬。

權益工具

本公司發行之權益工具記作已收所得款項（扣除直接發行費用）。

收益確認

收益乃根據已收或應收代價之公平值計算，並在經濟利益可能會流入本集團及收益之金額能可靠地計量時予以確認。

- (a) 銷售貨品之收益乃於所有權之重大風險及回報轉讓後予以確認，在一般情況下與貨品交付及所有權轉讓至客戶的時間相符。
- (b) 利息收入乃根據實際利率法按時間比例確認。



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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Pension obligations

The Group participates in a defined contribution retirement scheme organised by the government in the PRC. The Group is required to contribute a specific percentage of the payroll of its employees to the retirement scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the retirement scheme.

(c) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

4. 主要會計政策 (續)

僱員福利

(a) 僱員假期福利

僱員享有之年假及長期服務假期於應計至僱員時確認。撥備乃就僱員截至報告期末所提供服務可享有的年假及長期服務假期的估計責任作出。

僱員可享有的病假及產假於提取時方予確認。

(b) 退休金責任

本集團於中國參與一項由政府安排的定額供款退休計劃。本集團須按其僱員工資某一百分比向退休計劃作出供款。供款根據退休計劃之規則在應付時自損益中扣除。

(c) 離職福利

離職福利於本集團不能撤回提供該等福利時及本集團確認重組成本並涉及支付離職福利時(以較早日期為準)確認。



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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are 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, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants relating to income are deferred and recognised in profit or loss over the period to match them with the costs they are intended to compensate.

Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

4. 主要會計政策 (續)

借款成本

購入、建造或生產合資格的資產，即需要一段長期間以達致其擬定用途或銷售之資產，其直接借款成本應資本化為該等資產之部分成本，直至該等資產大致上可用作擬定用途或出售為止。特定借貸於撥作合資格資產的支出前用作短暫投資所賺取的投資收入，將自合資格資本化的借貸成本中扣除。

以一般性借入資金用於獲取一項合資格資產為限，可撥充資本之借貸成本數額乃透過該項資產之支出所採用之資本化率而釐定。資本化率乃適用於本集團借貸（於有關期間內尚未償還）之借貸成本之加權平均數，惟特別為獲取合資格資產而作出之借貸則除外。

所有其他借貸成本於其產生期間於損益內確認。

政府補貼

政府補貼於合理保證本集團將遵守政府補貼的附帶條件及將會獲取補貼的情況下予以確認。

與收入相關的政府補貼將遞延並於損益內根據與獲補償之成本作相對性的期間確認。

作為已產生開支或虧損的補償或向本集團提供即時財務援助而可收取（並無日後相關成本）的政府補貼，乃於其成為可收取的期間於損益內確認。



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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 profits will be available to allow all or part of the asset to be recovered.

4. 主要會計政策 (續)

稅項

所得稅指即期稅項及遞延稅項的總額。

目前應繳稅項乃按年內應課稅溢利計算。由於應課稅溢利不包括其他年度的應課稅或可扣稅的收支項目，亦不包括毋須課稅或不可扣稅項目，故應課稅溢利有別於損益中所確認的溢利。本集團目前的稅項負債乃採用於報告期末已制定或大致上已制定的稅率計算。

遞延稅項按財務報表內資產及負債的賬面值與計算應課稅溢利所採用的相應稅基之間的差額而確認。遞延稅項負債通常會就所有應課稅臨時性差額確認，而遞延稅項資產乃按可能出現可利用臨時性差額扣稅、未動用稅項虧損或未動用稅項回撥的應課稅溢利時確認。倘暫時差額乃因商譽或因在一項不影響應課稅溢利或會計溢利的交易中初步確認的其他資產及負債（業務合併除外）而產生，則不會確認有關資產及負債。

遞延稅項資產的賬面值會於各報告期末檢討及進行扣減，直至不再可能有足夠應課稅溢利可供收回全部或部份資產為止。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Taxation (continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Related parties

A related party is a person or entity that is related to the Group.

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Company or of a parent of the Company.

4. 主要會計政策 (續)

稅項 (續)

遞延稅項乃按預期於負債清償或資產變現期間適用的稅率計算。有關稅率為於報告期末已頒佈或大致上已頒佈的稅率。遞延稅項於損益確認，惟倘遞延稅項與在其他全面收益或直接於權益中確認的項目有關，在此情況下遞延稅項亦會於其他全面收益或直接於權益中確認。

遞延稅項資產及負債只可在有合法執行權利將即期稅項資產及即期稅項負債抵銷，以及其與同一課稅機關徵收之所得稅有關，而本集團計劃以淨額基準處理其即期稅項資產及負債時，方予以抵銷。

關連人士

關連人士為與本集團有關連之人士或實體。

- (a) 倘屬以下人士，即該人士或該人士的近親與本集團有關連：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本公司或本公司母公司主要管理人員的其中一名成員。



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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Related parties *(continued)*

- (b) An entity is related to the Group (reporting entity) if any of the following conditions applies:
- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a); or
 - (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).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to a parent of the Company.

4. 主要會計政策 (續)

關連人士 (續)

- (b) 倘符合下列任何條件，即該實體與本集團（報告實體）有關連：
- (i) 該實體與本公司屬同一集團的成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
 - (ii) 一間實體為另一實體的聯營公司或合營公司（或另一實體為成員公司的集團旗下成員公司的聯營公司或合營公司）。
 - (iii) 兩間實體均為同一第三方的合營公司。
 - (iv) 一間實體為第三方實體的合營公司，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福利計劃。倘本集團本身便是該計劃，提供資助的僱主亦與本集團有關連。
 - (vi) 該實體受上文(a)所識別人士控制或受共同控制；或
 - (vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體（或該實體之母公司）主要管理層成員。
 - (viii) 實體或其所屬集團之任何成員公司向本公司或本公司母公司提供主要管理層成員服務。



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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets other than inventories and receivables, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

4. 主要會計政策 (續)

資產減值

於各報告期末，本集團均會審閱其有形及無形資產（存貨及應收款項除外）之賬面值，以釐定有否任何跡象顯示該等資產出現減值虧損。倘存在任何此類跡象，則會對資產的可收回金額作出估計，以確定任何減值虧損的程度。倘無法估計單項資產的可收回金額，本集團會估計該資產所屬的現金產生單位的可收回金額。

可收回金額指公平值減銷售成本與使用價值兩者中之較高者。評估使用價值時，採用除稅前貼現率將估計未來現金流量貼現至其現值，該貼現率反映市場現時所評估之金錢時間值及該資產的特定風險。

倘資產（或現金產生單位）之可收回金額估計低於其賬面值，則將資產或現金產生單位之賬面值下調至其可收回金額。減值虧損即時於損益確認，除非有關資產乃按重估數額列賬則除外，在該情況下，減值虧損會被視為重估減幅。

倘其後撥回減值虧損，則將資產或現金產生單位之賬面值上調至其經修訂之估計可收回金額，惟增加之賬面值不得超過假設該資產或現金產生單位於過往年度並無確認減值虧損而釐定之賬面值（扣除攤銷或折舊）。減值虧損撥回即時於損益確認，除非有關資產乃按重估數額列賬則除外，在該情況下，所撥回之減值虧損會被視為重估增值。



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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

4. 主要會計政策 (續)

撥備及或然負債

倘因已發生之事件而導致本集團須對若干負債(時間或款額無法確定)承擔法律責任或推定責任,並可能引致經濟利益流出而將須解決有關責任,及可作出可靠估計,為此等負債作出之撥備將予以確認。若金錢之時間價值乃屬重大因素,有關撥備須按預期為解決有關責任之開支現值入賬。

在未能肯定是否會導致經濟利益流出,或有關款額未能可靠地估量之情況下,有關責任則作為或然負債予以披露,除非導致經濟利益流出之可能性極低,則作別論。可能承擔之責任(其存在與否只能藉一項或多項未來事件之發生與否而確定)亦作為或然負債予以披露,除非導致經濟利益流出之可能性極低,則作別論。

報告期後事項

提供有關本集團於報告期末之狀況之額外資料或顯示持續經營假設並不適當之報告期後事項為調整事項,並反映於財務報表。並非調整事項之報告期後事項,如屬重大時乃於財務報表附註披露。



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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

Key sources of 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 discussed below.

(a) Property, plant and equipment and depreciation

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

(b) Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is determined with reference to the fair value less costs of disposal. Where the fair value less costs of disposal are less than expected or there are unfavourable events and change in facts and circumstance which result in revision of fair value less costs of disposal, a material impairment loss may arise.

5. 重要判斷及主要估計

估計不確定因素之主要來源

以下為大有可能導致下一個財政年度的資產及負債賬面值須作重大調整的未來主要假設及報告期末估計不確定因素的其他主要來源。

(a) 物業、廠房及設備以及折舊

本集團就本集團之物業、廠房及設備釐定估計可使用年期、剩餘價值以及相關折舊開支。該估計乃根據性質及功能相近的物業、廠房及設備實際可使用年期及剩餘價值的過往經驗而作出。當可使用年期及剩餘價值與原先估計者不同時，本集團會對折舊開支進行調整，或將已報廢或出售之技術過時或非策略資產註銷或撇減。

(b) 物業、廠房及設備減值

當發生事件或情況變動表示資產賬面值超過其可收回金額時，則會檢討物業、廠房及設備是否減值。可收回金額乃參考公平值減出售成本釐定。倘公平值減出售成本低於預期或出現不利事件及事實和情況變動導致對公平值減出售成本作出修訂，則可能出現重大減值虧損。



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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

(continued)

(c) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expense. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions. The Group will reassess the estimates by the end of each reporting period.

6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities.

5. 重要判斷及主要估計 (續)

(c) 存貨可變現淨值

存貨可變現淨值為日常業務過程中的估計售價減估計完成成本及銷售開支。該等估計乃根據現時市況及製造和出售類似性質產品之過往經驗而作出，可因客戶品味轉變及競爭者採取的行動而大幅改變。本集團將於各報告期末重新評估該等估計。

6. 財務風險管理

本集團業務使其面對多項財務風險：外幣風險、信貸風險、流動資金風險及利率風險。本集團之整體風險管理計劃專注於金融市場無法預測之特性，以及尋求盡量減少對本集團財務表現可能造成之不利影響。

(a) 外幣風險

由於大部分業務交易、資產及負債主要以本集團實體之功能貨幣列值，故本集團所承受之外幣風險減至最低。



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6. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group's maximum exposure to credit risk in the event that counterparties fail to perform their obligations at the end of the reporting period in relation to each class of recognised financial assets is the carrying amounts of those assets as stated in the consolidated statement of financial position. The Group's credit risk is primarily attributable to its trade and other receivables. In order to minimise credit risk, the Directors review the recoverable amount of each individual receivable regularly to ensure that adequate impairment losses are recognised for irrecoverable receivable. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

6. 財務風險管理 (續)

(b) 信貸風險

由於對手方為國際信貸評級機構評定為具有高信貸評級之銀行，故現金及銀行結餘之信貸風險有限。

當對手方未能於報告期末履行彼等有關各類已確認金融資產之義務時，本集團面臨之最大信貸風險為綜合財務狀況表所列該等資產之賬面值。本集團之信貸風險主要存在於其應收貿易賬款及其他應收款項。為減低信貸風險，董事定期檢討各應收款項之可收回金額，確保為不可收回應收款項確認充足減值虧損。就此而言，董事認為，本集團之信貸風險已大幅減少。

本集團並無重大集中的信貸風險，風險分佈於多名對手方及客戶。

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6. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis of the Group's financial liabilities is as follows:

		Less than 1 year 一年以內 RMB'000 人民幣千元	Between 1 and 2 years 一至兩年 RMB'000 人民幣千元	Between 2 and 5 years 兩至五年 RMB'000 人民幣千元
At 31 December 2017	於二零一七年 十二月三十一日			
Trade payables	應付貿易款項	663	-	-
Other payables and accruals	其他應付款項及應計費用	1,683	-	-
Amount due to ultimate holding company	應付最終控股公司款項	316	-	-
Loan from a shareholder	一名股東之貸款	20,000	-	-
Borrowings	借款	5,920	5,920	82,927
At 31 December 2016	於二零一六年 十二月三十一日			
Trade payables	應付貿易款項	335	-	-
Other payables and accruals	其他應付款項及應計費用	2,751	-	-
Loan from a shareholder	一名股東之貸款	-	8,000	-

(d) Interest rate risk

As the Group has no significant interest-bearing assets and liabilities, the Group's operating cash flows are substantially independent of changes in market interest rates.

6. 財務風險管理 (續)

(c) 流動資金風險

本集團的政策是定期監控現時及預期流動資金需求，以確保維持足夠現金儲備，滿足其短期及長期之流動資金需求。

本集團金融負債的到期分析如下：

	Less than 1 year 一年以內 RMB'000 人民幣千元	Between 1 and 2 years 一至兩年 RMB'000 人民幣千元	Between 2 and 5 years 兩至五年 RMB'000 人民幣千元
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(d) 利率風險

由於本集團並無重大計息資產及負債，故本集團之經營現金流量實質上獨立於市場利率之變動。

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6. FINANCIAL RISK MANAGEMENT (continued)

(e) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

6. 財務風險管理 (續)

(e) 公平值

於綜合財務狀況表所反映的本集團金融資產及金融負債的賬面值與彼等各自的公平值相若。

(f) Categories of financial instruments

(f) 金融工具類別

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Financial assets	金融資產		
Loans and receivables:	貸款及應收款項：		
Trade receivables	應收貿易款項	68	12
Other receivables	其他應收款項	2,205	1,065
Bank and cash balances	銀行及現金結餘	90,258	1,357
		92,531	2,434
Financial liabilities	金融負債		
Financial liabilities at amortised cost:	按攤銷成本列賬的金融負債：		
Trade payables	應付貿易款項	663	335
Other payables and accruals	其他應付款項及應計費用	1,683	2,751
Amount due to ultimate holding company	應付最終控股公司款項	316	-
Loan from shareholder	股東貸款	20,000	8,000
Borrowings	借款	80,000	-
		102,662	11,086

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7. REVENUE

The Group's revenue is analysed as follows:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Sales of goods	銷售貨品	39,098	4,430

8. OTHER INCOME

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Government grants	政府補貼	-	9
Bank interest income	銀行利息收入	285	3
Exchange gain	匯兌收益	23	-
Waiver of other loan	沒收其他貸款	-	5,000
Others	其他	107	124
		415	5,136

9. SEGMENT INFORMATION

The Group's primary operating segment is the retailing of men's casual apparels. Since it is the only operating segment of the Group, no further analysis thereof is presented.

Besides, the Group's customers and non-current assets are solely in the Mainland China. No further analysis on the geographical information thereof is presented.

For the years ended 31 December 2017 and 2016, as no revenue from sales to a customer of the Group has individually accounted for over 10% of the Group's total revenue, no information about major customers is presented under IFRS 8.

7. 收益

本集團的收益分析如下：

8. 其他收入

9. 分部資料

本集團的主要經營分部是男裝休閒服飾零售業務。由於此乃本集團唯一的經營分部，故並無呈列其進一步分析。

此外，本集團全部客戶及非流動資產均位於中國大陸。並無呈列其地理位置資料之進一步分析。

截至二零一七年及二零一六年十二月三十一日止年度，由於概無向本集團客戶的銷售收入個別佔本集團總收入10%以上，故根據國際財務報告準則第8號並無呈列主要客戶的資料。

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10. GAIN ON COMPLETION OF THE RESTRUCTURING

Upon completion of the restructuring on 28 December 2016, certain liabilities of the Company were discharged according to the Reorganisation Proposal as set out below:

10. 完成重組後之收益

於二零一六年十二月二十八日完成重組後，本公司根據重組協議獲免除之若干負債如下：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Debt discharged:	已免除債務：		
Trade and bills payables	應付貿易款項及應付票據	-	78,968
Other payables and accruals	其他應付款項及應計費用	-	260,611
Bank borrowings	銀行借款	-	70,656
Tax payable	應付稅項	-	10,987
		-	421,222
Gain on deconsolidation of subsidiaries	取消附屬公司合併入賬之收益	-	27,382
		-	448,604
Gain on completion of the restructuring	完成重組後之收益	-	448,604

11. FINANCE COSTS

Interests on other borrowings

11. 財務成本

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Interests on other borrowings	其他借款利息	3,027	-

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12. INCOME TAX

No provision for PRC enterprise income tax is required since the Group has no assessable profit for the year.

The PRC enterprise income tax law passed by the Tenth National People's Congress on 16 March 2007 introduces various changes which include the unification of the enterprise income tax rate for domestic and foreign enterprises at 25%. The new tax law took effect from 1 January 2008.

The reconciliation between the income tax and the (loss)/profit before tax is as follows:

12. 所得稅

因本集團年內並無應課稅溢利，故毋須就中國企業所得稅作出撥備。

第十屆全國人民代表大會於二零零七年三月十六日通過之中國企業所得稅法引入多項變動，包括將內資及外資企業之企業所得稅稅率統一為25%。新稅法自二零零八年一月一日起生效。

所得稅與除稅前（虧損）／溢利之對賬如下：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
(Loss)/profit before tax	除稅前（虧損）／溢利	(5,893)	406,195
Tax at the PRC statutory rate of 25%	按中國法定稅率25%計算之稅項	(1,473)	101,549
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	1,301	10,605
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(71)	(112,154)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	243	-
Income tax for the year	年內所得稅	-	-

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13. (LOSS)/PROFIT FOR THE YEAR

13. 年內(虧損)/溢利

The Group's (loss)/profit for the year is stated after charging/ (crediting) the following:

本集團的年內(虧損)/溢利乃經扣除/(計入)下列各項後達致:

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Auditor's remuneration	451	428
Cost of inventories sold	18,558	3,541
Depreciation	3,947	3,595
Minimum lease payment	1,378	2,329
Amortisation of prepaid land lease payments	236	236
Staff costs (including directors' remuneration – note 14):		
Salaries, bonus and allowances	6,486	4,356
Retirement benefits scheme contributions	708	590
	7,194	4,946
Loss on disposal/write-off of items of property, plant and equipment	416	–
Impairment of property, plant and equipment	–	3,174
Impairment of inventories	4,922	16,111
Impairment of trade receivables	175	3,570
Impairment of other receivables and prepayments	106	7,407
Gain on completion of the restructuring	–	(448,604)

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14. DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS

14. 董事及五名最高薪酬人士之酬金

The emoluments of each Director were as follows:

各董事酬金如下：

2017	Fee	Salaries and allowances	Retirement benefit scheme contributions	Total
二零一七年	袍金 RMB'000 人民幣千元	薪金及津貼 RMB'000 人民幣千元	退休福利計劃供款 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
<i>Executive Directors</i>				
Mr. Xu Haiying (appointed on 15 May 2017)				
Mr. Zhang Aiping (appointed on 21 April 2017 and resigned on 30 September 2017)				
Mr. Gao Shufang (appointed on 21 April 2017 and resigned on 30 September 2017)				
Mr. Sit Hon Wing (appointed on 21 April 2017)				
Mr. Ding Hui (removed on 21 April 2017)				
Mr. Ding Canyang (resigned on 15 May 2017)				
Mr. Chen Quanyi (resigned on 21 April 2017)				
<i>Non-Executive Directors</i>				
Mr. Han Huiyuan				
Ms. Ding Lixia (resigned 21 April 2017)				
<i>Independent Non-Executive Directors</i>				
Mr. Chan Ming Sun Jonathan (appointed on 21 April 2017)				
Mr. Lee Chi Hwa Joshua (appointed on 21 April 2017)				
Mr. Mak Yiu Tong (appointed on 21 April 2017)				
Total for 2017				

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14. DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS (continued)

14. 董事及五名最高薪酬人士之酬金 (續)

2016		Fee	Salaries and allowances	Retirement benefit scheme contributions	Total
二零一六年		袍金	薪金及津貼	退休福利計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
<i>Executive Directors</i>		<i>執行董事</i>			
Mr. Ding Hui	丁輝先生	-	-	-	-
Mr. Ding Canyang	丁燦陽先生	-	136	7	143
Mr. Chen Quanyi	陳全懿先生	-	-	-	-
<i>Non-Executive Directors</i>		<i>非執行董事</i>			
Mr. Han Huiyuan	韓惠源先生	-	-	-	-
Ms. Ding Lixia	丁麗霞女士	-	-	-	-
Total for 2016	二零一六年總計	-	136	7	143

The five highest paid individuals in the Group during the year included one (2016: one) director whose emoluments are reflected in the analysis presented above. The emoluments of the remaining four (2016: four) individuals are set out below:

年內本集團之五名最高薪酬人士包括一名(二零一六年: 一名)董事, 其酬金反映於上文呈列之分析內。餘下四名(二零一六年: 四名)人士之酬金載列如下:

		2017	2016
		二零一七年	二零一六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Basic salaries and allowances	基本薪金及津貼	983	566
Retirement benefit scheme contributions	退休福利計劃供款	13	18
		996	584

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14. DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS (continued)

The emoluments fell within the following band:

Nil to HK\$1,000,000	零至1,000,000港元	4	4
During the year, no emoluments were paid by the Group to any of the Directors as an inducement to join or upon joining the Group or as compensation for loss of office.		本集團於年內概無向任何董事支付酬金，作為加入本集團或於加入本集團後之獎勵或作為離職補償。	

14. 董事及五名最高薪酬人士之酬金 (續)

酬金處於以下範圍：

Number of individuals 人數	
2017 二零一七年	2016 二零一六年
4	4

15. DIVIDENDS

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

16. (LOSS)/EARNINGS PER SHARE Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share attributable to owners of the Company is based on the loss for the year attributable to owners of the Company of approximately RMB5,893,000 (2016: profit for the year attributable to owners of the Company of approximately RMB406,195,000) and the weighted average number of 610,794,000 (2016: 610,794,000) ordinary shares in issue during the year.

Diluted (loss)/earnings per share

No diluted earnings/(loss) per share are presented as the Company did not have any dilutive potential ordinary shares for the years ended 31 December 2017 and 2016.

15. 股息

董事不建議就截至二零一七年十二月三十一日止年度派發任何股息 (二零一六年：無)。

16. 每股 (虧損) / 盈利 每股基本 (虧損) / 盈利

本公司擁有人應佔每股基本 (虧損) / 盈利乃根據本公司擁有人應佔年內虧損約人民幣5,893,000元 (二零一六年：本公司擁有人應佔年內溢利約人民幣406,195,000元) 及年內已發行普通股之加權平均數610,794,000股 (二零一六年：610,794,000股) 計算。

每股攤薄 (虧損) / 盈利

由於截至二零一七年及二零一六年十二月三十一日止年度，本公司並無擁有任何攤薄潛在普通股，故並無呈列每股攤薄盈利 / (虧損)。

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17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

		Buildings	Furniture, fixtures and office equipment 傢俱、裝置及辦公室設備	Motor vehicles 汽車	Leasehold improvement 租賃裝修	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Cost	成本					
At 1 January 2016	於二零一六年一月一日	74,286	13,111	3,502	–	90,899
Additions	添置	–	205	–	–	205
Deconsolidation of subsidiaries	取消附屬公司合併入賬	–	(1,007)	(208)	–	(1,215)
Disposal/write-off	出售/撇銷	–	(11,368)	(620)	–	(11,988)
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	74,286	941	2,674	–	77,901
Additions	添置	–	378	–	1,472	1,850
Disposal/write-off	出售/撇銷	–	(906)	(1,508)	–	(2,414)
At 31 December 2017	於二零一七年十二月三十一日	74,286	413	1,166	1,472	77,337
Accumulated depreciation	累計折舊					
At 1 January 2016	於二零一六年一月一日	10,581	9,295	2,519	–	22,395
Charge for the year	年度開支	3,527	35	33	–	3,595
Deconsolidation of subsidiaries	取消附屬公司合併入賬	–	(347)	(129)	–	(476)
Disposal/write-off	出售/撇銷	–	(8,451)	(312)	–	(8,763)
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	14,108	532	2,111	–	16,751
Charge for the year	年度開支	3,536	56	132	223	3,947
Disposal/write-off	出售/撇銷	–	(509)	(1,374)	–	(1,883)
At 31 December 2017	於二零一七年十二月三十一日	17,644	79	869	223	18,815
Carrying amounts	賬面值					
At 31 December 2017	於二零一七年十二月三十一日	56,642	334	297	1,249	58,522
At 31 December 2016	於二零一六年十二月三十一日	60,178	409	563	–	61,150

Buildings which held for own use are situated in the PRC. At 31 December 2017, buildings with carrying amount of approximately RMB56,642,000 (2016: nil) were pledged for the Group's other borrowings.

持作自用的樓宇位於中國。於二零一七年十二月三十一日，賬面值約人民幣56,642,000元（二零一六年：無）之樓宇已就本集團的其他借貸作抵押。



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18. PREPAID LAND LEASE PAYMENTS

18. 預付土地租賃款項

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Non-current portion	非即期部分	9,851	10,087
Current portion	即期部分	236	236
		10,087	10,323

At 31 December 2017, the carrying amount of prepaid land lease payments amounting to approximately RMB10,087,000 (2016: nil) have been pledged as security for the Group's borrowings.

於二零一七年十二月三十一日，賬面值約為人民幣10,087,000元（二零一六年：無）的預付土地租賃款項已抵押作為授予本集團借貸的擔保。

19. INVENTORIES

19. 存貨

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Finished goods	製成品	2,258	2,717

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20. TRADE RECEIVABLES

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one month, extending up to three months for major customers. The Group seeks to maintain strict control over its outstanding receivables in order to minimise credit risk. Overdue balances are reviewed regularly by the Directors. In view of the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances.

The aging analysis of trade receivables, based on the invoice date, and net of allowance, is as follows:

Within 1 month 1個月以內

Trade and bills receivables that are not impaired

The aging analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

Neither past due nor impaired 未逾期及減值

20. 應收貿易款項

本集團與其客戶的貿易條款以信貸為主，惟新客戶除外，新客戶通常須預先付款。信貸期通常為一個月，主要客戶則可延長至三個月。本集團擬對其未清償應收款項實行嚴格控制以將信貸風險減至最低。董事定期檢討逾期未償付的結餘。鑑於應收貿易款項涉及大量多元化客戶，本集團並無重大信貸集中風險。本集團並無就其應收貿易款項結餘持有任何抵押品或推行其他加強信貸措施。

按發票日期及扣除撥備的應收貿易款項賬齡分析如下：

2017	2016
二零一七年	二零一六年
RMB'000	RMB'000
人民幣千元	人民幣千元

68	12
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未減值之應收貿易款項及應收票據

未視為個別及共同減值之應收貿易款項的賬齡分析如下：

2017	2016
二零一七年	二零一六年
RMB'000	RMB'000
人民幣千元	人民幣千元

68	12
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

21. OTHER RECEIVABLES AND PREPAYMENTS

21. 其他應收款項及預付款項

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Prepayments	預付款項	567	1,602
Rental deposits	租金按金	130	295
Other receivables	其他應收款項	2,075	770
		2,772	2,667

22. BANK AND CASH BALANCES

22. 銀行及現金結餘

Conversion of RMB into foreign currencies amounted to approximately RMB90,258,000 as at 31 December 2017 (2016: RMB1,357,000) is subject to the PRC's Foreign Exchange Control Regulations.

於二零一七年十二月三十一日，約人民幣90,258,000元（二零一六年：人民幣1,357,000元）已遵照中國外匯管制條例限制由人民幣兌換為外幣。

23. TRADE PAYABLES

23. 應付貿易款項

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Trade payables	應付貿易款項	663	335

The trade payables are non-interest-bearing and are normally settled on one month's term.

應付貿易款項為不計息，一般於一個月的期限內結算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

23. TRADE PAYABLES (continued)

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Within 1 month	1個月以內	10	242
1 to 3 months	1至3個月	13	93
3 to 6 months	3至6個月	64	-
6 months to 1 year	6個月至1年	576	-
		663	335

23. 應付貿易款項 (續)

以下為於報告期末按發票日期呈列的應付貿易款項之賬齡分析：

24. OTHER PAYABLES AND ACCRUALS

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Deposit and advance from customers	客戶按金及墊款	56	-
Accruals	應計費用	980	1,157
Other payables	其他應付款項	703	1,594
		1,739	2,751

24. 其他應付款項及應計費用

25. AMOUNT DUE TO ULTIMATE HOLDING COMPANY

The amount due to ultimate holding company is unsecured, interest-free and repayable on demand.

25. 應付最終控股公司款項

應付最終控股公司款項為無抵押、不計息及按
要求償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

26. LOAN FROM A SHAREHOLDER

The loan from a shareholder is unsecured, interest-free and repayable on 1 July 2018.

26. 來自一名股東之貸款

來自一名股東之貸款為無抵押、不計息及須於二零一八年七月一日償還。

27. BORROWINGS

27. 借款

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Other borrowings	其他借款	80,000	-
The borrowings are repayable as follows: In the third to fifth years, inclusive	須於以下期間償還之借款： 第三至第五年內 (包括首尾兩年)	80,000	-
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：須於12個月內結算之 金額(於流動負債項下 列示)	-	-
Amount due for settlement after 12 months	須於12個月後結算之金額	80,000	-

The average interest rate of other borrowings at 31 December 2017 was 7.4% and will be matured and become repayable on 27 June 2020.

於二零一七年十二月三十一日其他借款之平均利率為7.4%，並將於二零二零年六月二十七日到期償還。

Other borrowings of RMB80,000,000 (2016: nil) was secured by (a) a charge over the 311,504,940 domestic shares of the Company by Hao Tian Investment (China) Company Limited, the controlling shareholder of the Company; and (b) a charge over the Company's land with carrying amount of approximately RMB10,087,000 (2016: Not applicable) and building with carrying amount of approximately RMB56,642,000 (2016: Not applicable).

為數人民幣80,000,000元(二零一六年：無)之其他借款乃以下列各項作為抵押：(a)本公司控股股東昊天投資(中國)有限公司持有之本公司311,504,940股內資股之押記；及(b)本公司賬面值約人民幣10,087,000元(二零一六年：不適用)之土地及賬面值人民幣約56,642,000元(二零一六年：不適用)之樓宇之押記。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

28. SHARE CAPITAL

28. 股本

		Number of shares 股份數目	Amount 金額 RMB'000 人民幣千元
Registered:	註冊：		
Ordinary shares at RMB0.20 (2016: RMB0.20) each	每股面值人民幣0.20元 (二零一六年： 人民幣0.20元)之普通股		
At 1 January 2016, 31 December 2016, 1 January 2017 and 31 December 2017	於二零一六年一月一日、 二零一六年十二月三十一日、 二零一七年一月一日及 二零一七年十二月三十一日	610,794,000	122,159
Issued and fully paid:	已發行及繳足：		
Ordinary shares at RMB0.20 (2016: RMB0.20) each	每股面值人民幣0.20元 (二零一六年：人民幣0.20元) 之普通股		
At 1 January 2016, 31 December 2016, 1 January 2017 and 31 December 2017	於二零一六年一月一日、 二零一六年十二月三十一日、 二零一七年一月一日及 二零一七年十二月三十一日	610,794,000	122,159

29. RESERVES

(a) The amounts of the Group's reserves and the movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

29. 儲備

(a) 本集團儲備之金額及其變動乃於綜合損益及其他全面收益表及綜合權益變動表內呈列。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

29. RESERVES (continued)

(b) Nature of the statutory reserve of the Group

(i) Share premium

The share premium represents the difference between the par value of the shares of the Company and proceeds received from the issuance of the shares of the Company.

(ii) Statutory surplus

Transfers from retained earnings to statutory reserve fund were made in accordance with the relevant PRC rules and regulations and the articles of association of the Company's subsidiaries established in the PRC and were approved by the respective boards of directors.

Statutory reserve fund can be used to make good previous years' losses, if any, and may be converted into paid-up capital provided that the balance of the statutory reserve fund after such conversion is not less than 25% of their registered capital.

The Company and its subsidiaries in the PRC are required to transfer a minimum of 10% of their net profits, as determined in accordance with the PRC accounting rules and regulations, to the statutory reserve fund until the reserve balance reaches 50% of the registered capital. The transfer to this fund must be made before distribution of dividends to owners.

The statutory reserve, which is non-distributable, is appropriated from the profit after taxation of the Company and its subsidiaries under the applicable laws and regulations in the PRC.

29. 儲備 (續)

(b) 本集團法定儲備之性質

(i) 股份溢價

股份溢價乃指本公司股份面值與自發行本公司股份收取之所得款項兩者間的差額。

(ii) 法定盈餘

自保留盈利轉撥至法定儲備金乃根據相關中國規則及法規及本公司於中國成立之附屬公司之組織章程細則而作出且已獲各自之董事會批准。

法定儲備金可用作填補往年虧損(如有),並可轉換為繳足股本,前提為於有關轉換後,法定儲備金結餘不少於其註冊資本之25%。

根據中國會計規則及法規之規定,本公司及其於中國之附屬公司須向法定儲備金轉撥其純利之最少10%,直至儲備金結餘達至註冊資本之50%為止。向該基金之轉撥須於向擁有人派發股息前作出。

法定儲備(不可分派)乃根據中國適用法律及法規調撥自本公司及其附屬公司之除稅後溢利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

29. RESERVES (continued)

(c) Reserves of the Company

29. 儲備 (續)

(c) 本公司之儲備

		Share premium	Statutory surplus reserve	Proposed final dividends	Accumulated loss	Total
		股份溢價	法定 盈餘儲備	末期股息 擬派	累計虧損	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2016	於二零一六年一月一日	320,811	22,940	(30,540)	(774,741)	(461,530)
Total comprehensive income for the year	年內全面收益總額	-	-	-	375,971	375,971
Completion of the restructuring	完成重組	-	-	30,540	-	30,540
At 31 December 2016	於二零一六年十二月三十一日	320,811	22,940	-	(398,770)	(55,019)
At 1 January 2017	於二零一七年一月一日	320,811	22,940	-	(398,770)	(55,019)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	(5,893)	(5,893)
At 31 December 2017	於二零一七年十二月三十一日	320,811	22,940	-	(404,663)	(60,912)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

30. SUMMARISED FINANCIAL POSITION OF THE COMPANY 30. 本公司之財務狀況概要

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	58,522	61,150
Interests in a subsidiary	於一間附屬公司之權益	100	-
Prepaid land lease payments	預付土地租賃款項	9,851	10,087
		68,473	71,237
Current assets	流動資產		
Inventories	存貨	2,258	2,717
Trade receivables	應收貿易款項	68	12
Other receivables and prepayments	其他應收款項及預付款項	2,772	2,667
Prepaid land lease payments	預付土地租賃款項	236	236
Bank and cash balances	銀行及現金結餘	90,158	1,357
		95,492	6,989
Current liabilities	流動負債		
Trade payables	應付貿易款項	663	335
Other payables and accruals	其他應付款項及應計費用	1,739	2,751
Amount due to ultimate holding company	應付最終控股公司款項	316	-
Loan from a shareholder	來自一名股東之貸款	20,000	-
		22,718	3,086
Net current asset	流動資產淨值	72,774	3,903
Total assets less current liabilities	總資產減流動負債	141,247	75,140
Non-current liabilities	非流動負債		
Loan from a shareholder	來自一名股東之貸款	-	8,000
Borrowings	借款	80,000	-
		80,000	8,000
NET ASSETS	資產淨值	61,247	67,140
Capital and reserves	資本及儲備		
Share capital	股本	122,159	122,159
Reserves	儲備	(60,912)	(55,019)
TOTAL EQUITY	權益總額	61,247	67,140

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

31. COMMITMENTS

At the end of the reporting period, the Group had the following commitments:

(a) Commitments under operating leases As lessee

The Group leases certain of its retail points under operating lease arrangements. Leases are negotiated for a term ranging from one to five years (2016: one to five years). The Group does not have an option to purchase the leased asset at the expiry of the leased period.

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

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Within one year	一年以內	660	1,580
In the second to fifth years, inclusive	第二至第五年內 (包括首尾兩年)	680	665
		1,340	2,245

32. RELATED PARTY TRANSACTIONS

(a) Related party transactions

There were no other related party transactions and balances except for those disclosed elsewhere in the financial statements.

(b) Compensation of key management personnel

The emoluments of the Company's Directors, who are also identified as members of key management of the Group, are set out in note 14.

31. 承擔

於報告期末，本集團擁有以下承擔：

(a) 經營租賃承擔 作為承租人

本集團根據經營租賃安排租賃其若干零售網點。經商議之租期介乎一至五年（二零一六年：一至五年）。本集團無權選擇於租期屆滿時購買所租賃之資產。

於報告期末，根據不可撤銷經營租賃，本集團之未來最低租賃款項承擔須於下列期間支付：

32. 關連方交易

(a) 關連方交易

除財務報表其他地方所披露者外，概無其他關連方交易及結餘。

(b) 主要管理人員之酬金

本公司董事（亦確認為本集團之主要管理層成員）之薪酬載於附註14。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Changes in liabilities arising from financing activities

The following table shows Group's changes in liabilities arising from financing activities during the year:

33. 綜合現金流量表附註

融資活動產生的負債變動

下表載列本集團年內融資活動產生的負債變動情況：

		Borrowings	Other loan	Loan from a shareholder	Amount due to ultimate holding company	Total liabilities from financing activities
		借款	其他貸款	來自一名股東之貸款	應付最終控股公司款項	融資活動之負債總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2016	於二零一六年一月一日	70,656	-	-	-	70,656
Changes in cash flows	現金流量變動	-	5,000	8,000	-	13,000
Non-cash changes	非現金變動					
- Waiver of other loan	- 獲豁免其他貸款	-	(5,000)	-	-	(5,000)
- Discharge upon completion of the restructuring	- 於重組完成後解除	(70,656)	-	-	-	(70,656)
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	-	-	8,000	-	8,000
Changes in cash flows	現金流量變動	80,000	-	12,000	316	92,316
At 31 December 2017	於二零一七年十二月三十一日	80,000	-	20,000	316	100,316

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

34. PARTICULARS OF PRINCIPAL SUBSIDIARY OF THE COMPANY

The table below lists the subsidiary of the Company which, in the opinion of the Directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group.

Particulars of the subsidiary as at 31 December 2017 are as follows:

Name 名稱	Principal country of operation/ Place of incorporation 營運所在 主要國家/ 註冊成立地點	Issued and paid-up capital 已發行及 繳足股本	Percentage of the ownership interest/voting power		Principal activities 主營活動
			Direct 佔擁有權權益 / 投票權 百分比直接		
Quanzhou Yande Commerce & Trading Co., Ltd *# 泉州晏德商貿有限公司	The PRC 中國	RMB3,000,000 人民幣3,000,000元	100%		Trading of men's apparels 男士服飾貿易

* The English name is for identification purpose only

Registered as a wholly foreign owned enterprise with limited liability under the laws of the PRC

34. 本公司主要附屬公司之詳情

下表列示董事認為主要影響年內業績或構成本集團資產淨值很大一部份之本公司之附屬公司。

本公司於二零一七年十二月三十一日之附屬公司之詳情如下：

35. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, there are certain updates in respect of the status of suspension of trading in shares of the Company, and further details of which are stated in note 2 to the financial statements.

36. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 12 February 2018.

35. 報告期後事項

於報告期末後，有若干有關本公司股份暫停買賣狀況之更新資料，有關其進一步詳情載於財務報表附註2。

36. 核准綜合財務報表

財務報表已於二零一八年二月十二日經董事會批准並授權刊發。

SUMMARY FINANCIAL INFORMATION

財務資料概要

31 December 2017 二零一七年十二月三十一日

A summary of the published results and of the assets and liabilities of the Group for the last five financial years prepared on the basis set out in the notes below:

本集團過去五個財政年度的已刊發業績以及資產及負債的概要乃根據下文附註所載基準編製：

RESULTS

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
REVENUE	收入	39,098	4,430	21,541	322,525	682,466
(LOSS)/PROFIT BEFORE TAX	除稅前(虧損)/溢利	(5,893)	406,195	(355,285)	(701,828)	110,891
INCOME TAX EXPENSE	所得稅開支	-	-	-	(19,043)	(29,150)
(LOSS)/PROFIT FOR THE YEAR	年度(虧損)/溢利	(5,893)	406,195	(355,285)	(720,871)	81,741
(Loss) profit attributable to: Owners of the Company	以下人士應佔(虧損)溢利: 本公司擁有人	(5,893)	406,195	(355,285)	(720,871)	81,741

ASSETS AND LIABILITIES

資產及負債

		As at 31 December 於十二月三十一日				
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
TOTAL ASSETS	資產總額	163,965	78,226	165,413	529,609	890,380
TOTAL LIABILITIES	負債總額	(102,718)	(11,086)	(535,008)	(543,919)	(407,750)
NET ASSETS/(LIABILITIES)	資產淨值/(負債淨額)	61,247	67,140	(369,595)	(14,310)	482,630

Notes:

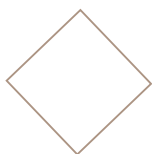
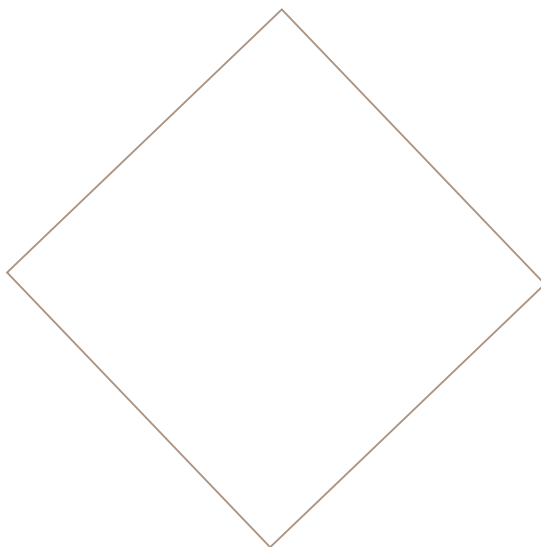
附註：

The consolidated results of the Group for the year ended 31 December 2017 and the consolidated assets and liabilities of the Group as at 31 December 2017 are those set out on pages 51 to 52 of this annual report.

本集團截至二零一七年十二月三十一日止年度的綜合業績及於二零一七年十二月三十一日的綜合資產及負債為本年報第51至第52頁所載者。

The above summary does not form a part of the audited financial statements.

上述概要並不構成經審核財務報表的一部分。



N&Q

福建諾奇股份有限公司

Fujian Nuoci Co., Ltd.

