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## Heng Xin China Holdings Limited 恒芯中國控股有限公司\*

(於百慕達註冊成立之有限公司)

(股份代號：8046)

### 截至二零一六年十二月三十一日止年度 全年業績公告

#### 香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)之特色

創業板的定位乃為相比起其他在聯交所上市之公司帶有較高投資風險之公司提供一個上市之市場。有意投資之人士應瞭解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板之較高風險及其他特色表示創業板較適合專業及其他經驗豐富之投資者。

由於創業板上市公司新興之性質使然，在創業板買賣之證券可能會較於主板買賣之證券承受較大市場波動風險，同時無法保證在創業板買賣之證券會有高流通量之市場。

本公告的資料乃遵照創業板證券上市規則(「創業板上市規則」)而刊載，旨在提供有關恒芯中國控股有限公司(「本公司」)的資料。本公司的董事(「董事」)願就本公告的資料共同及個別地承擔全部責任。各董事在作出一切合理查詢後，確認就其所知及所信，本公告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成分，且並無遺漏任何事項，足以令致本公告或其所載任何陳述產生誤導。

\* 僅供識別

董事會（「董事會」）公佈本公司及其附屬公司（「本集團」）截至二零一六年十二月三十一日止年度之經審核綜合業績。本公告列載本公司二零一六年年報之全文，並符合創業板上市規則中有關年度業績初步公告隨附資料之要求。本公司二零一六年年報之印刷本將會寄發予本公司股東，並可於二零一七年三月底於創業板網站 [www.hkgem.com](http://www.hkgem.com) 及本公司網站 [www.hengxinchina.com.hk](http://www.hengxinchina.com.hk) 查閱。



# Heng Xin China Holdings Limited 恒芯中國控股有限公司\*

*(Incorporated in Bermuda with limited liability)*  
(於百慕達註冊成立之有限公司)

(Stock Code 股份代號 : 8046)

# 2016

Annual Report  
年報

## IMPORTANT NOTICE

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*This report, for which the directors (the “Directors”) of Heng Xin China Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

## 重要事項

### 香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）的特色

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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Tan Sri Dato' Lim Tong Yong (*Chairman*)  
Mr. Chen Rongbin (*Vice Chairman and Chief Executive Officer*)  
Mr. Qiu Bin  
Mr. Gao Yang  
Mr. Hu Qixian  
Mr. Chen Xi

#### Independent Non-Executive Directors

Mr. Wong Chi Keung  
Ms. Chen Yan  
Mr. Xu Haiou  
Mr. Chau Sen Chung

### COMPANY SECRETARY

Mr. Tse Kam Fai, *FCIS, FCS, HKIoD*

### AUDIT COMMITTEE

Mr. Wong Chi Keung (*Committee Chairperson*)  
Ms. Chen Yan  
Mr. Xu Haiou

### NOMINATION COMMITTEE

Ms. Chen Yan (*Committee Chairperson*)  
Mr. Hu Qixian  
Mr. Xu Haiou

### REMUNERATION COMMITTEE

Mr. Xu Haiou (*Committee Chairperson*)  
Mr. Chen Xi  
Mr. Chau Sen Chung

### 董事會

#### 執行董事

丹斯里拿督林東洋\* (*主席*)  
陳榮斌先生 (*副主席及行政總裁*)  
仇斌先生  
高揚先生  
胡其賢先生  
陳希先生

#### 獨立非執行董事

黃之強先生  
陳焯女士  
許海鷗\* 先生  
周晨仲先生

### 公司秘書

謝錦輝先生 · *FCIS, FCS, HKIoD*

### 審核委員會

黃之強先生 (*委員會主席*)  
陳焯女士  
許海鷗\* 先生

### 提名委員會

陳焯女士 (*委員會主席*)  
胡其賢先生  
許海鷗\* 先生

### 薪酬委員會

許海鷗\* 先生 (*委員會主席*)  
陳希先生  
周晨仲先生

# CORPORATE INFORMATION

## 公司資料

### COMPLIANCE OFFICER

Mr. Gao Yang

### AUTHORISED REPRESENTATIVES

(for the purpose of the GEM Listing Rules)

Mr. Gao Yang

Mr. Tse Kam Fai

### REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 3604, 36/F., Central Plaza  
18 Harbour Road, Wanchai  
Hong Kong

### STOCK CODE

8046

### COMPANY WEBSITE

[www.hengxinchina.com.hk](http://www.hengxinchina.com.hk)

### BERMUDA PRINCIPAL SHARE REGISTRAR

Codan Services Limited  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### 監察主任

高揚先生

### 授權代表

(就創業板上市規則而言)

高揚先生

謝錦輝先生

### 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### 香港總辦事處暨主要營業地點

香港  
灣仔港灣道18號  
中環廣場36樓3604室

### 股份代號

8046

### 公司網站

[www.hengxinchina.com.hk](http://www.hengxinchina.com.hk)

### 百慕達主要股份過戶登記處

Codan Services Limited  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## CORPORATE INFORMATION

### 公司資料

#### HONG KONG BRANCH SHARE REGISTRAR

Union Registrars Limited  
Suites 3301-04, 33/F.  
Two Chinachem Exchange Square  
338 King's Road, North Point  
Hong Kong

#### 香港股份過戶登記分處

聯合證券登記有限公司  
香港  
北角英皇道338號  
華懋交易廣場2期  
33樓3301-04室

#### PRINCIPAL BANKERS

Bank of China  
1 Garden Road, Hong Kong

OCBC Wing Hang Bank Limited  
161 Queen's Road Central, Hong Kong

#### 主要往來銀行

中國銀行  
香港花園道1號

華僑永亨銀行有限公司  
香港皇后大道中161號

#### AUDITOR

ZHONGHUI ANDA CPA Limited  
Unit 701, 7/F., Citicorp Centre  
18 Whitfield Road  
Causeway Bay  
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#### 核數師

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#### LEGAL ADVISOR

Lawrence Chan & Co., Solicitors  
Units 2403 & 2406  
24th Floor, Alliance Building  
133 Connaught Road Central  
Hong Kong

C. L. Chow & Macksion Chan, Solicitors  
3rd Floor, Alliance Building,  
130-136 Connaught Road Central  
Hong Kong

#### 法律顧問

陳振球律師事務所  
香港  
干諾道中133號  
誠信大廈24樓  
2403及2406室

周卓立陳啓球陳一理律師事務所  
香港  
干諾道中130-136號  
誠信大廈3樓

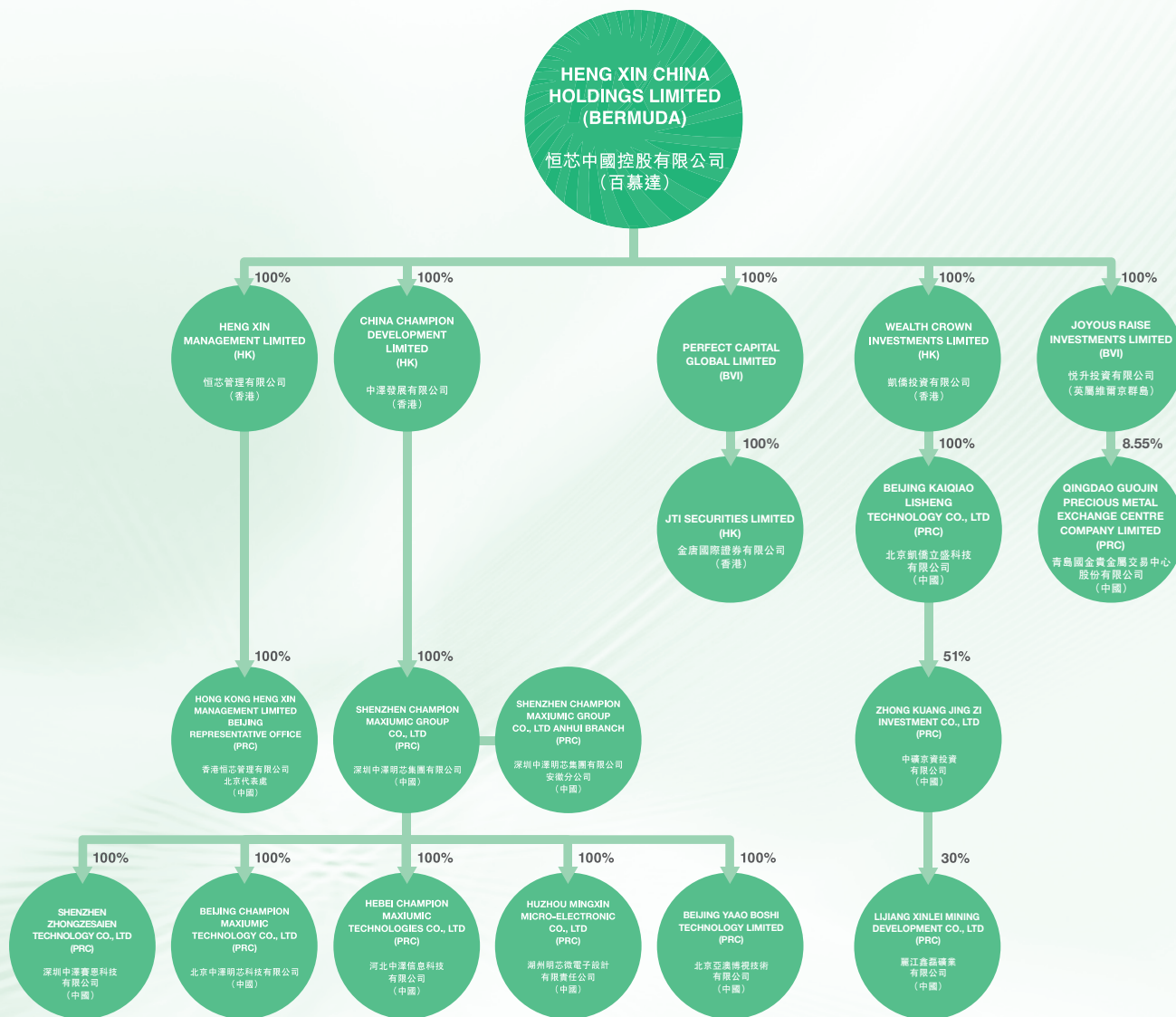


# CORPORATE CHART

## 公司架構圖

Heng Xin China Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) was incorporated as an exempted company with limited liability in Bermuda on 9 September 2002 under the Companies Act 1981 of Bermuda (as amended). The Company’s shares (the “Shares”) were listed on GEM on 16 April 2003. The following is a corporate chart of the Company and its principal subsidiaries up to the date of this report.

恒芯中國控股有限公司(「本公司」，連同其附屬公司統稱「本集團」)於二零零二年九月九日根據百慕達一九八一年公司法(經修訂)於百慕達註冊成立為獲豁免有限公司。本公司股份(「股份」)於二零零三年四月十六日於創業板上市。下圖為本公司及其主要附屬公司截至本報告日期之公司架構圖。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### I. THE GROUP

The Company and its subsidiaries (the "Group") recorded a loss in its overall results for the financial year ended 31 December 2016 which there was a loss in its overall results for the financial year ended 31 December 2015. In response to the market structure and based on the overall plan of the Group, the Group had determined to discontinue some sectors of operations during the year and will focus and invest its resources in the acquisition of new business.

### II. BUSINESS REVIEW

#### *Digital cable television business*

During the year of 2016, the People's Republic of China (the PRC) subsidiary 北京亞澳博視技術有限公司 (Beijing Yaa Boshi Technology Limited\*) had co-operated with local television stations of Xinji, Dongguang and Qing County in Hebei province to develop the cable television network that covers the three counties. The digital transformation scheme had been implemented for the cable television subscribers in the said three counties. The revenue from this sector was the crucial source among the other business sectors in the Group.

#### *Wireless digital television value-added services*

The Group signed contracts for the operation of wireless digital mobile television in Hebei Province, under which value-added business such as advertisement display via display panels in public areas was intended to be carried out. During the year of 2016, due to the absence of satisfactory progress of the project, the Group's cooperation with Beijing Qian Tai Bao Xiang Capital Investment Services Co., Ltd. (formerly known as Beijing Huaxia Innomedia Technology Co., Ltd.) ("Beijing Qian Tai") was terminated. As a result of the termination of the cooperation with Beijing Qian Tai, the remaining unamortized cooperation development fee of RMB 52,315,000 (equivalent to HK\$61,547,000) has been recognized during the year of 2016. Further details on the background of the cooperation and the termination are set out in note 32 to the consolidated financial statements.

#### *Wireless digital audio integrated circuits business*

During the year 2016, the demand for the circuits was stable and the revenue generated from this business shared a relatively little component of the revenue. It is believed that the demand for the circuits will remain stable in the coming years. The Directors will keep overseeing the market changes and make fruitful solutions to better utilize its resources.

### I. 本集團

本公司及其附屬公司(「本集團」)於截至二零一六年十二月三十一日止財政年度之整體業績錄得虧損，而截至二零一五年十二月三十一日止財政年度之整體業績亦錄得虧損。因應市場結構以及本集團之整體規劃，本集團決定於年內終止若干業務營運，並投放資源收購新業務。

### II. 業務回顧

#### *有線數位電視業務*

於二零一六年，中華人民共和國(「中國」)附屬公司北京亞澳博視技術有限公司與河北省辛集縣、東光縣及青縣當地電視台進行合作，以發展覆蓋上述三縣之有線電視網絡，且一直為上述三縣有線電視用戶進行數位轉換計劃。來自該行業之收益乃為本集團其他業務領域之關鍵來源。

#### *無線數位電視增值服務*

本集團在河北省簽約了無線移動數位電視運營協定，包含公共位置顯示屏幕之廣告等增值業務之經營。於二零一六年度，由於項目進度不佳，本集團與北京謙泰寶象資本投資服務有限公司(前稱為北京華夏力通傳媒科技有限公司)(「北京謙泰」)之合作終止。由於終止與北京謙泰之合作，剩餘未攤銷之合作開發費用人民幣52,315,000元(相當於61,547,000港元)已於二零一六年度確認。有關合作及終止背景之進一步詳情，載於綜合財務報表附註32。

#### *無線數位音頻芯片業務*

於二零一六年，芯片需求逐漸穩定，來自該業務之收益佔據收益的相對較小部分。相信來年芯片需求仍將保持穩定。董事將持續監督市場變動，提出富有成效的解決方案以充分利用資源。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### III. PROSPECTS

The Group is principally engaged in digital cable television business, wireless digital television value-added services and wireless digital audio integrated circuits.

In year 2016, the Group consolidated and served its contracted broadcasting television subscribers, and build a foundation for achieving the overall objectives of development of the Group. More importantly, the Group seek cooperation opportunities in new provinces while expand its business in the provinces in which cooperation has been established, so as to create more promising profit growth and the long-term value for the Group.

In February 2016, the Group acquired 8.55% effective interest in 青島國金貴金屬交易中心有限公司 (Qingdao Guojin Precious Metal Exchange Centre Company Limited\*). Upon such acquisition, the Group would involve in the provision of online platform for trading and deferred spot delivery services of precious metal. During the year of 2016, the financial performance from this new investment not yet met the expectation from the Group due to the external market adverse situation. The Group predicted that this new investment opportunity would share some portion of profit to the Group in the near future.

In March 2017, the completion of the acquisition of the entire issued share capital of JTI Securities Limited (“JTI Securities”) took place. It provides a prime opportunity for the Group to tap into the business of financial services which, going forward, is expected to increase the shareholder's value and benefit the Company and the shareholders of the Company (the “Shareholders”) as a whole.

In 2017, the Group will gradually spin-off its traditional cable television and electronic integrated circuits businesses and gain a foothold in advantageous sector such as financial products and services in order to foster maximum benefits for the shareholders.

### III. 前景

本集團主要從事有線數位電視業務、無線數位電視增值服務及無線數位音頻芯片。

二零一六年，本集團鞏固和建設運營好已經簽約之廣電用戶，為完成本集團之總體發展目標奠定基礎，更重要的是本集團在新的省份尋求獲得一些合作機會，已合作之省份之業務也進行擴展，為本集團帶來較好之利潤增長和長遠價值。

本集團於二零一六年二月收購青島國金貴金屬交易中心有限公司8.55%實際權益，於收購後，本集團將從事提供貴金屬貿易網上平台及現貨延期交收服務。於二零一六年度，受外部不利條件所影響，該項新投資的財務表現未達本集團預期。本集團預測，該新投資機遇近期內將分佔本集團若干溢利。

於二零一七年三月，完成收購金唐國際證券有限公司（「金唐國際證券」）之全部已發行股本落實。其為本集團打進金融服務業務提供最佳機遇，放眼未來，此舉預期將增加股東價值且對本公司及本公司股東（「股東」）整體有利。

本集團將在二零一七年陸續剝離原有傳統的有線電視及電子芯片業務，立足於金融產品服務等優勢領域，以為股東帶來最大的利益。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL HIGHLIGHTS

### 財務摘要

		2016	2015	Year-on-Year
		二零一六年	二零一五年	Growth
		HK\$'000	HK\$'000	同比增長
		千港元	千港元	
Selected financial information	選定財務資料			
Recognized Revenue	已確認收益	<b>81,218</b>	34,679	134%
Gross profit	毛利	<b>70,874</b>	12,177	482%
Loss for the year	年內虧損			
— including non-controlling interests	— 包括非控股股東權益	<b>(58,080)</b>	(460,859)	87%
— attributable to equity owners	— 權益擁有人應佔	<b>(53,840)</b>	(452,094)	88%
Selected balance sheet data	選定資產負債表數據			
Total assets	總資產	<b>478,140</b>	722,956	34%
Current assets	流動資產	<b>368,640</b>	563,310	35%
Bank balances and cash	銀行結餘及現金	<b>84,411</b>	88,864	(5%)
Total indebtedness	債項總額	<b>98,978</b>	532,139	82%
Total equity	權益總額	<b>377,394</b>	127,069	197%
Equity attributable to equity owners	權益擁有人應佔權益	<b>366,943</b>	67,382	445%
		<b>2016</b>	<b>2015</b>	
		二零一六年	二零一五年	
Selected financial ratios	選定財務比率			
Gross profit margin	毛利率	<b>87%</b>	35%	
Net loss margin	淨虧損率	<b>(72%)</b>	(1329%)	
Loss per shares (basic)	每股虧損(基本)	<b>(0.70)</b>	(10.17)	
Return on equity ratio	股權回報率	<b>(0.15)</b>	(6.71)	
Current ratio	流動比率	<b>3.72</b>	1.06	
Debt to equity ratio	負債權益比率	<b>0.27</b>	8.84	
Asset turnover ratio	資產周轉率	<b>5.89</b>	20.85	

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### EXPLANATIONS TO THE FINANCIAL RATIOS

### 財務比率說明

Gross margin ratio is a profitability ratio that compares the gross margin of a business to the net sales. This ratio measures how profitable a company sells its inventory or merchandise. In other words, the gross profit ratio is essentially the percentage markup on merchandise from its cost. Gross profit margin in 2016 was much higher than that of 2015 due to the recognized unamortized cooperation development fee under the sector of wireless digital television value-added services business. Further details on the background of the cooperation and the termination are set out in note 32 to the consolidated financial statements.

毛利率指業務的毛利對比銷售淨收入的盈利比率。該比率計量公司出售其存貨或商品的盈利水平。換言之，毛利率實質上為商品與其成本的百分比加成。二零一六年毛利率顯著高於二零一五年，原因是無線數位電視增值服務業務確認未攤銷合作開發費用所致。有關合作及終止背景之進一步詳情，載於綜合財務報表附註32。

Net loss margin measures the amount of net loss with each dollar of sales generated by comparing the net loss contributable to the equity owners and net sales of a company. In other words, the net loss margin ratio shows what percentage of sales left over after all expenses were paid by the Group.

淨虧損率為按權益擁有人應佔淨虧損對比公司銷售淨收入計量的每一元銷售所產生的淨虧損額。換言之，淨虧損率顯示扣除本集團支付的所有開支後剩餘的銷售收入百分比。

Loss per shares (basic) is a market prospect ratio that measures the amount of net loss attributable to owners of the Group per average number of issued shares during the year. In other words, this is the amount of money each share would receive if all of the loss were distributed to the average number of issued shares during the year.

每股虧損(基本)為計量年內本集團擁有人應佔淨虧損額／已發行股份平均數的市場預期比率。換言之，即倘年內將全部虧損分攤至已發行股份平均數，每股將可收取的金額。

Return on equity ratio or ROE is a profitability ratio that measures the ability of the Group to generate profit/loss from its shareholders investments in the company. In other words, the return on equity ratio shows how much profit/loss each dollar of common stockholders' equity generates. It measures the loss attributable to the equity owners to the equity attributable to equity owners.

股權回報率為計量本集團自其於公司的股東投資來獲取盈利／虧損能力的盈利比率。換言之，股權回報率顯示每一元普通股股東權益產生的溢利／虧損水平。其計量權利擁有人應佔虧損對權益擁有人應佔權益比率。

Current ratio is a liquidity and efficiency ratio that measures a group's ability to pay off its short-term liabilities with its current assets. The current ratio is an important measure of liquidity because short-term liabilities are due within the next year.

流動比率為計量集團以其流動資產償付其短期負債能力的流動性及效率比率。流動比率為流動性的重要計量指標，因為短期負債將於下一年度到期。

Debt to equity ratio is a financial, liquidity ratio that compares a company's total debt equity attributable to owners of the Company. The debt to equity ratio shows the percentage of company financing that comes from creditors and shareholders.

負債權益比率為比較本公司擁有人應佔公司總負債權益的財務及流動性比率。負債權益比率顯示來自債權人及股東的公司融資百分比。

Asset turnover ratio is an efficiency ratio that measures the Group's ability to generate sales from its assets by comparing net sales with total assets. In other words, this ratio shows how efficiently the Group can use its assets to generate sales.

資產周轉率為按淨銷售收入對比總資產計量本集團自其資產獲取銷售收入能力的效率比率。換言之，該比率顯示本集團利用其資產獲取銷售收入的效率水平。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL REVIEW

For the year ended 31 December 2016, the Group recorded a consolidated revenue from continuing operations of approximately HK\$81.2 million (revenue from continued operations was approximately HK\$34.7 million in 2015), no consolidated revenue generated from discontinued operations (revenue from discontinued operations was approximately HK\$1.3 million in 2015). Loss attributable to owners of the Company was approximately HK\$53.8 million, as compared to the loss attributable to the owners of HK\$452.1 million for the year ended 31 December 2015. Basic loss per share (including discontinued operations) was approximately HK0.7 cents, as compared to basic loss per share HK10.17 cents (including discontinued operations) for the year ended 31 December 2015.

#### Revenue

During the year 31 December 2016, the revenue of the Group was principally derived from the following business segments:

##### (i) Digital cable television business

The revenue for the year ended 31 December 2016 generated from digital cable television business amount to approximately HK\$17.6 million (2015: HK\$21.1 million) or approximately 22% (2015: 59%) of the total revenue including the discontinued operations for the year 2015, representing operational revenue from basic subscription and over value-added technology and sales of digital cable television business related products.

### 財務回顧

於截至二零一六年十二月三十一日止年度，本集團錄得來自持續經營業務之綜合收益約81,200,000港元(二零一五年來自持續經營業務之收益約為34,700,000港元)，而並無已終止經營業務產生的綜合收益(二零一五年已終止經營業務產生的收益約為1,300,000港元)。本公司擁有人應佔虧損約53,800,000港元，而截至二零一五年十二月三十一日止年度則錄得擁有人應佔虧損452,100,000港元。每股基本虧損(包括已終止經營業務)約0.7港仙，而截至二零一五年十二月三十一日止年度則為每股基本虧損10.17港仙(包括已終止經營業務)。

#### 收益

截至二零一六年十二月三十一日止年度，本集團收益主要來自以下業務分部：

##### (i) 有線數位電視業務

截至二零一六年十二月三十一日止年度來自自有線數位電視業務之收益約17,600,000港元(二零一五年：21,100,000港元)，佔總收益(包括已終止經營業務)約22%(二零一五年：59%)，指基礎收視費及其他增值技術以及銷售有線數位電視業務相關產品所產生之營運收益。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### (ii) *Wireless digital television value-added services business*

The recognised revenue for the year ended 31 December 2016 generated from wireless digital television value-added services business amounted to approximately HK\$61.5 million (2015: HK\$9.5 million) or 76% (2015: 26%) of the total revenue including the discontinued operations. The Group signed contracts for the operation of wireless digital mobile television in Hebei Province, under which value-added business such as advertisement display via display panels in public areas was intended to be carried out. During the year of 2016, due to the absence of satisfactory progress of the project, the Group's cooperation with Beijing Qian Tai was terminated. As a result of the termination of the cooperation with Beijing Qian Tai, the remaining unamortized cooperation development fee of RMB 52,315,000 (equivalent to HK\$61,547,000) has been recognized during the year of 2016. Further details on the background of the cooperation and the termination are set out in note 32 to the consolidated financial statements.

### (iii) *Wireless digital audio integrated circuits*

The revenue for the year ended 31 December 2016 generated from the wireless digital audio products business and the related technical services amounted to approximately HK\$2.1 million (2015: HK\$4.1 million) or approximately 3% (2015: 11%) of the total revenue including the discontinued operations.

## Gross Profit Margin

Gross profit margin of the Group was approximately 87% (2015: 35%). As above-mentioned explanation in the wireless digital television value-added services business under the section Revenue, the recognised revenue was an unexceptional one causing the relatively high gross profit margin in the year of 2016.

### (ii) *無線數位電視增值服務業務*

截至二零一六年十二月三十一日止年度來自無線數位電視增值服務業務之已確認收益約61,500,000港元(二零一五年: 9,500,000港元), 佔總收益(包括已終止經營業務)76%(二零一五年: 26%)。本集團在河北省簽約了無線移動數位電視運營協定, 包含公共位置顯示屏幕之廣告等增值業務之經營。於二零一六年度, 由於項目進度不佳, 本集團與北京謙泰之合作終止。由於終止與北京謙泰之合作, 剩餘未攤銷之合作開發費用人民幣52,315,000元(相當於61,547,000港元)已於二零一六年度確認。有關合作及終止背景之進一步詳情, 載於綜合財務報表附註32。

### (iii) *無線數位音頻芯片*

截至二零一六年十二月三十一日止年度來自無線數位音頻產品業務及相關技術服務之收益約2,100,000港元(二零一五年: 4,100,000港元), 佔總收益(包括已終止經營業務)約3%(二零一五年: 11%)。

## 毛利率

本集團之毛利率約為87%(二零一五年: 35%)。由於上文「收益」一節所闡述的無線數位電視增值服務業務, 所確認收益為導致二零一六年度毛利率相對較高之一般原因。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Other Income

Other income amounted to approximately HK\$38.2 million from continuing operations (2015: HK\$1.4 million) which included reversal of over-provision on cost of sales, fair value gain on financial derivatives and net gain on settlement with a customer during the year.

### Administrative and Operating Expenses

Administrative and operating expenses were approximately HK\$82.1 million for the year ended 31 December 2016, compared to approximately HK\$55.9 million for the year ended 31 December 2015.

### Impairment losses

#### Impairment losses on property, plant and equipment

At the end of reporting period, the Group has determined property, plant and equipment from continuing operations of HK\$12.6 million (2015: HK\$13.8 million) as impaired. The property, plant and equipment was acquired by subsidiaries in PRC which the directors believe that they were probably not applicable and could hardly generate future stream of income. After reviewing the recoverable amounts of these property, plant and equipment, the Group determined to provide such impairment to reflect the ability of generating future income flow.

#### Impairment losses on inventories

The write down of inventories amounted to HK\$3.2 million (2015: HK\$4.6 million) has been recognized as expenses during the year ended 31 December 2016 as those inventories were slow-moving and obsolete which kept in warehouse in a subsidiary for over 1 year. The Directors reviewed the list of inventories and considered that they are probably no longer suitable for use in operation.

#### Impairment losses on goodwill

The performance of part of operations in 2016 had not met the expectation of the board of Directors (the "Board") and resulted in net loss. Therefore, for better utilize the limited resources, the Group aimed to diversify the investment risk and expected new business sector will bring new opportunities to the Group.

### 其他收入

來自持續經營業務之其他收入約為38,200,000港元(二零一五年：1,400,000港元)，包括年內銷售成本過度撥備撥回、金融衍生工具之公平值收益及與一名客戶結算之收益淨額。

### 行政及經營費用

截至二零一六年十二月三十一日止年度所錄得之行政及經營費用約為82,100,000港元，而截至二零一五年十二月三十一日止年度則約為55,900,000港元。

### 減值虧損

#### 物業、廠房及設備減值虧損

於報告期末，本集團釐定來自持續經營業務之物業、廠房及設備減值12,600,000港元(二零一五年：13,800,000港元)。物業、廠房及設備乃由中國附屬公司購入，而董事相信可能不適用及幾乎不能於日後產生任何收入流。經審閱業、廠房及設備之可收回金額後，本集團決定計提有關減值，以反映其產生未來收入流之能力。

#### 存貨減值虧損

存貨撇減3,200,000港元(二零一五年：4,600,000港元)已於截至二零一六年十二月三十一日止年度確認為開支，原因為該等存貨為於附屬公司倉庫存儲時間超逾一年之滯銷及陳舊存貨。董事已審閱庫存清單，並認為其已不再適合作營運用途。

#### 商譽減值虧損

二零一六年之部分營運表現未符合董事會(「董事會」)預期，導致出現淨虧損狀況。因此，為更好利用有限之資源，本集團計劃分散投資風險，預期新業務產業將為本集團帶來新商機。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

The business segments to which the goodwill impairment related was the digital cable television business. The Group acquired a wholly-owned subsidiary, 北京亞澳博視技術有限公司 in August 2014 and recorded a goodwill of HK\$91,858,000.

For annual impairment testing in the year of 2016, the recoverable amount of the digital cable television business has been determined based on a value in use calculation, with reference to the valuation prepared by an independent professional valuer, Roma Appraisals Limited. The calculation was based on the financial budgets covering a 5 year period. For the periods after the financial budgets the growth rate is assumed to be steady at 3%. The impairment test resulted in the recognition of an impairment loss of goodwill of HK\$11,563,000. The pre-tax discount rate of 23.77% was used for estimating the value in use this year while pre-tax discount rate of 23.5% and 22.88 were used in 2014 and 2015 respectively. The auditors had reviewed the key assumptions used by the management in the value in use calculation of the cash-generating unit including the budgeted gross profit margin and the discount rate adopted. Auditors also expressed the view that the accounting treatment of the goodwill was appropriate.

An income-based approach was adopted for the valuation of the market value of the business enterprise in both 2014 and 2015 as well as in the year of 2016. Due to the keen market competition and the number of subscribers could not meet the expected result, the Company provided a prudent 5-year forecast compared to the previous years to reflect the forecasted performance of 北京亞澳博視技術有限公司, so the Company believe there was a need for the impairment of goodwill after the consent and discussion of auditors.

#### **Impairment loss on deposit for acquisition of non-current assets**

At the end of reporting period, the Board believe that the Group should make provision of impairment of this category amounted to HK\$18,000,000 which is the half amount of the Deposit (as defined below). After the termination of the Memorandum of Understanding (as defined below), the Group had different ways like meeting and legal suit with the relevant parties, but could not have any possible feedback, the Board resolved to make such impairment loss to reflect the true and fair view of whole picture.

與商譽減值相關之業務分部為有線數位電視業務。本集團與二零一四年八月收購一間全資附屬公司北京亞澳博視技術有限公司，並錄得商譽91,858,000港元。

就二零一六年之年度減值測試而言，有線數位電視業務之可收回金額乃以使用價值計算法，參考獨立專業估值師羅馬國際評估有限公司之估值而釐定。該計算法以橫跨五年期間之財務預算為基礎。就財務預算後之期間而言，乃假設增長率穩定維持於3%。減值測試導致確認商譽減值虧損11,563,000港元。23.77%之除稅前折現率乃用於估計本年度之使用價值，而23.5%及22.88%之除稅前折現率則分別用於估計二零一四年及二零一五年之使用價值。核數師已審閱管理層於計算現金產生單位之使用價值時所使用之主要假設（包括預算毛利率及所採用之折現率）。核數師亦認為商譽之會計處理方法屬適當。

本公司採用收入法估算商務企業於二零一四年、二零一五年及二零一六年度之市場價值。由於市場競爭激烈及用戶數量未能達致預期，本公司對比過往年度提供審慎的五年期預測，以反映北京亞澳博視技術有限公司之預測績效，故本公司認為有必要於核數同意及討論後對商譽計提減值。

#### **收購非流動資產之按金減值虧損**

於報告期末，董事會認為本集團應該類別作出減值撥備18,000,000港元，即按金（定義見下文）的一半。於終止諒解備忘錄（定義見下文）後，本集團已與關連人士召開會議及提起法律訴訟等不同行動，但均未獲得任何可能反饋，董事會議決作出有關減值虧損，以真實及公平地反映整體情況。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### *Impairment losses on Intangible Assets*

Refer to the impairment loss on goodwill, the recoverable amount of the digital cable television business has been determined based on a value in use calculation, with reference to the valuation. An income-based approach was adopted for the valuation of the market value of the business enterprise which resulted in the impairment loss of intangible assets after the proper allocation. Moreover, some of the outdated techniques and software under 北京亞澳博視技術有限公司 contributed the impairment loss of the intangible assets.

### *Impairment losses on trade receivables*

The Directors impaired trade receivables which due over 365 days as at 31 December 2016. The Directors concluded that these trade receivables should be impaired to reflect the fair financial position of the Company as at 31 December 2016. The Directors will take further possible actions to follow up those impaired accounts receivable. The Board will evaluate the existing policy towards the recoverability of those accounts receivable regularly.

### *Impairment loss on prepayments, deposits and other receivables*

Refer to the Company's policy, the Directors impaired this category of which the recoverability is remote. As at 31 December 2016, the Group had made provision of impairment of this category amounting to HK\$151,000 to reflect the recoverability of this category.

### *Finance costs*

Finance costs amounted to approximately HK\$7.0 million (2015: HK\$9.3 million), of which approximately HK\$5.6 million (2015: HK\$7.2 million) represented interest expenses on redeemable and convertible bonds issued by the Company before its maturity.

### *Property, plant and equipment*

Property, plant and equipment amounted to approximately HK\$20.3 million (2015: HK\$35.6 million), represent a decrease of 43% of property, plant and equipment during the year of 2016. At the end of reporting period, the Group has determined HK\$12.6 million (2015: HK\$13.8 million) was impaired to reflect the true picture of the operation.

### *無形資產減值虧損*

就商譽減值虧損而言，有線數位電視業務之可收回金額乃以使用價值計算法並參考估值而釐定。本公司採用收入法估算商務企業之市場價值，導致經適當分配後產生無形資產減值虧損。此外，北京亞澳博視技術有限公司之若干技術及軟件過時，亦導致產生無形資產減值虧損。

### *應收賬款減值虧損*

董事將於二零一六年十二月三十一日逾期365天以上之應收賬款釐定為減值。董事認為該等應收賬款應予以減值，以反映本公司於二零一六年十二月三十一日之公平財務狀況。董事將盡可能採取進一步行動追收該等減值應收賬款。董事會將定期評估該等應收賬款之可收回情況之現有政策。

### *預付款項、按金及其他應收款項減值虧損*

董事會依照本公司之政策將本項目作減值處理，此乃由於可收回之機會甚微。於二零一六年十二月三十一日，本集團就該類別計提減值撥備151,000港元，以反映該類別之可回收性。

### *融資成本*

融資成本約為7,000,000港元(二零一五年：9,300,000港元)，其中約5,600,000港元(二零一五年：7,200,000港元)為本公司發行之可贖回及可換股債券到期前所產生之利息開支。

### *物業、廠房及設備*

物業、廠房及設備約20,300,000港元(二零一五年：35,600,000港元)，較二零一五年度之物業、廠房及設備減少43%。於報告期末，本集團已釐定12,600,000港元(二零一五年：13,800,000港元)為減值，以真實地反映有關情況。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### *Intangible assets*

Intangible assets amounted to approximately HK\$8.2 million representing a decrease of approximately 87% compared to HK\$63.7 million as at 31 December 2015. Details please refer to impairment losses under Financial Review.

### *Goodwill*

There was no goodwill as at 31 December 2016 compared to approximately HK\$20.4 million as at 31 December 2015. Details please refer to impairment losses under Financial Review.

### *Inventories*

The Group implemented reviews of the recoverable amount of inventories during the year and considered certain inventories were obsolete and no longer suitable for use in operation. The reviews led to recognition of an impairment loss of HK\$3,243,000 (2015: HK\$4,631,000) which was expensed in the consolidated statement of profit and loss and other comprehensive income.

### *Trade receivables*

Total trade receivables (net of allowance for doubtful debts) amounted to approximately HK\$35.9 million, representing a decrease of approximately 68% compared to HK\$110.9 million as at 31 December 2015. During the year, the Group determined to make provision for impairment of approximately HK\$692,000 to reflect the recoverability of such receivables. The Directors will take necessary actions for those receivables.

### *Prepayments, deposits and other receivables*

Prepayments, deposits and other receivables amounted to approximately HK\$3.1 million as at 31 December 2016, a decrease of approximately 95% when compared to HK\$62.4 million as at 31 December 2015. As at 31 December 2016, prepayments, deposits and other receivables of approximately HK\$151,000 were impaired to reflect the recoverability of those receivables. The Directors will from time to time to take further actions and follow up the impaired prepayments, deposits and other receivables.

### *無形資產*

無形資產約為8,200,000港元，較於二零一五年十二月三十一日的63,700,000港元減少約87%。詳情請參閱財務回顧內之減值虧損。

### *商譽*

本集團於二零一六年十二月三十一日並無商譽，而於二零一五年十二月三十一日之商譽約為20,400,000港元。詳情請參閱財務回顧內之減值虧損。

### *存貨*

本集團已審閱年內存貨之可收回金額，並將若干存貨視作廢棄及不再適合於業務中使用。該等審閱導致確認減值虧損3,243,000港元（二零一五年：4,631,000港元），已於綜合損益及其他全面收入表中支銷。

### *應收賬款*

應收賬款（扣除呆賬撥備後）合共約為35,900,000港元，較於二零一五年十二月三十一日的110,900,000港元下跌約68%。年內，本集團決定作為數約692,000港元減值撥備，以反映上述應收款項的可收回性。董事將就該等應收款項採取必要行動。

### *預付款項、按金及其他應收款項*

於二零一六年十二月三十一日，預付款項、按金及其他應收款項約為3,100,000港元，較二零一五年十二月三十一日的62,400,000港元減少約95%。於二零一六年十二月三十一日，預付款項、按金及其他應收款項約151,000港元乃列作減值以反映該等應收款項的可收回性。董事將不時採取進一步行動及跟進已減值之預付款項、按金及其他應收款項。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Trade payables

Trade payable amounted to approximately HK\$21.5 million as at 31 December 2016, a decrease of approximately 48% when compared to HK\$41.1 million as at 31 December 2015.

### Other payables and accruals

Other payables and accruals amounted to approximately HK\$21.7 million as at 31 December 2016, a decrease of approximately 91% when compared to HK\$240.7 million as at 31 December 2015. The decrease of other payables and accruals was mainly due to temporary receipt of share subscriptions amounting to HK\$160,050,000 in December 2015 and the reversal of other payables after the objective evidence and the consent from the third parties.

## EMPLOYEE INFORMATION

As at 31 December 2016, the Group has 127 full-time employees in Hong Kong and the PRC (31 December 2015: 157). The total employees' remuneration, including that of the Directors, amounted to approximately HK\$18.5 million (2015: HK\$17.9 million).

The Group continues to provide remuneration packages to employees according to market practices, their experience and performance. Remuneration policy is basically determined with reference to individual performance as well as the final results of the Group. Remuneration to staff will be revised from time to time when warranted considering the performance of staff. Other benefits include medical insurance scheme and contribution of statutory mandatory provident fund for the employees. The Group also has a share option scheme whereby qualified participants may be granted options to acquire Shares. There have been no major changes in staff remuneration policies during year ended 31 December 2016.

### 應付賬款

於二零一六年十二月三十一日，應付賬項約為21,500,000港元，較二零一五年十二月三十一日的41,100,000港元減少約48%。

### 其他應付款項及應計費用

於二零一六年十二月三十一日，其他應付款項及應計費用約為21,700,000港元，較二零一五年十二月三十一日的240,700,000港元減少約91%。其他應付款項及應計費用減少主要由於於二零一五年十二月自股份認購收取之臨時款項160,050,000港元以及依據客觀證據及經第三方同意後撥回其他應付款項所致。

### 僱員資料

於二零一六年十二月三十一日，本集團在香港及中國聘有127名全職僱員（二零一五年十二月三十一日：157名）。僱員薪酬總額（包括董事薪酬）約為18,500,000港元（二零一五年：17,900,000港元）。

本集團繼續按市場慣例、僱員經驗及表現提供僱員薪酬福利。薪酬政策主要根據僱員個人表現及本集團最終業績釐定，而僱員薪酬將於僱員有理想表現時，不時作出適當調整。其他福利包括醫療保險計劃及為僱員繳交法定強制公積金供款。本集團亦設有購股權計劃，合資格參與者可據此獲授購股權以購買股份。截至二零一六年十二月三十一日止年度僱員薪酬政策並無重大變動。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### LIQUIDITY AND FINANCIAL RESOURCES

The Group primarily financed its operations with internally generated cash flows. As at 31 December 2016, the cash and bank balances of the Group amounted to approximately HK\$84.4 million (2015: HK\$88.9 million). The Renminbi denominated balances of approximately HK\$14.7 million (2015: HK\$1.1 million) were placed with licensed bank in the PRC and the conversion of these balances into foreign currencies is subject to the rule and regulation of foreign exchange control promulgated by the PRC government.

As at 31 December 2016, the Group had current assets of approximately HK\$368.6 million (2015: HK\$563.3 million), while its current liabilities were approximately HK\$99.0 million (2015: HK\$532.1 million). The current ratio (current asset to current liabilities) of the Group was approximately 3.72 (2015: 1.06) and its gearing ratio (total of notes payables and short term loan over total equity) was approximately 0.01 (2015: 0.65). Net asset value per share was approximately HK\$0.05 as at 31 December 2016 (2015: HK\$0.02).

### CAPITAL STRUCTURE

During the year ended 31 December 2016, a total of 3,044,347,822 new Shares were issued. As at 31 December 2016, the authorised share capital of the Company was HK\$100,000,000 divided into 10,000,000,000 Shares and the issued share capital of the Company was HK\$83,045,380.10 divided into 8,304,538,010 Shares.

#### *Subscription of new Shares*

On 8 December 2015, the Company entered into two separate conditional share subscription agreements with Tan Sri Dato' Lim Tong Yong and Sino Perfect Investments Limited as subscriber respectively. Pursuant to the share subscription agreements, the subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue an aggregate of 1,740,000,000 new ordinary Shares with an aggregate nominal value of HK\$17.4 million at the price of HK\$0.115 per subscription share (the "Subscriptions").

### 流動資金及財務資源

本集團主要以內部產生之現金流量為其業務撥付資本。於二零一六年十二月三十一日，本集團之現金及銀行結餘約為84,400,000港元（二零一五年：88,900,000港元）。以人民幣計值之結餘約14,700,000港元（二零一五年：1,100,000港元）存於中國之持牌銀行，而將該等結餘兌換為外幣須受中國政府頒佈之外匯管制法規所規限。

於二零一六年十二月三十一日，本集團之流動資產約為368,600,000港元（二零一五年：563,300,000港元），而流動負債約為99,000,000港元（二零一五年：532,100,000港元）。本集團之流動比率（流動資產比流動負債）約為3.72（二零一五年：1.06）；而資本負債比率（應付票據及短期貸款總額除以權益總額）約為0.01（二零一五年：0.65）。於二零一六年十二月三十一日，每股資產淨值約為0.05港元（二零一五年：0.02港元）。

### 資本結構

截至二零一六年十二月三十一日止年度，已發行合共3,044,347,822股新股份。於二零一六年十二月三十一日，本公司法定股本為100,000,000港元，分為10,000,000,000股股份，而本公司已發行股本83,045,380.10港元，分為8,304,538,010股股份。

#### *新股份之認購*

於二零一五年十二月八日，本公司分別與丹斯里拿督林東洋\*及Sino Perfect Investments Limited（作為認購人）訂立兩份單獨的有條件股份認購協議。根據股份認購協議，認購人有條件同意認購而本公司有條件同意按每股認購股份0.115港元之價格配發及發行合共1,740,000,000股新普通股，總面值為17,400,000港元（「認購事項」）。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

The reasons for carrying out of the Subscriptions were to raise funds to strengthen its overall financial position as well as to provide funding to the Group for its development and investment with an objective to provide attractive returns for the Shareholders.

The Subscription was completed on 5 February 2016. The net proceeds amounted to approximately HK\$200.1 million was used by the Company in the following manner:—

- (i) as to approximately HK\$84 million (42%) for reduction of the Group's level of debt;
- (ii) as to approximately HK\$36 million (18%) was paid to the third party vendor as refundable deposit pursuant to the Memorandum of Understanding (as defined below), which was terminated on 31 May 2016. The aforesaid cash deposit was not yet refunded to the Company and details of the Memorandum of Understanding and the deposit set out in the sub-section headed "Material Acquisition, Disposal and Significant Investments Held" of this section;
- (iii) as to approximately HK\$22.8 million (11%) for the acquisition of entire issued share capital of JTI Securities; and
- (iv) as to approximately HK\$43.4 million (22%) for the daily operation of the Group and approximately HK\$13.9 million (7%) will be used for the funding of any future business developments and working capital.

Relevant disclosure was made in the announcements of the Company dated 8 December 2015 and 5 February 2016, and the circular of the Company dated 12 January 2016.

進行認購事項旨在籌集資金鞏固本公司之整體財務狀況，以及為本集團之發展及投資提供資金以實現向股東提供具吸引力回報之目標。

認購事項已於二零一六年二月五日完成。本公司已動用所得款項淨額約200,100,000港元用於下列各項：

- (i) 約84,000,000港元(42%)用於降低本集團之債務水平；
- (ii) 約36,000,000港元(18%)已根據於二零一六年五月三十一日終止之諒解備忘錄(定義見下文)支付予第三方賣方作為可退回按金。上述現金按金尚未退還予本公司，及有關諒解備忘錄及按金之詳情載於本節「重大收購、出售及持有之重大投資」分節；
- (iii) 約22,800,000港元(11%)用於收購金唐國際證券之全部已發行股本；及
- (iv) 約43,400,000港元(22%)用於本集團之日常營運，而約13,900,000港元(7%)將用作任何日後業務發展資金及營運資金。

已於本公司日期為二零一五年十二月八日及二零一六年二月五日之公告，以及本公司日期為二零一六年一月十二日之通函作出相關披露。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Issue of Convertible Bonds

On 8 December 2015, the Company and National United Resources Holdings Limited (“NUR”) entered into a conditional convertible bonds subscription agreement, pursuant to which NUR has conditionally agreed to subscribe for and the Company has conditionally agreed to issue to NUR the 5% coupon convertible bonds in the principal amount of HK\$100 million (“First CB”). The First CB have been issued on 5 February 2016. During the year ended 31 December 2016, the First CB has been converted in full and a total of 869,565,214 Shares have been issued and allotted.

On 8 December 2015, the Company and Sino King Trading (HK) Co., Limited (“Sino King”) entered into a conditional subscription agreement, pursuant to which Sino King has conditionally agreed to subscribe for and the Company has conditionally agreed to issue to Sino King the 5% coupon convertible bonds in the principal amount of HK\$50 million (“Second CB”). The Second CB have been issued on 19 February 2016. The Second CB has been converted in full and a total of 434,782,608 Shares have been issued and allotted on 1 March 2016.

The reasons for issue of the First CB and Second CB were to raise funds to strengthen its overall financial position as well as to provide funding to the Group for its development and investment with an objective to provide attractive returns for the Shareholders. In addition, redeemed the 11% coupon bond in the principal amount of HK\$70 million issued by the Company to NUR on 2 April 2015 (the “Bond”) in full prior to its maturity date on 1 April 2016 by partially offsetting the principal amount of the First CB could save the finance cost to the Company.

The net proceeds from the issue of the First CB and the Second CB amounted to approximately HK\$150 million was used by the Company in the following manner:—

(i) as to HK\$70 million (47%) for early redemption of the Bond;

### 發行可換股債券

於二零一五年十二月八日，本公司與國家聯合資源控股有限公司（「國家聯合資源」）訂立有條件可換股債券認購協議，據此，國家聯合資源已有條件同意認購而本公司已有條件同意向國家聯合資源發行本金額為100,000,000港元票息為5%之可換股債券（「第一批可換股債券」）。第一批可換股債券已於二零一六年二月五日發行。於截至二零一六年十二月三十一日止年度，第一批可換股債券已全部轉換，合共869,565,214股股份已獲發行及配發。

於二零一五年十二月八日，本公司與Sino King Trading (HK) Co., Limited（「Sino King」）訂立有條件認購協議，據此，Sino King已有條件同意認購而本公司已有條件同意向Sino King發行本金額為50,000,000港元票息為5%之可換股債券（「第二批可換股債券」）。第二批可換股債券已於二零一六年二月十九日發行。第二批可換股債券已全部轉換，合共434,782,608股股份已於二零一六年三月一日發行及配發。

發行第一批可換股債券及第二批可換股債券旨在籌集資金鞏固本公司之整體財務狀況，以及為本集團之發展及投資提供資金以實現向本公司股東提供具吸引力回報之目標。此外，於二零一六年四月一日到期日前，本公司已悉數贖回其於二零一五年四月二日向國家聯合資源發行的本金額為70,000,000港元票息11%之債券（「債券」），透過部分抵銷第一批可換股債券的本金可節省本公司之融資成本。

本公司已動用發行第一批可換股債券及第二批可換股債券之所得款項淨額約150,000,000港元用於下列各項：

(i) 70,000,000港元(47%)用於提前贖回債券；

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

- (ii) as to approximately HK\$62 million (41%) for the capital injection to 山西中澤恒遠生物科技有限公司 (Shanxi Zhongze Heng Yuan Biological Technology Company Limited\*) (the “Shanxi Zhongze”); and
- (iii) as to approximately HK\$18 million (12%) for the daily operation of the Group.

Relevant disclosure was made in the announcements of the Company dated 8 December 2015, 5 February 2016 and 19 February 2016, and the circular of the Company dated 12 January 2016.

### FOREIGN EXCHANGE EXPOSURE

During the year ended 31 December 2016, the majority of the Group's income and expenses were denominated in Renminbi and Hong Kong dollars. Up to 31 December 2016, the management of the Company is of the opinion that the Group has insignificant exposure to foreign exchange risk. As a result, the Group did not use any financial instruments for hedging against fluctuation in foreign exchange for the year ended 31 December 2016. Nevertheless, the management of the Company will closely monitor and from time to time reassess the exchange risk exposures of the Group and enter into non-speculative hedging arrangements if considered necessary.

### CHARGES ON GROUP'S ASSETS

As at 31 December 2016, the Group has pledged property, plant and equipment amounted to HK\$8,341,000 for overdue short term loans amounted to HK\$3,371,000.

### CONTINGENT LIABILITIES

As at 31 December 2016, the Group had no significant contingent liabilities.

- (ii) 約62,000,000港元(41%)用於向山西中澤恒遠生物科技有限公司(「山西中澤」)注資；及
- (iii) 約18,000,000港元(12%)用於本集團之日常營運。

已於本公司日期為二零一五年十二月八日、二零一六年二月五日及二零一六年二月十九日之公告及本公司日期為二零一六年一月十二日之通函作出相關披露。

### 外匯風險

截至二零一六年十二月三十一日止年度，本集團之大部份收入及開支均以人民幣及港元列值。直至二零一六年十二月三十一日，本公司管理層認為本集團所面對之外匯風險較微。因此，本集團於截至二零一六年十二月三十一日止年度並無運用任何金融工具以對沖外匯波動帶來之影響。然而，本公司管理層將密切監察及不時重估本集團所面對之外匯風險，並在必要時訂立非投機性對沖安排。

### 集團資產之抵押

於二零一六年十二月三十一日，本集團已抵押金額為8,341,000港元之物業、廠房及設備作為金額為3,371,000港元之逾期短期貸款之抵押。

### 或然負債

於二零一六年十二月三十一日，本集團並無重大或然負債。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### MATERIAL ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENTS HELD

### 重大收購、出售及持有之重大投資

#### **Acquisition of 9.5% shareholding interest in Million Fortune International Investment Limited**

#### **收購 Million Fortune International Investment Limited 9.5% 股權**

On 1 February 2016, Joyous Raise Investments Limited (“Joyous Raise”), a wholly-owned subsidiary of the Company, as purchaser and World Dragon Enterprise Limited (“World Dragon”), an independent third party, as vendor entered into a sale and purchase agreement, pursuant to which, World Dragon has conditionally agreed to sell, and Joyous Raise has conditionally agreed to acquire 9.5% shareholding interest of the entire issued share capital of Million Fortune International Investment Limited (“Million Fortune”) at a consideration of HK\$61.75 million (“Acquisition of Million Fortune”). Million Fortune indirectly holds 90% equity interest in 中航國金商品交易中心(青島)有限公司 (formerly known as 青島國金貴金屬交易中心有限公司), a company incorporated in the PRC which headquartered in Qingdao, Shandong Province, the PRC and is primarily engaged in the provision of online platform for trading and deferred spot delivery services of precious metals mainly being silver and copper, and other associated services including transaction settlement management, commodity delivery management and related consulting services to customers nationwide in the PRC.

於二零一六年二月一日，本公司全資附屬公司悅升投資有限公司(「悅升投資」)(作為買方)與獨立第三方World Dragon Enterprise Limited(「World Dragon」)(作為賣方)簽訂買賣協議，據此，World Dragon已有條件同意出售而悅升投資已有條件同意收購Million Fortune International Investment Limited(「Million Fortune」)全部已發行股本中9.5%股權，代價為61,750,000港元(「Million Fortune收購事項」)。Million Fortune間接持有中航國金商品交易中心(青島)有限公司(前稱青島國金貴金屬交易中心有限公司)之90%股本權益，該公司為一家於中國註冊成立之公司，其總部設於中國山東省青島，主要從事為中國國內顧客提供貴金屬(主要為銀及銅)貿易網上平台及現貨延期交收服務以及其他相關服務(包括交易結付管理、商品交付管理及相關諮詢服務)。

The completion of the Acquisition of Million Fortune has been taken place on 19 February 2016. Relevant disclosure was made in the Company’s announcement dated 1 February 2016.

Million Fortune收購事項已於二零一六年二月十九日完成。相關披露載於本公司日期為二零一六年二月一日之公告。

#### **Acquisition of the entire issued share capital of JTI Securities Limited**

#### **收購金唐國際證券有限公司全部已發行股本**

On 7 June 2016 (after trading hours), Perfect Capital Global Limited (“Perfect Capital”), an indirect wholly-owned subsidiary of the Company, as purchaser and Ace Vantage Investments Limited (“Ace Vantage”), an independent third party, as vendor entered into a sale and purchase agreement (the “Sale and Purchase Agreement”), pursuant to which Perfect Capital has conditionally agreed to acquire and Ace Vantage has conditionally agreed to sell, 14,500,000 issued and fully paid up shares of JTI Securities in the name of and beneficially owned by Ace Vantage, representing the entire issued and fully-paid share capital of JTI

於二零一六年六月七日(交易時段後)，本公司之間接全資附屬公司Perfect Capital Global Limited(「Perfect Capital」)(作為買方)與獨立第三方Ace Vantage Investments Limited(「Ace Vantage」)(作為賣方)訂立買賣協議(「買賣協議」)，據此，Perfect Capital已有條件同意收購，而Ace Vantage已有條件同意出售，以Ace Vantage名義及由Ace Vantage實益擁有之14,500,000股金唐國際證券已發行及全數繳足

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

Securities (the “Acquisition of JTI Securities”). JTI Securities is principally engaged in securities brokerage business. It is a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”) to carry out Type 1 (dealing in securities) regulated activities and is a China Connect Exchange Participant and a Hong Kong Stock Exchange Participant.

On 23 March 2017, Perfect Capital and Ace Vantage entered into a supplemental agreement to amend certain terms of the Sale and Purchase Agreement. Completion of the Acquisition of JTI Securities took place on 23 March 2017 in accordance with the terms and condition of the Sale and Purchase Agreement (as supplemented by the aforesaid supplemental agreement). Final consideration, being the sum of the agreed premium of HK\$13 million and the amount of the net asset value of JTI Securities as at 28 February 2017, has been determined at approximately HK\$22.8 million and has been paid by Perfect Capital on completion.

Following such completion, JTI Securities has become an indirect wholly-owned subsidiary of the Company and the financial results of JTI Securities will be consolidated into the consolidated financial statements of the Company. Relevant disclosure was made in the Company’s announcements dated 7 June 2016 and 23 March 2017.

股份，相當於金唐國際證券全部已發行及全數繳足股本（「金唐國際證券收購事項」）。金唐國際證券主要從事證券經紀業務。該公司為一間根據證券及期貨條例（香港法例第571章）（「證券及期貨條例」）可進行第一類（證券交易）受規管活動之持牌法團，以及中華通交易所參與者及香港交易所參與者。

於二零一七年三月二十三日，Perfect Capital及Ace Vantage訂立一份補充協議，以修訂買賣協議之若干條款。金唐國際證券收購事項之完成已於二零一七年三月二十三日根據買賣協議（經上述補充協議補充）之條款及條件落實。最終代價（即協定之溢價13,000,000港元加上金唐國際證券於二零一七年二月二十八日之資產淨值之數額）釐定為約22,800,000港元，並已由Perfect Capital於完成時支付。

於該完成後，金唐國際證券已成為本公司之間接全資附屬公司，且金唐國際證券之財務業績將綜合計入本公司之綜合財務報表內。相關披露載於本公司日期為二零一六年六月七日及二零一七年三月二十三日之公告。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Disposal of Assets

深圳中澤明芯集團有限公司(Shenzhen Champion Maxiumic Group Co., Limited\*) (“Shenzhen Champion”), an indirect wholly-owned subsidiary of the Company, as vendor and 河北廣電網絡投資有限公司(Hebei Guangdian Network Investment Limited\*) as purchaser (the “Hebei Guangdian”) entered into a conditional termination agreement on 31 December 2013 (the “Termination Agreement”) for the sale and purchase of the telecommunication equipment in relation to digital cable television broadcasting network and the termination of the cooperation agreement (the “Cooperation Agreement”) (being the business cooperation agreement dated 26 November 2010 made between Shenzhen Champion and 河北廣電信息網絡集團股份有限公司(Hebei Television Broadcasts and Information Network Group Co., Ltd\*) (“Hebei TV”) together with the subsequent subsidiary contracts made between Shenzhen Champion and Hebei Guangdian (which performed the Cooperation Agreement for Hebei TV) with detailed terms on the technical cooperation and the construction and operation of the networks between the parties). The Termination Agreement and the transactions contemplated thereunder had been approved by the shareholders of the Company at the special general meeting held on 10 March 2014.

During 2015, a court order (“Order”) was granted by the Shijiazhuang Intermediate People’s Court in the Hebei Province, the PRC in relation to a civil action brought by Shenzhen Champion against Hebei Guangdian regarding payment in accordance with the terms of the Termination Agreement, in which Hebei Guangdian was ordered to pay (i) the overdue payment penalty of approximately RMB597,000 (approximately HK\$756,000) due to the delay in settlement of the first payment amounting to approximately RMB30 million (approximately HK\$38 million); (ii) the second payment amounting to RMB20 million (approximately HK\$25.3 million) and the relevant default interest accrued on the second payment; and (iii) the court costs of the above civil action.

As at the date of this report, the Company received approximately RMB34 million (approximately HK\$38 million) from Hebei Guangdian and the Company is optimistic that the remaining balance of payment could be received during the year of 2017.

### 出售資產

於二零一三年十二月三十一日，本公司間接全資附屬公司深圳中澤明芯集團有限公司(「深圳中澤」)(作為賣方)與河北廣電網絡投資有限公司(「河北廣電網絡」)(作為買方)就買賣有線數位電視廣播網絡之電訊設備訂立有條件終止協議(「終止協議」)，及終止合作協議(「合作協議」)(即深圳中澤與河北廣電信息網絡集團股份有限公司(「河北廣電」)所訂立日期為二零一零年十一月二十六日之業務合作協議，連同深圳中澤與河北廣電網絡(已為河北廣電履行合作協議)其後所訂立之附屬合約，以訂明訂約方之技術合作及網絡之建設及營運之詳細條款)。終止協議及其項下擬進行之交易已於二零一四年三月十日舉行之股東特別大會上獲本公司股東批准。

於二零一五年，中國河北省石家莊中級人民法院就深圳中澤對河北廣電網絡發起民事訴訟而授出法令(「法令」)，內容有關根據終止協議之條款付款，其中河北廣電網絡被責令支付(i)因逾期支付金額約人民幣30,000,000元(約為38,000,000港元)之首期付款而產生之逾期付款違約金約人民幣597,000元(約756,000港元)；(ii)金額人民幣20,000,000元(約25,300,000港元)之第二期付款，及第二期付款應計之相關違約利息；及(iii)上述民事訴訟的訴訟費。

於本報告日期，本公司已收取河北廣電網絡約人民幣34,000,000元(約38,000,000港元)之付款，本公司認為，該付款之餘下結餘可於二零一七年收回。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Memorandum of Understanding

As disclosed in the Company's announcement dated 1 December 2015, the Company and Mr. Qu Yong Bo (曲勇波) (the "Vendor"), an independent third party, as vendor entered into a non-legally binding memorandum of understanding on 1 December 2015 (the "Memorandum of Understanding") setting out the preliminary proposed terms and conditions in relation to the possible acquisition of 100% equity interest in 大慶澳瑞生物能源有限公司 (Daqing AORUI Bioenergy Co., Ltd.)\* ("Possible Acquisition") and having made refundable deposit of RMB30 million (equivalent to HK\$36 million) (the "Deposit") to the Vendor after signing the Memorandum of Understanding.

As disclosed in the Company's announcement dated 31 May 2016, after taking into consideration of, among other factors, the preliminary results of the due diligence review, the Board decided not to proceed with the Possible Acquisition and accordingly, the Company served a written notification to the Vendor after the close of trading hours on 31 May 2016 informing the Vendor of its decision not to proceed with the Possible Acquisition. Pursuant to the terms of the Memorandum of Understanding, the Vendor shall, within seven days from the date of the termination of the Memorandum of Understanding, refund the Deposit to the Company. Interest on the Deposit shall accrue at the rate of 1.5% per month calculated on the actual number of days elapsed from the date of termination of the Memorandum of Understanding if the Vendor is unable to refund the Deposit in accordance with the terms of the Memorandum of Understanding within seven days from the date of the termination. As disclosed in the Company's announcement dated 24 March 2017, the Deposit is still outstanding and the Company has commenced legal action against the Vendor and Jiashunda Trading Limited, the nominee appointed by the Vendor as the recipient to the Deposit, at the Court of First Instance in the High Court of Hong Kong on 24 March 2017 to claim for the return of the Deposit and interest.

### 諒解備忘錄

如本公司日期為二零一五年十二月一日之公告所披露，本公司與獨立第三方曲勇波先生（「賣方」）（作為賣方）於二零一五年十二月一日訂立不具法律約束力之諒解備忘錄（「諒解備忘錄」），當中載列有關可能收購大慶澳瑞生物能源有限公司之100%股權（「可能收購事項」）之初步擬定條款及條件，於簽訂諒解備忘錄後已向賣方支付人民幣30,000,000元（相當於36,000,000港元）之可退回按金（「按金」）。

如本公司日期為二零一六年五月三十一日之公告所披露，考慮到（其中包括）相關盡職審查之初步結果，董事會決定不擬進行可能收購事項，故此，於二零一六年五月三十一日交易時段後，本公司向賣方發出書面通知，告知賣方有關其不擬進行可能收購事項之決定。根據諒解備忘錄之條款，賣方須於終止諒解備忘錄日期起七日內退還按金予本公司。倘賣方未能根據諒解備忘錄之條款於終止日期起七日內退還按金，按金利息將以諒解備忘錄失效之實際日數，按月息1.5%計算。如本公司日期為二零一七年三月二十四日之公告所披露，按金仍尚未償還，本公司已於二零一七年三月二十四日於香港高等法院原訟庭對賣方及佳順達貿易有限公司（由賣方指定為收悉按金之代理人）展開法律行動，以就收回按金及利息提出索償。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### DISCUSSION ON QUALIFIED OPINION

According to the qualified opinion raised in the independent auditor's report, the view of the Group towards the issues as follows:

#### 1) *Corresponding figures*

As the impairment loss RMB111,695,000 incurred in the year of 2015, there is no impact in the financial performance of the Group in the year of 2016 and the financial position of the Group as at 31 December 2016, and there will have no any financial impact in the years onwards.

#### 2) *Disposal group classified as held for sale and associated liabilities*

During the year of 2016, the top management of Group tried various ways to look for the potential disposal of the sub-group. As the macro-environment was not clear in the year of 2016, the potential purchase was a bit prudent on different business combinations. In the year of 2017, the Group is optimistic there is the higher demand for mineral resources, and the top management of the Group started negotiating with the potential buyers with the consideration not less than the investment cost of the Group.

#### 3) *Loss on deconsolidation of a subsidiary*

Due to the suspected misappropriation of certain funds in Shanxi Zhongze, the Directors consider that it would be inappropriate to consolidate the financial statements of Shanxi Zhongze into the Group and since the Group has been unable to obtain reliable financial information of Shanxi Zhongze for the year ended 31 December 2016, the Directors consider that the financial information of Shanxi Zhongze should be de-consolidated with effect from 1 January 2016.

Details of the aforesaid suspected misappropriation of funds are set out in the Company's announcements dated 14 November 2016 and 23 February 2017.

### 有關保留意見之討論

根據獨立核數師報告提出之保留意見，本集團對有關問題之意見如下：

#### 1) *比較數字*

由於減值虧損人民幣111,695,000元乃於二零一五年度產生，對本集團二零一六年度之財務表現及本集團於二零一六年十二月三十一日之財務狀況並無影響，對今後年度亦無任何財務影響。

#### 2) *分類為持作出售之出售集團及相關負債*

於二零一六年度，本集團高級管理層嘗試各種方法，尋求潛在出售該組別。由於二零一六年度宏觀環境不明朗，本集團對不同業務組合之潛在收購持審慎態度。於二零一七年度，本集團看好礦產資源之需求將會上升，而本集團高級管理層已開始與潛在買家進行協商，代價將不低於本集團之投資成本。

#### 3) *取消綜合入賬一間附屬公司之虧損*

由於山西中澤涉嫌挪用若干資金，董事認為於本集團綜合入賬山西中澤之財務報表並不適當，而由於本集團無法獲取山西中澤於截至二零一六年十二月三十一日止年度之可靠財務資料，董事認為山西中澤之財務資料應自二零一六年一月一日起取消綜合入賬。

有關上述涉嫌挪用資金之詳情，載於本公司日期為二零一六年十一月十四日及二零一七年二月二十三日之公告。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### 4) *Deposits for acquisition of non-current assets*

In view of the above, a provision for impairment of HK\$18,000,000 to reflect the recoverability of the Deposit was made. Actions taken in relation to receive the Deposit has been set out in the section headed "Memorandum of Understanding".

#### 5) *Other investment*

The Group invested HK\$61,750,000 during the year of 2016. As it was a newly investment for the Group, it is trusted that such investment would provide better financial impacts to the Group in the future unless there is big change in the world market.

#### 4) *收購非流動資產之按金*

考慮到上文所述，已計提減值18,000,000港元以反映按金之可收回程度。有關收取按金所採取之行動已載於「諒解備忘錄」一節。

#### 5) *其他投資*

本集團於二零一六年度投資61,750,000港元。由於此乃本集團之新投資，除非全球市場發生重大變化，相信該項投資日後將為本集團帶來更佳財務影響。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Board is pleased to present this Corporate Governance Report for the year ended 31 December 2016. The Company wishes to highlight the importance of its Board in ensuring high standards of corporate governance in the interests of its Shareholders and is committed to identifying and formalizing best practices appropriate to the needs of the Company.

## CORPORATE GOVERNANCE PRACTICES

The corporate governance principles of the Company emphasize a quality board, sound internal controls, transparency and accountability to all Shareholders. The Company has complied with the code provisions as set out in the Corporate Governance Code and Corporate Governance Report (“CG Code”) contained in Appendix 15 to the GEM Listing Rules as its own code of corporate governance. Except for the deviations from code provisions A.2.1, C.1.2 and E.1.2 which are explained below, the Company was in compliance with all code provisions set out in the CG Code during the year ended 31 December 2016.

### *Distinctive Roles of Chairman and Chief Executive Officer*

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. The roles of chairman of the Board and the chief executive officer were separate and performed by different individuals until 24 June 2016. As it took time for the Company to identify a suitable candidate to be appointed as the chief executive officer, the position of the chief executive officer remained vacant until the appointment of Mr. Chen Rongbin as the chief executive officer on 21 July 2016.

董事會欣然提呈截至二零一六年十二月三十一日止年度之企業管治報告。本公司謹此強調，董事會確保良好的企業管治標準以符合其股東利益之重要性，並致力尋求及釐定切合本公司需要的最佳常規。

## 企業管治常規

本公司之企業管治原則著重高質素的董事會、健全的內部監控，以及對全體股東的透明度及問責性。本公司已遵守載於創業板上市規則附錄十五之企業管治守則及企業管治報告（「企業管治守則」）所載之守則條文作為其本身之企業管治守則。除下文闡述有關偏離守則條文第A.2.1條、C.1.2條及E.1.2條外，截至二零一六年十二月三十一日止年度，本公司已遵守企業管治守則所載的所有守則條文。

## 主席與行政總裁之分工

企業管治守則之守則條文A.2.1條規定，主席與行政總裁之角色應有區分，並不應由一人同時擔任。主席與行政總裁間之職責分工應明確界定並以書面形式列載。直至二零一六年六月二十四日，董事會主席及行政總裁之角色已有區分，且由不同人士擔任。由於本公司物色合適候選人以委任為行政總裁需時，所以行政總裁之職位一直空缺，直至於二零一六年七月二十一日委任陳榮斌先生為行政總裁為止。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Monthly Updates

Code provision C.1.2 of the CG Code provides that management should provide all members of the board with monthly updates giving a balanced and understandable assessment of the issuer's performance, position and prospects in sufficient detail to enable the board as a whole and each director to discharge their duties under Rule 5.01 and Chapter 17 of the GEM Listing Rules. During the year ended 31 December 2016, the management of the Company did not provide monthly update to all members of the Board, but the management keeps providing information and update to the members of the Board quarterly.

### Attendance of General Meeting

Code provision E.1.2 of the CG Code requires that the chairman of the board should attend the annual general meeting. He should also invite the chairmen of the audit committee, remuneration committee, nomination committee and any other committees (as appropriate) to attend the annual general meeting. Mr. Leung Wo Ping *JP*, the former chairman of the audit committee (the "Audit Committee"), the nomination committee (the "Nomination Committee") and the remuneration committee (the "Remuneration Committee") of the Company, did not attend the annual general meeting of the Company held on 31 May 2016 (the "2016 AGM") due to his own official engagement.

## CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as its code of conduct for securities transactions by Directors throughout the year ended 31 December 2016. Having made specific enquiry of all Directors, except for Tan Sri Dato' Lim Tong Yong sold 4,404,000 Shares on 18 November 2016 without first notifying in writing the designated Director under rule 5.61 of the GEM Listing Rules, the Company was not aware of any non-compliance with the required standard of dealings regarding securities transactions by Directors during the year ended 31 December 2016. The Company shall reiterate and remind the Directors from time to time in respect of the relevant procedures, rules and requirements in relation to Directors' dealings in order to ensure the Directors' compliance.

### 每月更新資料

企業管治守則之守則條文第C.1.2條規定，管理層應每月向董事會所有成員提供更新資料，列載有關發行人表現、狀況及前景的公正易懂的詳細評估，讓董事會全體及各董事可履行創業板上市規則第5.01條及第17章項下之相關職務。截至二零一六年十二月三十一日止年度，儘管本公司管理層並無向董事會所有成員提供每月更新資料，惟管理層持續每季度向董事會成員提供資料及更新資料。

### 出席股東大會

企業管治守則守則條文第E.1.2條規定董事會主席須出席股東週年大會。彼亦須邀請審核委員會、薪酬委員會、提名委員會及任何其他委員會（如適合）之主席出席股東週年大會。當時的本公司審核委員會（「審核委員會」）、提名委員會（「提名委員會」）及薪酬委員會（「薪酬委員會」）前主席梁和平<sup>太平紳士</sup>因其本身之公事而未出席本公司於二零一六年五月三十一日舉行的股東週年大會（「二零一六年股東週年大會」）。

### 董事進行證券交易之操守準則

於截至二零一六年十二月三十一日止整個年度內，本公司已採納創業板上市規則第5.48至5.67條所規定之交易必守標準作為其董事進行證券交易之操守準則。本公司經向全體董事作出具體查詢後，除丹斯里拿督林東洋\*於二零一六年十一月十八日出售4,404,000股股份而並無以書面形式通知創業板上市規則第5.61條下所指定之董事之外，本公司並不知悉於截至二零一六年十二月三十一日止年度董事就證券交易的交易必守標準之任何不合規情況。本公司將不時重申及提醒董事有關董事買賣證券之相關程序、規則及規定，以確保董事行為的合規性。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD OF DIRECTORS

The Board is responsible for the overall management of the Company and is entitled to delegate its powers to any executive Director, committees of the Board and the management team. The Board is primarily responsible for approving and monitoring the Company's major corporate matters, the evaluation of the performance of the Company and oversight of the management. Specific tasks that the Board delegates to the Company's management include the implementation of strategies approved by the Board, determining the policy for the corporate governance, monitoring of operating budgets, the implementation of internal controls procedures, and ensuring of compliance with relevant statutory requirements and other rules and regulations. The Board is directly accountable to the Shareholders and is responsible for preparing the accounts.

As at the date of this report, the Board comprises ten members, consisting of six executive Directors and four independent non-executive Directors.

#### Executive Directors

Tan Sri Dato' Lim Tong Yong (*Chairman*)  
Mr. Chen Rongbin (*Vice Chairman and Chief Executive Officer*)  
Mr. Qiu Bin  
Mr. Gao Yang  
Mr. Hu Qixian  
Mr. Chen Xi

#### Independent Non-Executive Directors

Mr. Wong Chi Keung  
Ms. Chen Yan  
Mr. Xu Haiou  
Mr. Chau Sen Chung

Each Director has relevant experience, competence and skills appropriate to the business requirements of the Company. The biographical details of the Directors are set out on pages 61 to 66 of this annual report. To the knowledge of the Directors, the Board members have no financial, business, family or other material/relevant relationships with each other.

### 董事會

董事會負責本公司之整體管理並有權授權予任何執行董事、董事會委員會及管理層團隊代表其行使權力。董事會主要負責批准及監督本公司重大的企業事宜，評估本公司之表現及監察管理層。董事會授權本公司管理層的特定工作包括執行董事會批准的策略、決定企業管治的政策、監察營運預算、執行內部監控程序及確保符合相關法定規定及其他規則與規例。董事會直接對股東負責及負責編製賬目。

於本報告日期，董事會有十名成員，包括六名執行董事及四名獨立非執行董事。

#### 執行董事

丹斯里拿督林東洋\* (*主席*)  
陳榮斌先生 (*副主席及行政總裁*)  
仇斌先生  
高揚先生  
胡其賢先生  
陳希先生

#### 獨立非執行董事

黃之強先生  
陳焯女士  
許海鷗\*先生  
周晨仲先生

每名董事均具有適合本公司業務要求之相關經驗、能力及技能。董事之履歷詳情載於本年報第61至66頁。就董事所知，董事會成員彼此之間並無任何財務、業務、親屬或其他重大／相關關係。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER 主席與行政總裁

The chairman of the Board, being Tan Sri Dato' Lim Tong Yong, is responsible for the management of the Board by providing leadership for the Board and has taken primary responsibility for ensuring that good corporate governance practices and procedures are established and that appropriate steps are taken to provide effective communication with Shareholders and that their views are communicated to the Board as a whole, and the chief executive officer of the Company, being Mr. Chen Rongbin, is responsible for the day-to-day management of business of the Group.

董事會主席丹斯里拿督林東洋\*負責帶領董事會，並對其進行管理，主要責任為確保建立良好的企業管治常規及程序，採取適當步驟與股東進行有效溝通並將股東之意見傳達到整個董事會；本公司行政總裁陳榮斌先生負責本集團業務之日常管理。

### INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent non-executive Directors are appointed for a fixed term of one year renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term of appointment, and they are subject to retirement and re-election in accordance with the bye-laws of the Company (the "Bye-Laws"). They are persons of high calibre, with academic and professional qualifications in the fields of accounting, legal, finance and economics. With their experience gained from various sectors, they provide strong support towards the effective discharge of the duties and responsibilities of the Board.

### 獨立非執行董事

獨立非執行董事之固定任期為一年，可自當屆任期屆滿後翌日起計自動續期一年，且彼等須根據本公司之公司細則（「公司細則」）輪值退任並膺選連任。彼等均為優秀人才，在會計、法律、融資及經濟各領域擁有學術及專業資格。有賴彼等在各行業所累積之經驗，彼等對董事會有效履行其職責及責任方面提供有力之支持。

The Company has received written annual confirmation from each of the independent non-executive Directors of his/her independence pursuant to Rule 5.09 of the GEM Listing Rules and considers that all independent non-executive Directors are independent.

本公司已接獲各獨立非執行董事根據創業板上市規則第5.09條就其獨立性發出之年度書面確認函，並認為全體獨立非執行董事均為獨立。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### NON-COMPLIANCE WITH RULES 5.05(2) AND 5.05A OF THE GEM LISTING RULES

- Following the resignation of Mr. Lei Yong and Mr. Chiu Chi Kong as independent non-executive Directors on 8 June 2016, the number of the independent non-executive Directors did not represent one-third of the Board as required under Rule 5.05A of the GEM Listing Rules. The Company fulfilled the requirement on 15 June 2016 following the appointment of Ms. Chen Yan and Mr. Xu Haiou as independent non-executive Directors.
- Following the resignation of Mr. Leung Wo Ping *JP* and Mr. Hu Dingdong as independent non-executive Directors on 20 June 2016, the number of the independent non-executive Directors did not represent one-third of the Board as required under Rule 5.05A of the GEM Listing Rules. On 24 June 2016, Mr. Tan Xiangdong resigned as an executive Director, the number of Directors reduced to nine and therefore the Company fulfilled the requirement on the number of the independent non-executive Directors representing at least one-third of the Board.
- Following the appointment of Mr. Chen Rongbin as an executive Director on 21 July 2016, the Board consisted of ten Directors, among which only three of them were independent non-executive Directors, thus the number of independent non-executive Director did not represent one-third of the Board as required under Rule 5.05A of the GEM Listing Rules. Subsequently, following the resignation of Mr. Chan Fong Kong Francis as independent non-executive Director on 31 August 2016, the Company also failed to meet the requirement set out in Rule 5.05(2) of the GEM Listing Rules with regard to at least one independent non-executive Director must have appropriate professional qualification or accounting or related financial management expertise. Following the appointment of Mr. Wong Chi Keung, who has relevant qualifications and expertise, as independent non-executive Director on 17 October 2016, the number of Directors increased to eleven and therefore, the Company met the requirements under Rules 5.05A and 5.05(2) of the GEM Listing Rules.

### 不符合創業板上市規則第5.05(2)及5.05A條的情況

- 繼雷勇先生及趙志剛先生於二零一六年六月八日辭任獨立非執行董事後，獨立非執行董事之人數並未達致創業板上市規則第5.05A條所規定的佔董事會三分之一。本公司已於二零一六年六月十五日委任陳焯女士及許海鷗\*先生為獨立非執行董事後符合規定。
- 繼梁和平 *太平紳士* 及胡定東先生於二零一六年六月二十日辭任獨立非執行董事後，獨立非執行董事之人數並未達致創業板上市規則第5.05A條所規定的佔董事會三分之一。於二零一六年六月二十四日，譚向東先生辭任執行董事，董事人數減少至九名，因此本公司已符合獨立非執行董事人數佔董事會至少三分之一之規定。
- 繼陳榮斌先生於二零一六年七月二十一日獲委任為執行董事後，董事會有十名董事，其中僅有三名獨立非執行董事，因此獨立非執行董事之人數並未達致創業板上市規則第5.05A條所規定的佔董事會三分之一。其後，陳方剛先生於二零一六年八月三十一日辭任獨立非執行董事，本公司亦未能達致創業板上市規則第5.05(2)條之規定，即至少一名獨立非執行董事須擁有適當的專業資格，或具備適當的會計或相關的財務管理專長。本公司於二零一六年十月十七日委任黃之強先生為獨立非執行董事(彼擁有相關資格及專長)後，董事人數增加至十一名，因此，本公司符合創業板上市規則第5.05A及5.05(2)條項下的規定。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD DIVERSITY POLICY

The Board adopted on 10 September 2013 a board diversity policy (the "Board Diversity Policy") and delegated certain duties under the Board Diversity Policy to the Nomination Committee. The Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance and hence the purpose of the Board Diversity Policy aims to build and maintain a Board with a diversity of Directors. The Board diversity would be considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skill, knowledge and length of service, and the selection of candidates will also base on the above. The Nomination Committee will review and adopt the above measurements when it reviewed the composition of the Board and it will also review the Board Diversity Policy, as appropriate, to ensure its continued effectiveness from time to time. After assessing the suitability of the Directors' skills and experiences to the Company's business, the Nomination Committee considered that the existing Board was appropriately structured.

### BOARD MEETINGS

The Board met regularly during the year with additional meetings arranged if and when required. 8 Board meetings were held during the year ended 31 December 2016 and the attendance record of each Directors is set out in the table on page 38 of this annual report. Directors are appropriately notified in advance of the meetings with proposed agenda and are free to contribute alternative views at meetings. Major decisions are only arrived at after deliberation at Board meetings. Directors who are considered having conflicts of interest or having material interest in the proposed transactions or issues to be discussed will not be counted in the quorum of the relevant meeting and will abstain from voting on relevant resolutions.

Board minutes are kept by the Company Secretary and are open for inspection by the Directors. Every Board member is entitled to have access to Board papers and related materials and has unrestricted access to the advice and services of the Company Secretary, who is responsible for ensuring that the Board procedures are complied with, and in consultation with the compliance officer, advising the Board on compliance matters. Directors also have the liberty to seek external professional advice if so required.

### 董事會多元化政策

董事會於二零一三年九月十日採納董事會多元化政策（「董事會多元化政策」）並根據董事會多元化政策授予提名委員會若干職責。本公司確認及認可董事會多元化對其表現質量的好處，因此董事會多元化政策旨在建立及維持具備多元化董事之董事會。董事會多元化將考慮多個方面，包括但不限於性別、年齡、文化及教育背景、民族、專業經驗、技術、知識及服務年期，而甄選候選人亦將按照上述方面進行。提名委員會在檢討董事會組成時將審閱及採納上述計量且亦會審閱董事會多元化政策（如適合），以確保其不時保持其效力。評估董事之技能及經驗對本公司業務之適用性後，提名委員會認為現時的董事會架構合適。

### 董事會會議

本公司於年內定期舉行董事會會議，如有需要則會安排其他會議。截至二零一六年十二月三十一日止年度，董事會共舉行了八次會議，各董事之出席記錄載於本年報第38頁之表格內。董事於會議前獲適當通知有關建議議程，並可於會上自由抒發己見。任何重大決策均須經於董事會會議上審議後達致。若任何董事就建議交易事項或待討論事項涉及利益衝突或擁有重大利益，則不得計入相關會議之法定人數內，亦將會就相關決議案放棄投票。

董事會之會議記錄由公司秘書保存，並可供董事查閱。每位董事會成員均有權查閱董事會文件及相關資料及可在不受限制下獲取公司秘書之意見及享用其服務；公司秘書負責確保董事會程序得以遵守，並於諮詢監察主任後就合規事宜向董事會提供意見。董事亦有權尋求外部專業顧問之意見（如需要）。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### GENERAL MEETINGS

During the year ended 31 December 2016, 2 general meetings of the Company were held, being the special general meeting of the Company held on 28 January 2016 and the 2016 AGM. The attendance record of each Directors is set out in the table on page 38 of this annual report.

### AUDIT COMMITTEE

The Board established the Audit Committee on 30 September 2002 with written terms of reference in accordance with the GEM Listing Rules. The Audit Committee currently consists of three independent non-executive Directors, namely Mr. Wong Chi Keung (chairperson), Ms. Chen Yan and Mr. Xu Haiou.

The terms of reference of the Audit Committee is currently made available on the GEM website and on the Company's website.

The Audit Committee shall meet not less than four times a year in accordance with its terms of reference. The principal duties of the Audit Committee are to review the quarterly, interim and annual reports and the financial statements of the Group and to review significant financial reporting judgements contained in them; oversee and review the financial reporting system, risk management and internal control systems of the Company; to review the financial and accounting policies and practices of the Group; and to make recommendation to the Board on the appointment, re-appointment and removal of the external auditor as well as to ensure independence of the continuing auditor and corporate governance related matters. The Audit Committee also discusses with the management the risk management and internal control systems to ensure effective systems are in place.

The Audit Committee held 5 meetings during the year ended 31 December 2016 and the attendance record of each member of the Audit Committee is set out in the table on page 38 of this annual report.

### 股東大會

截至二零一六年十二月三十一日止年度，本公司舉行了兩次股東大會，即於二零一六年一月二十八日舉行之本公司股東特別大會及二零一六年股東週年大會。各董事之出席記錄載於本年報第38頁之表格內。

### 審核委員會

董事會已於二零零二年九月三十日成立審核委員會，並採納符合創業板上市規則之明文職權範圍。現時審核委員會由三位獨立非執行董事組成，即黃之強先生(主席)、陳焰女士及許海鷗\*先生。

審核委員會之職權範圍現時可於創業板網站及本公司網站查閱。

根據其職權範圍，審核委員會應每年至少舉行四次會議。審核委員會之主要職責為審閱本集團之季度、中期及年度報告以及財務報表並審閱其中所載之重大財務申報判斷；監管並檢討本公司之財務申報系統、風險管理及內部監控系統；檢討本集團之財務及會計政策以及常規；就有關外部核數師之委任、續聘及免職以及確保續任核數師之獨立性，以及就本公司之企業管治事宜向董事會提出推薦意見。審核委員會亦會與管理層討論風險管理及內部監控系統，以確保有效的系統得以運作。

截至二零一六年十二月三十一日止年度，審核委員會共舉行了五次會議，各審核委員會成員之出席記錄載於本年報第38頁之表格內。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

During the year ended 31 December 2016, the Audit Committee had performed the following work:

- reviewed the financial matters, quarterly, interim and annual financial reports, financial statements, internal control system, and audit related matters of the Company;
- made recommendation on the re-appointment of ZHONGHUI ANDA CPA Limited as auditor of the Company and the terms of its engagement;
- reviewed corporate governance related matters;
- discussed the above as appropriate with the executive Directors, the management and the auditor of the Company, and made recommendations to the Board;
- discussed with the management the risk management and internal control systems to ensure effective systems are in place;
- discussed with the auditor of the Company the nature and scope of the audit, reporting obligations and audit planning before the audit commences; and
- considered and recommended to the Board the engagement of external professional party to review the internal control and risk management systems.

The audited financial statements for the year ended 31 December 2016 have been reviewed by the Audit Committee and approved for issue by the Board.

The Audit Committee reviewed the existing internal control and risk management systems of the Group and also noted that review of the same will be carried out annually.

截至二零一六年十二月三十一日止年度，審核委員會已執行以下工作：

- 審閱本公司之財務事宜、季度、中期及年度報告、財務報表、內部監控制度及審核相關事宜；
- 就重新委任中匯安達會計師事務所有限公司作為本公司之核數師及其委聘條款作出推薦意見；
- 審閱企業管治相關事宜；
- 與執行董事、管理層及本公司之核數師就上述事項(如適用)進行商討，並向董事會作出推薦意見；
- 與管理層討論風險管理及內部監控系統，以確保有效的系統得以運作；
- 在審核進行前與本公司核數師討論審核之性質及範圍、匯報責任及審核計劃；及
- 考慮並建議董事會委聘外部專業人士審閱內部控制及風險管理系統。

截至二零一六年十二月三十一日止年度之經審核財務報表已經審核委員會審閱並由董事會批准刊發。

審核委員會檢討本集團現有內部監控及風險管理系統及須每年就此進行檢討。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### REMUNERATION COMMITTEE

The Board established the Remuneration Committee on 12 April 2005 with written terms of reference in compliance with the GEM Listing Rules. The Remuneration Committee currently consists of two independent non-executive Directors, namely Mr. Xu Haiou (chairperson) and Mr. Chau Sen Chung and an executive Director, namely Mr. Chen Xi.

The terms of reference of the Remuneration Committee is currently made available on the GEM website and the Company's website.

According to its terms of reference, the Remuneration Committee shall meet at least once a year. The principal duties of the Remuneration Committee are to make recommendation to the Board on the Company's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration; to approve or make recommendation of remuneration packages for the Directors and the senior management; and to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time. The Remuneration Committee has adopted the approach made under B.1.2(c)(i) of the CG Code to determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management.

The Remuneration Committee held 6 meetings during the year ended 31 December 2016 and the attendance record of each member of the Remuneration Committee is set out in the table on page 38 of this annual report.

In addition to the Remuneration Committee meetings, the Remuneration Committee also dealt with matters by circulation during the year.

### 薪酬委員會

董事會已於二零零五年四月十二日成立薪酬委員會，並採納符合創業板上市規則之明文職權範圍。現時薪酬委員會由兩名獨立非執行董事，即許海鷗\*先生(主席)及周晨仲先生以及一名執行董事，即陳希先生組成。

薪酬委員會之職權範圍現時可於創業板網站及本公司網站查閱。

根據其職權範圍，薪酬委員會應每年至少舉行一次會議。薪酬委員會之主要職責為就本公司董事及高級管理層的全體薪酬政策及架構以及就設立一個正規而具透明度的程序制訂該等薪酬政策，向董事會提出推薦意見；批准或建議董事及高級管理層之薪酬待遇；及依據董事會不時議決之企業目標及宗旨檢討和批准按表現而釐定薪酬。薪酬委員會已採取企業管治守則第B.1.2(c)(i)條項下之方法按獲授之責任釐定個別執行董事及高級管理層之薪酬待遇。

截至二零一六年十二月三十一日止年度，薪酬委員會共舉行了六次會議，各薪酬委員會成員之出席記錄載於本年報第38頁之表格內。

除薪酬委員會舉行之會議之外，薪酬委員會於年內亦透過傳閱方式處理有關事項。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

During the year ended 31 December 2016, the Remuneration Committee performed the following work:

- reviewed the existing policy and structure of the remuneration for the Directors and senior management;
- considered and determined the remuneration packages of executive Directors; and
- recommended to the Board the remuneration packages for the proposed Directors.

The remuneration of the senior management (comprising Directors) of the Company for the year ended 31 December 2016, by band is set out below:

截至二零一六年十二月三十一日止年度，薪酬委員會已執行以下工作：

- 檢討董事及高級管理層薪酬之現有政策及架構；
- 考慮並釐定執行董事之薪酬待遇；及
- 向董事會建議獲提名董事之薪酬待遇。

截至二零一六年十二月三十一日止年度，本公司高級管理層（包括董事）之薪酬等級如下：

Remuneration Band	薪酬等級	Number of individuals	
		2016 二零一六年	2015 二零一五年
Nil	0 港元	1	4
HK\$1 to HK\$1,000,000	1 港元 — 1,000,000 港元	19	7
HK\$1,000,001 — HK\$1,500,000	1,000,001 港元 — 1,500,000 港元	1	2
HK\$1,500,001 — HK\$2,000,000	1,500,001 港元 — 2,000,000 港元	0	2
		<b>21</b>	<b>15</b>

## NOMINATION COMMITTEE

The Board established the Nomination Committee on 12 April 2005 with written terms of reference in compliance with the GEM Listing Rules. The Nomination Committee currently consists of two independent non-executive Directors, namely Ms. Chen Yan (chairperson) and Mr. Xu Haiou and an executive Director, namely Mr. Hu Qixian.

The terms of reference of the Nomination Committee is currently made available on the GEM website and the Company's website.

## 提名委員會

董事會已於二零零五年四月十二日成立提名委員會，並採納符合創業板上市規則之明文職權範圍。現時提名委員會由兩名獨立非執行董事，即陳焯女士（主席）及許海鷗\*先生以及一名執行董事，即胡其賢先生組成。

提名委員會之職權範圍現時可於創業板網站及本公司網站查閱。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

According to its terms of reference, the Nomination Committee shall meet at least once a year. The principal duties of the Nomination Committee are to review the structure, size, composition and diversity (including but not limited to skills, experience and background, geographical and industry experience, ethnicity, gender, knowledge and length of service) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; to identify individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorship; assess the independence of independent non-executive Directors; to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors; to review the Board Diversity Policy and the measurable objectives that the Board has set for implementing the Board Diversity Policy; to monitor the progress on achieving the objectives; and to make the relevant disclosure in the corporate governance report annually.

The Nomination Committee held 3 meetings during the year ended 31 December 2016 and the attendance record of each member of the Nomination Committee is set out in the table on page 38 of this annual report. In addition to the Nomination Committee meetings, the Nomination Committee also dealt with matters by way of circulation during the year.

During the year ended 31 December 2016, the Nomination Committee performed the following work:

- reviewed the Board's structure, size, composition and diversity;
- assessed the independence of the independent non-executive Directors;
- made recommendation to the Board on the re-election of retiring Directors at the 2016 AGM;
- made recommendation to the Board on the continuation in service of Mr. Leung Wo Ping *JP*, the then Director who has reached the age of 70;
- made recommendation of new Director candidates to the Board's approval; and
- made recommendation to the Board on the composition of Board committees.

根據其職權範圍，提名委員會應至少每年召開一次會議。提名委員會之主要職責包括至少每年檢討董事會之架構、規模、組成及多元化(包括但不限於技能、經驗及背景、地區及行業經驗、種族、性別、知識及服務年資)，並向董事會提出任何改動建議，借以配合本公司的企業策略；物色具備合適資格擔任董事會成員之個別人士，並就挑選提名董事之個別人士向董事會提供推薦意見；評估獨立非執行董事的獨立性；就委任或重新委任董事和董事繼任規劃等相關事宜向董事會提出推薦意見；檢討董事會多元化政策及董事會為實施董事會多元化政策而制定之可計量目標；監察達致目標之進度；以及每年就企業管治報告作出相關披露。

截至二零一六年十二月三十一日止年度，提名委員會共舉行了三次會議，各提名委員會成員之出席記錄載於本年報第38頁之表格內。除提名委員會舉行之會議外，提名委員會於年內亦透過傳閱方式處理有關事項。

截至二零一六年十二月三十一日止年度，提名委員會已執行以下工作：

- 檢討董事會之架構、規模、組成及多元化；
- 評估獨立非執行董事之獨立性；
- 就於二零一六股東週年大會上重選退任董事向董事會作出推薦意見；
- 就當時已年屆70歲的梁和平 *太平紳士* 之持續服務向董事會作出推薦意見；
- 向董事會推薦新董事人選供董事會批准；及
- 就董事委員會之組成向董事會作出推薦意見。

# CORPORATE GOVERNANCE REPORT

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Attendance records of the Directors and members of the Board committees for the year ended 31 December 2016 are set out below:

截至二零一六年十二月三十一日止年度董事及董事委員會成員出席會議之記錄載列如下：

		General Meeting 股東大會	Board Meeting 董事會會議	Audit Committee Meeting 審核委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Nomination Committee Meeting 提名委員會會議
<b>Total Number of Meetings</b>	<b>會議總次數</b>	2	8	5	6	3
<b>Executive Directors:</b>	<b>執行董事：</b>					
Tan Sri Dato' Lim Tong Yong (Note 1)	丹斯里拿督林東洋* (附註1)	1/1	5/6	—	—	—
Mr. Chen Rongbin (Note 2)	陳榮斌先生(附註2)	N/A 不適用	2/2	—	—	—
Mr. Qiu Bin (Note 3)	仇斌先生(附註3)	2/2	8/8	—	5/5	3/3
Mr. Gao Yang	高揚先生	2/2	7/8	—	—	—
Mr. Hu Qixian (Note 4)	胡其賢先生(附註4)	N/A 不適用	2/2	—	—	N/A 不適用
Mr. Chen Xi (Note 5)	陳希先生(附註5)	N/A 不適用	2/2	—	1/1	—
Mr. Xiao Yan (Note 6)	肖彥先生(附註6)	1/2	6/6	—	—	—
Mr. Li Tao (Note 6)	李濤先生(附註6)	0/2	4/6	—	—	—
Mr. Li Nan (Note 6)	李楠先生(附註6)	0/2	4/6	—	—	—
Mr. Yu Bun (Note 6)	俞斌先生(附註6)	0/2	1/6	—	—	—
Mr. Tan Xiangdong (Note 7)	譚向東先生(附註7)	N/A 不適用	N/A 不適用	—	—	—
<b>Non-Executive Director:</b>	<b>非執行董事：</b>					
Mr. Wang Kun (Note 8)	王坤先生(附註8)	2/2	8/8	—	—	—
<b>Independent Non-Executive Directors:</b>	<b>獨立非執行董事：</b>					
Mr. Wong Chi Keung (Note 9)	黃之強先生(附註9)	N/A 不適用	1/1	2/2	—	—
Ms. Chen Yan (Note 10)	陳焰女士(附註10)	N/A 不適用	2/2	3/3	—	N/A 不適用
Mr. Xu Haiou (Note 11)	許海鷗*先生(附註11)	N/A 不適用	2/2	3/3	1/1	N/A 不適用
Mr. Chau Sen Chung (Note 12)	周晨仲先生(附註12)	N/A 不適用	1/1	—	N/A 不適用	—
Mr. Leung Wo Ping JP (Note 13)	梁和平太平紳士(附註13)	1/2	6/6	2/2	5/5	3/3
Mr. Hu Dingdong (Note 14)	胡定東先生(附註14)	0/2	6/6	2/2	4/5	3/3
Mr. Lei Yong (Note 15)	雷勇先生(附註15)	2/2	6/6	2/2	—	—
Mr. Chiu Chi Kong (Note 16)	趙志剛先生(附註16)	1/2	5/6	—	—	—
Mr. Chan Fong Kong Francis (Note 17)	陳方剛先生(附註17)	N/A 不適用	1/1	1/1	1/1	—

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Notes:

1. Tan Sri Dato' Lim Tong Yong has been appointed as an executive Director with effect from 17 February 2016. His attendances above were stated by reference to the number of meetings held during his tenure.
2. Mr. Chen Rongbin has been appointed as an executive Director with effect from 21 July 2016. His attendances above were stated by reference to the number of meetings held during his tenure.
3. Mr. Qiu Bin ceased to be a member of each of the Nomination Committee and Remuneration Committee with effect from 20 June 2016. His attendances at the meetings of the Nomination Committee and Remuneration Committee above were stated by reference to the number of meetings held during his tenure.
4. Mr. Hu Qixian has been appointed as an executive Director with effect from 1 June 2016. In addition, he has been appointed as a member of the Nomination Committee with effect from 20 June 2016. His attendances above were stated by reference to the number of meetings held during his tenure.
5. Mr. Chen Xi has been appointed as an executive Director with effect from 1 June 2016. In addition, he has been appointed as a member of the Remuneration Committee with effect from 20 June 2016. His attendances above were stated by reference to the number of meetings held during his tenure.
6. Each of Mr. Xiao Yan, Mr. Li Tao, Mr. Li Nan and Mr. Yu Bun retired as an executive Director with effect from the conclusion of the 2016 AGM. Their attendances above were stated by reference to the number of meetings held during their tenure.
7. Mr. Tan Xiangdong has been appointed as an executive Director with effect from 1 June 2016 and resigned on 24 June 2016. No meeting was held during his tenure.
8. Mr. Wang Kun resigned as a non-executive Director with effect from 15 December 2016. His attendances above were stated by reference to the number of meetings held during his tenure.

### 附註：

1. 丹斯里拿督林東洋\*已獲委任為執行董事，自二零一六年二月十七日起生效。上述彼之出席記錄乃參照其任期內舉行會議之數目列示。
2. 陳榮斌先生已獲委任為執行董事，自二零一六年七月二十一日起生效。上述彼之出席記錄乃參照其任期內舉行會議之數目列示。
3. 仇斌先生自二零一六年六月二十日起不再為提名委員會及薪酬委員會各自之成員。上述彼之出席提名委員會及薪酬委員會會議之記錄乃參照其任期內舉行會議之數目列示。
4. 胡其賢先生已獲委任為執行董事，自二零一六年六月一日起生效。此外，彼已獲委任為提名委員會成員，自二零一六年六月二十日起生效。上述彼之出席記錄乃參照其任期內舉行會議之數目列示。
5. 陳希先生已獲委任為執行董事，自二零一六年六月一日起生效。此外，彼已獲委任為薪酬委員會成員，自二零一六年六月二十日起生效。上述彼之出席記錄乃參照其任期內舉行會議之數目列示。
6. 肖彥先生、李濤先生、李楠先生及俞斌先生各自均已退任執行董事，自二零一六年股東週年大會結束起生效。上述彼等之出席記錄乃參照彼等任期內舉行會議之數目列示。
7. 譚向東先生已獲委任為執行董事，自二零一六年六月一日起生效，並於二零一六年六月二十四日辭任。彼之任期內並無召開任何會議。
8. 王坤先生已辭任非執行董事，自二零一六年十二月十五日起生效。上述彼之出席記錄乃參照其任期內舉行會議之數目列示。

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9. Mr. Wong Chi Keung has been appointed as an independent non-executive Director and the chairperson of the Audit Committee with effect from 17 October 2016. His attendances above were stated by reference to the number of meetings held during his tenure.
10. Ms. Chen Yan has been appointed as an independent non-executive Director with effect from 15 June 2016. In addition, she has been appointed as the chairperson of the Nomination Committee and a member of the Audit Committee with effect from 20 June 2016. Her attendances above were stated by reference to the number of meetings held during her tenure.
11. Mr. Xu Haiou has been appointed as an independent non-executive Director with effect from 15 June 2016. In addition, he has been appointed as the chairperson of the Remuneration Committee and a member of each of the Audit Committee and Nomination Committee with effect from 20 June 2016. His attendances above were stated by reference to the number of meetings held during his tenure.
12. Mr. Chau Sen Chung has been appointed as an independent non-executive Director and a member of the Remuneration Committee with effect from 31 August 2016. His attendances above were stated by reference to the number of meetings held during his tenure.
13. Mr. Leung Wo Ping *JP* resigned as an independent non-executive Director with effect on 20 June 2016 and ceased to be the chairperson of each of the Audit Committee, Nomination Committee and Remuneration Committee following his resignation. His attendances above were stated by reference to the number of meetings held during his tenure.
14. Mr. Hu Dingdong resigned as an independent non-executive Director with effect from 20 June 2016 and ceased to be a member of each of the Audit Committee, Nomination Committee and Remuneration Committee following his resignation. His attendances above were stated by reference to the number of meetings held during his tenure.
15. Mr. Lei Yong resigned as an independent non-executive Director with effect from 8 June 2016 and ceased to be a member of the Audit Committee following his resignation. His attendances above were stated by reference to the number of meetings held during his tenure.
16. Mr. Chiu Chi Kong resigned as an independent non-executive Director with effect from 8 June 2016. His attendances above were stated by reference to the number of meetings held during his tenure.
9. 黃之強先生已獲委任為獨立非執行董事及審核委員會主席，自二零一六年十月十七日起生效。上述彼之出席記錄乃參照其任期內舉行會議之數目列示。
10. 陳焯女士已獲委任為獨立非執行董事，自二零一六年六月十五日起生效。此外，彼已獲委任為提名委員會主席及審核委員會成員，自二零一六年六月二十日起生效。上述彼之出席記錄乃參照其任期內舉行會議之數目列示。
11. 許海鷗\*先生已獲委任為獨立非執行董事，自二零一六年六月十五日起生效。此外，彼已獲委任為薪酬委員會主席及審核委員會及提名委員會各自之成員，自二零一六年六月二十日起生效。上述彼之出席記錄乃參照其任期內舉行會議之數目列示。
12. 周晨仲先生已獲委任為獨立非執行董事及薪酬委員會成員，自二零一六年八月三十一日起生效。上述彼之出席記錄乃參照其任期內舉行會議之數目列示。
13. 梁和平<sup>太平紳士</sup>已辭任獨立非執行董事，自二零一六年六月二十日起生效，彼於其辭任後不再為審核委員會、提名委員會及薪酬委員會各自之主席。上述彼之出席記錄乃參照其任期內舉行會議之數目列示。
14. 胡定東先生已辭任獨立非執行董事，自二零一六年六月二十日起生效，彼於其辭任後不再為審核委員會、提名委員會及薪酬委員會各自之成員。上述彼之出席記錄乃參照其任期內舉行會議之數目列示。
15. 雷勇先生已辭任獨立非執行董事，自二零一六年六月八日起生效，彼於其辭任後不再為審核委員會之成員。上述彼之出席記錄乃參照其任期內舉行會議之數目列示。
16. 趙志剛先生已辭任獨立非執行董事，自二零一六年六月八日起生效。上述彼之出席記錄乃參照其任期內舉行會議之數目列示。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

17. Mr. Chan Fong Kong Francis has been appointed as an independent non-executive Director with effect from 1 June 2016 and was subsequently appointed as a member of the Audit Committee on 8 June 2016. On 20 June 2016, he has been redesignated as the chairperson of the Audit Committee and appointed as a member of the Remuneration Committee. Mr. Chan Fong Kong Francis resigned as an independent non-executive Director on 31 August 2016 and ceased to be the chairperson of the Audit Committee and a member of the Remuneration Committee following his resignation. His attendances above were stated by reference to the number of meetings held during his tenure.

The Board is responsible for maintaining an on-going dialogue with the Shareholders and in particular, uses annual general meetings or other general meetings to communicate with them and encourage their participation.

## TRAINING AND SUPPORT FOR DIRECTORS

Directors must keep abreast of their collective responsibilities. Each newly appointed Director would receive an induction package covering the Group's businesses and the statutory and regulatory obligations of a director of a listed company. According to the code provision A.6.5 of the CG Code, all directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the board remains informed and relevant.

The Group provides briefings and other training to develop and refresh the Directors' knowledge and skills. The Group also continuously updates Directors on the latest developments regarding the GEM Listing Rules and other applicable regulatory requirements, to ensure compliance and enhance their awareness of good corporate governance practices. Circulars or guidance notes are issued to Directors and senior management where appropriate, to ensure awareness of best corporate governance practices.

17. 陳方剛先生已獲委任為獨立非執行董事，自二零一六年六月一日起生效，並其後於二零一六年六月八日獲委任為審核委員會成員。於二零一六年六月二十日，彼調任為審核委員會主席並獲委任為薪酬委員會成員。於二零一六年八月三十一日，陳方剛先生辭任獨立非執行董事，並於其辭任後不再為審核委員會主席及薪酬委員會成員。上述彼之出席記錄乃參照其任期內舉行會議之數目列示。

董事會負責保持與股東之持續對話，特別是利用股東週年大會或其他股東大會與彼等溝通及鼓勵彼等參與。

## 董事之培訓及支援

董事必須清楚彼等之整體責任。每名新委任之董事均會獲提供有關本集團業務及上市公司董事法定及監管責任之就任須知。根據企業管治守則之守則條文第A.6.5條，所有董事須持續參與專業發展以獲取及提升彼等之知識及技能，確保彼等對董事會作出知情及相關貢獻。

本集團提供簡介及其他培訓，讓董事學習及更新知識及技能。本集團亦持續提供有關創業板上市規則及其他適用監管規定之最新資訊予董事，以確保董事遵守該等規則及提高彼等對良好企業管治常規之認識，並向董事及高級管理層發出通函或指引（倘合適），以確保瞭解最佳企業管治常規。

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## 企業管治報告

All Directors have participated in continuous professional development and provided a record of training they received for the year ended 31 December 2016 to the Company. The individual training record of each Director received for the year ended 31 December 2016 is set out below:

所有董事已參與持續專業發展及向本公司提供彼等於截至二零一六年十二月三十一日止年度接受之培訓記錄。截至二零一六年十二月三十一日止年度每名董事所接受個人培訓之記錄載列如下：

Name of Directors 董事名稱		Type of Trainings 培訓類別 (Note) (附註)
Tan Sri Dato' Lim Tong Yong ( <i>Chairman</i> )	丹斯里拿督林東洋* ( <i>主席</i> )	A,B
Mr. Chen Rongbin ( <i>Vice Chairman and Chief Executive Officer</i> )	陳榮斌先生 ( <i>副主席及行政總裁</i> )	A,B
Mr. Qiu Bin	仇斌先生	B
Mr. Gao Yang	高揚先生	B
Mr. Hu Qixian	胡其賢先生	A,B
Mr. Chen Xi	陳希先生	A,B
Mr. Wong Chi Keung	黃之強先生	A,B
Ms. Chen Yan	陳焯女士	A,B
Mr. Xu Haiou	許海鷗* 先生	A,B
Mr. Chau Sen Chung	周晨仲先生	A,B

Notes:

附註：

- A: attending seminars and/or conference and/or forums on subjects relating to directors' duties and corporate governance
- B: reading newspaper, journals and updates as regards legal and regulatory changes and matters of relevance to the Directors in the discharge of their duties

- A: 出席主題為有關董事職責及企業管治之研討會及／或會議及／或答問會
- B: 閱讀有關董事在法律及監管變動及有關事宜所執行職責之報章、期刊及最新資訊

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CONFLICT OF INTEREST

If a Director has a conflict of interest in relation to a transaction or proposal to be considered by the Board, the individual is required to declare such interest and to abstain from voting. The matter will be considered at a Board meeting attended by Directors who have no material interest in the transaction.

### COMPANY SECRETARY

The Company engaged an external professional company secretarial services provider, Uni-1 Corporate Services Limited (“Uni-1”), to provide compliance and full range of company secretarial services to the Group in order to assist the Group to cope with the changing regulatory environment and to suit difference commercial needs.

Mr. Tse Kam Fai (“Mr. Tse”), the representative of Uni-1, was appointed as the Company Secretary of the Company with effect from 1 January 2014.

Mr. Wong Chi Shing, the Financial Controller of the Company, is the primary point of contact at the Company for the Company Secretary.

According to the requirements of Rule 5.15 of the GEM Listing Rules, Mr. Tse, being a person who was a company secretary of an issuer before 31 December 1994, will take no less than 15 hours of relevant professional training for the financial year commencing on 1 January 2017.

### DIRECTORS’ AND OFFICERS’ INSURANCE

The Company has arranged appropriate insurance cover in respect of potential legal actions against its Directors and officers.

### 利益衝突

若董事於董事會將予審議之交易或建議中存在利益衝突，該董事須申報有關利益及放棄投票。有關事項將經出席董事會會議之董事審議，彼等於交易中並無任何重大利益。

### 公司秘書

本公司聘請外部專業公司秘書服務提供商統一企業服務有限公司（「統一」），向本集團提供合規及全方位公司秘書服務，以協助本集團應對不斷變化的監管環境及適應不同商業需求。

統一之代表謝錦輝先生（「謝先生」）已獲委任為本公司之公司秘書，自二零一四年一月一日起生效。

本公司財務總監黃智成先生為本公司與公司秘書的主要聯絡人員。

根據創業板上市規則第5.15條之規定，謝先生（於一九九四年十二月三十一日前為一名發行人之公司秘書）將於二零一七年一月一日開始之財政年度參加不少於十五個小時的相關專業培訓。

### 董事及高級職員之保險

本公司已就其董事及高級職員可能面對之法律行動作出適當之投保安排。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### REMUNERATION OF DIRECTORS

The Company adopted a share option scheme on 30 December 2011 (the "Share Option Scheme"). The purpose of the Share Option Scheme is to enable the Group to grant options to participants as incentives or rewards for their contributions to the Group. Details of the Share Option Scheme are set out in the Report of Directors and note 39 to the consolidated financial statements.

The emoluments payable to Directors and senior management will depend on their respective contractual terms under the service contracts and is fixed by the Board with reference to the recommendation of the Remuneration Committee (in case of non-executive Directors) and their duties and responsibilities within the Company or determined by the Remuneration Committee (in case of executive Directors) with reference to their duties and responsibilities within the Company. Details of the remuneration of the Directors are set out in note 14 to the consolidated financial statements.

### AUDITOR'S REMUNERATION

For the year ended 31 December 2016, the total fees in respect of audit and non-audit services provided by ZHONGHUI ANDA CPA Limited, the auditor of the Company, are set out as follows:

Services rendered		Fee paid/payable
服務類別		已付／應付
		HK\$'000
		千港元
Audit Services	核數服務	1,180
Non-audit services	非核數服務	—

### 董事酬金

本公司於二零一一年十二月三十日採納購股權計劃(「購股權計劃」)。購股權計劃旨在令本集團可向參與者授出購股權，作為彼等對本集團所作貢獻之獎勵或回報。購股權計劃詳情載於董事會報告及綜合財務報表附註39。

向董事及高級管理層支付之酬金視乎服務合約項下彼等各自之合約條款及由董事會參考薪酬委員會之建議(如為非執行董事)以及彼等於本公司之職責及責任後作出決定，或由薪酬委員會(如為執行董事)參考彼等於本公司之職責及責任後釐定。董事薪酬詳情載於綜合財務報表附註14。

### 核數師酬金

截至二零一六年十二月三十一日止年度，就本公司核數師中匯安達會計師事務所有限公司提供的核數及非核數服務總費用載列如下：



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### SHAREHOLDERS' RIGHTS

The general meetings of the Company provide an opportunity for communication between the Shareholders and the Board. An annual general meeting of the Company shall be held in each year and at the place as may be determined by the Board. Each general meeting, other than an annual general meeting, shall be called a special general meeting. The Board may whenever it thinks fit call special general meetings.

#### *Shareholders to convene a special general meeting*

Shareholders may convene a special general meeting of the Company according to the provisions as set out in the Bye-Laws and the Companies Act of Bermuda. Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Companies Act of Bermuda.

#### *Putting enquiries by Shareholders to the Board*

Shareholders may send written enquiries to the Company for the attention of the Company Secretary at the Company's principal place of business in Hong Kong.

### 股東權利

本公司股東大會為股東及董事會提供溝通之機會。本公司股東週年大會須每年舉行一次，地點由董事會釐定。股東週年大會以外之各股東大會均稱為股東特別大會。董事會可在其認為適當時召開股東特別大會。

#### *股東召開股東特別大會*

根據公司細則所載之條文及百慕達公司法，股東可召開本公司股東特別大會。於提出開會要求當日有權在本公司股東大會投票之本公司實繳股本不少於十分之一之股東，有權隨時透過向董事會或本公司秘書發出書面要求，要求董事會召開股東特別大會，以處理該書面要求內指定之任何事務；而該會議須於有關要求發出後兩個月內舉行。如董事會未能於接獲有關要求後二十一日內召開有關會議，發出要求者可自行按照百慕達公司法第74(3)條之規定行事。

#### *股東向董事會提出詢問*

股東可於本公司之香港主要營業地點向本公司發出書面查詢，以提請公司秘書垂注。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### *Procedures for putting forward proposals by Shareholders at Shareholders' meeting*

The number of members necessary for a requisition for putting forward a proposal at a general meeting shall be:

- (a) any number of members representing not less than one-twentieth of the total voting rights at the date of the requisition; or
- (b) not less than one hundred members.

A copy or copies of requisition signed by all requisitionists shall be deposited, with a sum reasonably sufficient to meet the Company's expenses in giving notice of the proposed resolution or circulating any necessary statement, at the Company's registered office in the case of:

- (i) a requisition requiring notice of a resolution, not less than six weeks before the meeting; and
- (ii) any other requisition, not less than one week before the meeting.

The Company will verify the requisition and upon confirmation that the requisition is in proper and in order, the Board will proceed with the necessary procedures.

### PREPARATION OF FINANCIAL STATEMENTS

The respective responsibilities of the Directors and the auditor for preparing financial statements of the Company are set out in the "Independent Auditor's Report" on pages 83 to 90 of this annual report.

### *股東於股東大會上提呈決議案之程序*

於股東大會上提呈決議案所需之股東人數須為：

- (a) 代表不少於請求書日期總投票權之二十分之一之任何股東人數；或
- (b) 不少於一百名股東。

所有請求人簽署之請求書副本或多份副本，連同合理足以支付本公司發出有關建議決議案之通告或傳閱任何必要聲明所需費用之款項，應於下列時間內遞交本公司之註冊辦事處：

- (i) 倘屬需發出決議案通告之請求書，須於有關會議舉行前不少於六個星期；及
- (ii) 倘屬任何其他請求書，須於有關會議舉行前不少於一個星期。

本公司將核實有關請求書，一旦確認有關請求屬合適及妥當，董事會將繼續進行必要之程序。

### 編製財務報表

董事及核數師各自就編製本公司財務報表之責任載列於本年報第83至90頁之「獨立核數師報告」內。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Directors acknowledge their responsibility for the preparation of the financial statements of the Group and ensure that the financial statements are prepared in accordance with statutory requirements and applicable accounting standards. The Directors also ensure the timely publication of the financial statements of the Group. The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, they are not aware of any matters uncertainly relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

## INTERNAL CONTROL AND RISK MANAGEMENT

### *The Board's Responsibilities for the Risk Management and Internal Control Systems*

The Board acknowledges its responsibility for overseeing the risk management and internal control systems of the Group and reviewing their effectiveness at least annually through the Audit Committee. However, the Board recognizes that no cost effective internal control and risk management systems will preclude all errors and irregularities, as such systems are designed to manage, rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

### *Main Features of the Risk Management and Internal Control Systems*

The Company recognises that good risk management is essential for the long-term and sustainable growth of a business. The Board puts particular emphasis on determining the risk-tolerance levels in achieving the Group's strategic objectives while the management is responsible for the design, implementation and maintenance of a sound and effect internal control systems under its risk management mechanism. The Company has adopted "Three Lines of Defense" model to identify, assess and mitigate different type of risks, model of which are set out below:

董事知悉其負責編製本集團之財務報表，並確保有關財務報表乃根據法定規定及適用會計準則編製。董事亦確保本集團財務報表獲適時公佈。董事確認，經作出一切合理查詢後，就彼等所知、所悉及所信，彼等並不知悉任何可能會對本公司持續經營能力造成重大疑慮之事件或情況之不確定因素。

## 內部監控及風險管理

### *董事會就風險管理及內部監控制度所承擔之責任*

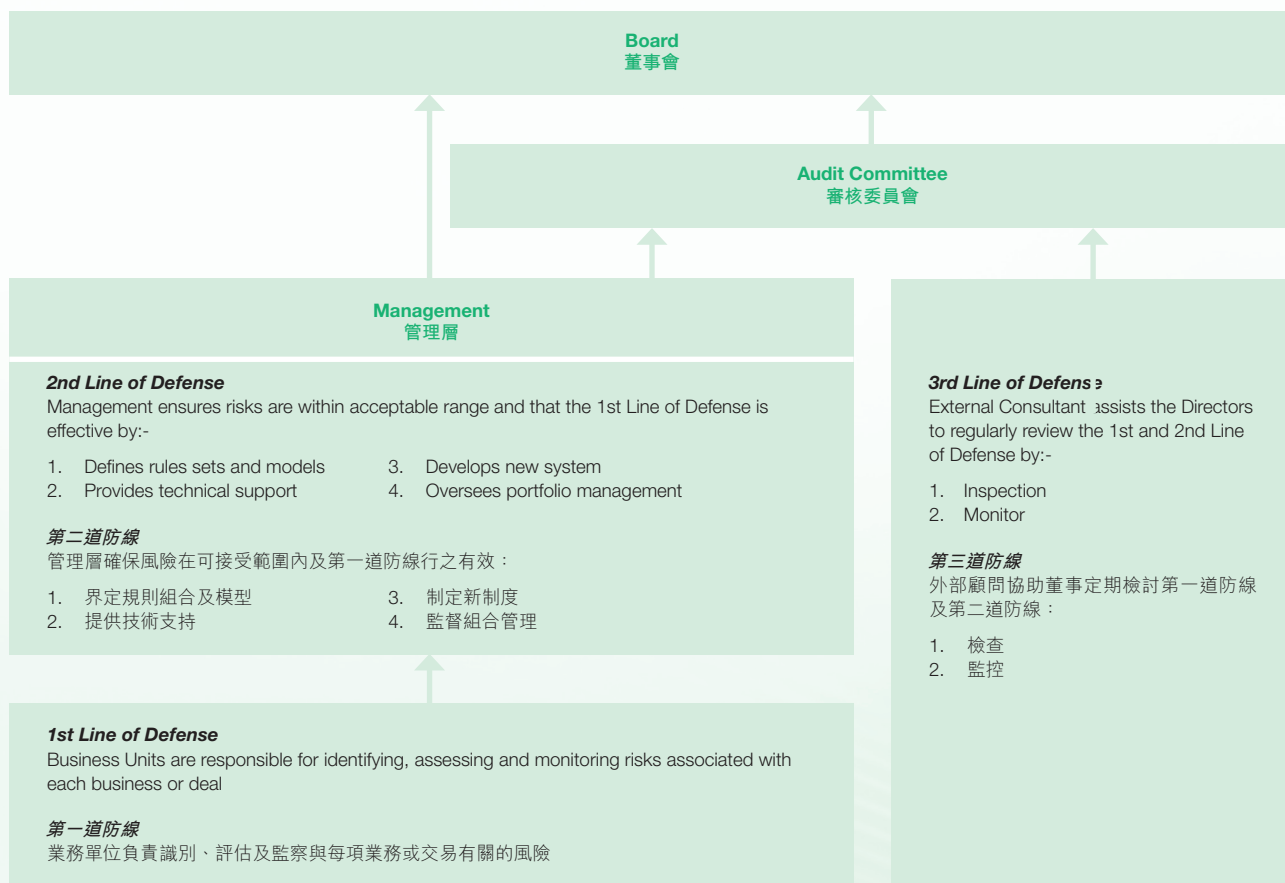
董事會確認其有責任監察本集團風險管理及內部監控制度，並透過審核委員會至少每年檢討其成效。然而，董事會確認，並無具成本效益又可排除所有錯誤及違規情況之內部監控及風險管理制度。該等制度設定乃為管理未能達致業務目標之風險而非排除該等風險，且僅能為防止重大失實陳述或損失提供合理而非絕對之保證。

### *風險管理及內部監控制度之主要特點*

本公司深明良好風險管理對業務的長期可持續發展至為重要。董事會於實現本集團之策略目標時尤其著重釐定風險承受能力。同時管理層負責制定、實施及維持健全有效的內部監控制度，並以之為風險管理框架的基礎。本公司採納「三道防線」模式以識別、評估及降低不同類別風險，該模型載列如下：

# CORPORATE GOVERNANCE REPORT

## 企業管治報告



### Process used to Identify, Evaluate and Manage Significant Risks

### 識別、評估及管理重大風險之程序

- |  |   |
|--|---|
| <p>(1) Establish and update the risk assessment criteria and relevant risk items.</p>  | <p>(1) 建立及更新風險評估標準及相關風險項目。</p>                      |
| <p>(2) Review the existing risk management mechanism, identify areas for enhancement and refine the mechanism if necessary.</p>  | <p>(2) 檢討現有風險管理框架，識別可改進之處及在必要情況下優化該框架。</p>          |
| <p>(3) Identify relevant risks and update the identified risks in the risk register in response to the changes in the Company's business and the external environment.</p> | <p>(3) 識別相關風險及於風險登記表內更新已識別風險，以應對本公司業務及外部環境變化。</p>   |
| <p>(4) Rating for the impacts and inherent likelihood of each identified risks, priorities the identified risk items and identify the responsible risk owners.</p>         | <p>(4) 評定各已識別風險之影響及固有可能性，優先處理已識別風險項目及識別責任風險擁有人。</p> |

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

- (5) Analyse the counter measures which have been put in the risk response (ranking) table based on risk priorities.

All high risk items should be reduced or eliminated by mitigation actions while all medium risk items should be considered for mitigation which subject to a cost benefit analysis.

- (6) Estimate the initial and ongoing costs for mitigation by comparing with the estimate cost of non-mitigation and consider all risk mitigation options.

Once the decision to mitigate the risk has been made and the strategy is identified of each risk item, a mitigation plan should be developed.

- (7) Prepare for the risk assessment results, which covers significant control failings or weaknesses that have been identified, which have a material impact on the Company's financial performance or condition, and present the same to the Audit Committee.

- (8) Develop the ongoing risk mitigation plan for the top prioritised (significant) risk items based on the risk assessment results.

- (5) 根據風險優先處理順序就風險應對(等級)表內之風險分析應對措施。

所有高風險項目應透過降低措施減少或消除，而所有中等風險項目應考慮降低，其取決於成本效益分析。

- (6) 透過比較並無降低與考慮降低所有風險兩種選擇之估計成本估計初步及持續降低之成本。

一旦作出降低風險之決定，則須制定識別各風險項目之策略及相關降低計劃。

- (7) 編製風險評估結果，其涵蓋已識別的對本公司的財務表現或狀況有重大影響之重大監控過失或缺失，同時將其呈報予審核委員會。

- (8) 根據風險評估結果，就首要(重大)風險項目制定持續風險降低計劃。

### Whistleblowing Policy

All staff is considered to be an informal monitor. The Group relies on each of its employee, at all levels, to monitor quality, ethics and professional and the Group's standards. The Group listens to employee concerns, receives recommendations for improving the Group's practices and controls and announces timely communications on policy changes and other matters of the Group.

### 舉報政策

所有員工均被視為非正式監控。本集團依賴各僱員從所有層面監控本集團準則之質素、道德性及專業性。本集團積極聆聽僱員的關注，收集建議以提升本集團的實踐及監控，並就本集團政策變動及其他事宜及時刊發通訊。

## CORPORATE GOVERNANCE REPORT 企業管治報告

In addition, the Audit Committee establishes a whistleblowing policy, whereby employees and those who deal with the Company to raise concerns about possible improprieties in any matter relating to the Company without fear of reprisal or victimization, in a responsible and effective manner. Written complaints can be lodged directly to the chairman of the Audit Committee and/or make a copy to the chief financial controller of the Company (if applicable). The chairman of the Audit Committee will then convene a meeting to decide whether and/or how to carry out any necessary investigation and, depending upon the circumstances, consider to nominate investigating officer or set up a special committee to investigate the matter independently.

### **Process used to Review the Effectiveness of the Risk Management and Internal Control Systems and to Resolve Material Internal Control Defects**

Risk Assessment report and internal control review report are submitted to the Audit Committee and the Board annually. The Board, through the Audit Committee, had performed annual review on the effectiveness of the Group's risk management and internal control systems, including, but not limited to, (i) the changes in the nature and extent of significant risks and the Company's ability to respond to changes in its business and the external environment, (ii) the scope and quality of management's ongoing monitoring of risks and of the internal control systems, (iii) the extent and frequency of communication of monitoring results to the Audit Committee and the Board which enables them to assess control of the Company and the effectiveness of risk management, (iv) significant control failings or weaknesses that have been identified, and (v) the effectiveness of the Company's processes for financial reporting and GEM Listing Rules compliance.

Save as the internal control weakness over its investment function, the Board considered the risk management and internal control systems are effective and adequate for the year ended 31 December 2016. No significant areas of concern that might affect the financial, operational, compliance controls, and risk management functions of the Group were identified. The scope of such review covers the adequacy of resources, qualification and experience of staff of the Group's accounting and financial reporting functions and their attitude against internal control of the Group.

此外，審核委員會設立一項舉報政策，據此，僱員及與本公司有往來之人士可毋須畏懼遭報復或迫害以負責任及有效的方式提出對有關本公司的任何可能的不當事宜的關注。書面投訴可直接提交予審核委員會主席及／或將書面投訴之副本提交予本公司財務總裁（倘適用）。審核委員會主席屆時將召開會議決定是否及／或如何展開任何必要之調查及（視具體情況）考慮提名調查人員或設立特別委員會以獨立調查有關事項。

### **檢討風險管理及內部監控制度有效性之程序及解決重大內部監控缺失之程序**

每年向審核委員會及董事會提交風險評估報告及內部監控檢討報告。董事會透過審核委員會對本集團之風險管理及內部監控制度之有效性進行年度檢討，其包括但不限於(i)重大風險的性質及程度變動及本公司於業務及外部環境出現變動時的應變能力；(ii)管理層持續監控風險及內部監控制度的工作範圍及質素；(iii)向審核委員會及董事會傳達監控結果之詳盡程度及次數，其可令彼等瞭解本公司之監控及風險管理有效性；(iv)已識別的重大監控失誤或缺失；及(v)本公司財務報告及遵守創業板上市規則合規性的程序的有效性。

除有關其投資職能之內部監控缺失外，董事會認為截至二零一六年十二月三十一日止年度風險管理及內部監控制度行之有效及充足。並無已識別之重大關注領域可能影響本集團之財務、營運、合規監控及風險管理職能。此次檢討範圍涵蓋有關本集團會計、財務報告職能方面的資源、員工資質及經驗之充足性以及彼等對本集團內部監控之態度。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

In view of the above weaknesses, the Company has engaged an internal control adviser to review the internal control system of the Group, in particular, the internal control over the investment in other corporations, and is now formulating precautionary measures and policies to prevent the occurrence of similar incidents in the future.

### **Procedures and Internal Controls for the Handling and Dissemination of Inside Information**

With respect to procedures and internal controls for the handling and dissemination of inside information, the Company is aware of the relevant obligations under the SFO and the GEM Listing Rules. Certain reasonable measures have been taken from time to time to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group, which include:

- dissemination of information should be absolutely limited to the stated purpose and the core members within the Group who are responsible for or involved with the project or the matter in question. In addition, documents and files containing inside information must be kept in a safe place to which access is restricted to individuals who “need to know” the information.
- a record documenting the distribution of the information including the identity of the recipients and the time of dispatch should be kept.
- transmission of electronic file containing inside information must be made under secure condition. Computer terminals must not be left logged on and unattended where they can be accessed by others.
- unnecessary copying of documents containing inside information must be avoided. Extra copies of such documents must be promptly removed from meeting rooms and work areas after meetings and discussions and destroyed if no longer required.

考慮到上述缺失，本公司已委聘內部監控顧問，檢討本集團之內部監控系統，尤其是有關於其他公司投資之內部監控，且現正制定預防措施及政策，以防止未來發生類似情況。

### **處理及發佈內幕信息之程序和內部控制措施**

在處理及發佈內幕信息的程序及內部監控方面，本公司知悉證監會及創業板上市規則下的相關責任。本公司不時採取若干合理措施，確保存在適當的保障步驟防止違反有關本集團的披露規定，包括：

- 消息的發佈僅僅限於消息所示之目的及本集團負責或參與項目或相關問題的核心成員。此外，載有內幕消息的文件及文檔須妥善存置於安全地方，嚴禁希望獲取有關消息的人士出入。
- 妥善存置記錄收件人身份及寄發時間等有關消息分發的文件。
- 發送載有內幕消息的電子文檔時須確認是否安全。相關人員離開時，不得任由計算機終端處於登錄及無人看護狀態，以防他人接觸。
- 避免在非必需情況下複製載有內幕消息的文件。會議及討論過後，會議室及工作區域必須及時撤走及銷毀（如不再需要）有關文件的多餘副本。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### *Internal Audit Function*

The Company has conducted an annual review and is of the view that an internal audit department could enhance the effectiveness of its internal control function.

The Company is undertaking preparatory work for the setting up of the internal audit department.

### *內部審核職能*

本公司已進行年度審閱，並認為內部審核部門可提升其內部監控職能之有效性。

本公司現正著手準備成立內部審核部門。

### CONSTITUTIONAL DOCUMENTS

There is no change in the Company's constitutional documents during the year ended 31 December 2016.

### 組織章程文件

截至二零一六年十二月三十一日止年度，本公司之組織章程文件概無任何變動。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### FOREWORD

The Group primarily adopt the principles and bases of the Environmental, Social and Governance Reporting Guide (the “**ESG Reporting Guide**”) as set out in Appendix 20 to the GEM Listing Rules, with an aim to establish a sound environmental, social and governance structure.

This report comprises the review of environment, social and governance areas, which sets out the Group's policies and practices as well as certain major subsidiaries of the Company's policies and practices in respect of three environmental aspects and eight social aspects in accordance with ESG Reporting Guide for the year from 1 January 2016 to 31 December 2016 (the “**Year 2016**”). This report is designed to allow the Company's stakeholders, such as Shareholders, investors, customers, suppliers, employees, creditors, regulators and the general public to have a comprehensive understanding of the long-term sustainability information of the Group. The Group seeks to balance the views and interests of these stakeholders through constructive conversation with a view to setting the course for long term prosperity.

The Group is principally engaged in digital cable television business, wireless digital television value-added services and wireless digital audio integrated circuits business.

The Group has maintained a head office in Hong Kong, as well as several offices located in Shenzhen, Beijing and Shi jia Zhuang, Xinji, Dongguang and Qing County in Hebei Province of the PRC.

The Group's major revenues are generated from two major subsidiaries, named Beijing Yaa Boshi Technology Co. Ltd. (北京亞澳博視技術有限公司) (“**Beijing Yaa**”) and Beijing Champion Maxiumic Technology Co., Ltd (北京中澤明芯科技有限公司) (“**Beijing Champion Maxiumic**”), which are engaged in digital cable television business and wireless digital television value-added services business respectively. The head office in Hong Kong (the “**HK Office**”), a PRC main office in Beijing (the “**Hengxin BJ Office**”) and a branch office of Beijing Yaa in Qing County (the “**Qing Office**”) are considered as the major business locations of the Group.

### 序言

本集團主要採納創業板上市規則附錄二十所載之環境、社會及管治報告指引(「**環境、社會及管治報告指引**」)之原則及指引，旨在構建良好之環境、社會及管治架構。

本報告包括對環境、社會及管治領域之審閱，當中載有本集團於二零一六年一月一日至二零一六年十二月三十一日止年度(「**二零一六年度**」)，根據環境、社會及管治報告指引就三個環境方面及八個社會方面之政策及慣例以及本公司若干主要附屬公司之政策及慣例。本報告旨在讓股東、投資者、客戶、供應商、僱員、債權人、監管機構及一般大眾等本公司利益相關者全面了解本集團之長期可持續發展資訊。本集團致力於通過建設性交流以尋求該等利益相關者之觀點與利益之平衡，旨在為長期繁榮指明方向。

本集團主要從事有線數位電視業務、無線數位電視增值服務及無線數位音頻芯片業務。

本集團於香港設有總辦事處，並於中國深圳、北京及河北省石家莊、辛集縣、東光縣及青縣設有多個辦事處。

本集團之主要收益來自兩家主要附屬公司，即北京亞澳博視技術有限公司(「**北京亞澳**」)及北京中澤明芯科技有限公司(「**北京中澤明芯**」)，兩家公司分別從事有線數位電視業務及無線數位電視增值服務業務。本集團之主要營業地點為位於香港之總辦事處(「**香港辦事處**」)、位於北京之中國主要辦事處(「**恒芯北京辦事處**」)及位於青縣之北京亞澳分辦事處(「**青縣辦事處**」)。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### EMISSIONS

As mentioned above, the Group is principally engaged in digital cable television business and wireless digital television value-added services business. Hence, the emission relating to air and greenhouse gas emissions, discharges into the water and land, as well as generation of hazardous and non-hazardous wastes are minimal as compared to mining or manufacturing business in the Year 2016.

During the Year 2016, the major emissions of the HK Office, Hengxin BJ Office and Qing Office were: (i) the fuel consumed, kilometres travelled and greenhouse gases generated from use of motor vehicles; (ii) greenhouse gases generated from the electricity consumed; (iii) greenhouse gases generated from the paper waste disposed at landfills; and (iv) greenhouse gases generated from business air travel by employees.

In order to minimise the fuel consumption, energy consumption, paper wastage and air travel by employees, various sustainable development measures have been enforced to address environmental responsibilities are under normal operating procedures, including but not limited to (i) motor vehicles are restricted to serve for customers' use and senior management to attend business meeting; (ii) staff were encouraged to switch off the light and air-conditioning after the use of a room; (iii) staff were encouraged to print only when necessary and prior use recycle papers for printing; (iv) use of electronic form of documents to reduce paper out; (v) staff were encouraged to prevent unnecessary overseas business travel; (vi) high speed trains were used to replace flight whenever available; and (vii) conference call was extensively adopted.

There is no hazardous waste produced from the operations of HK Office, Hengxin BJ Office and Qing Office. Non-hazardous waste produced from the operations of HK Office and Hengxin BJ Office is mainly comprised of office consumables and from the operations of Qing Office are mainly comprised of office consumables and packaging materials, of which the non-hazardous waste are minimal.

### 排放

如上文所述，本集團主要從事有線數位電視業務及無線數位電視增值服務業務。因此，於二零一六年度，與採礦或製造業務相比，有關空氣之排放、溫室氣體排放、向水及土地之排放以及產生有害及無害廢棄物甚少。

於二零一六年度，香港辦事處、恒芯北京辦事處及青縣辦事處之主要排放為：(i) 燃料消耗、行駛里程及使用汽車產生之溫室氣體；(ii) 用電產生之溫室氣體；(iii) 於堆填區處置廢紙產生之溫室氣體；及(iv) 僱員商務航空旅行產生之溫室氣體。

為盡量減少燃料消耗、能源消耗、紙張浪費及僱員航空旅行，已實行各種可持續發展措施在一般運營程序中履行環境責任，包括但不限於(i) 限制客戶使用及高級管理人員參加業務會議使用汽車；(ii) 鼓勵員工在使用房間後關閉燈光及空調；(iii) 鼓勵員工在必要時才會打印，並優先使用回收紙打印；(iv) 使用電子形式之文件減少紙張使用；(v) 鼓勵員工避免不必要之海外商務旅行；(vi) 在可行情況下以高鐵代替飛機；及(vii) 廣泛採用電話會議。

香港辦事處、恒芯北京辦事處及青縣辦事處之營運並不會產生有害廢棄物。香港辦事處及恒芯北京辦事處之營運產生之無害廢棄物主要包括辦公耗材，青縣辦事處之營運產生之無害廢棄物主要包括辦公耗材及包裝材料，其中無害廢棄物甚少。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Compliance with relevant laws and regulations

The Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact relating to air and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous waste of the Group during the Year 2016. In addition, no significant fine or non-monetary sanction for non-compliance with relevant laws and regulations has been reported in the Year 2016.

### USE OF RESOURCES

The Group is committed to minimising the impact of business activities on the environment, and supporting environmental protection programmes. In particular, a number of initiative measures designed to conserve resources were introduced to promote employee awareness of the need in order to achieve efficient utilisation of resources.

As mentioned in the above “Emission” section, the Group has a series of policies and procedures to minimise the electricity consumed by the employees in the HK Office, Hengxin BJ Office and Qing Office. In addition, multi-function devices with printing, scanning and photo copies were extensively adopted. Employees were encouraged to switch on the computers only when use and switch off after office hours. For policies on the efficient use of water resources in the offices, staff were encouraged to save water at pantry. The drinking water containers were well maintained to prevent leakage. For policies on packaging material, staff were encouraged to use recycle paper boxes.

### THE ENVIRONMENT AND NATURAL RESOURCES

The Group encourages all employees to participate in different kinds of recycling activities and minimising the use of nature resources. In the Year 2016, there is no significant impact on the environment and natural business from the operations of the Group, in particular, the HK Office, Hengxin BJ Office and Qing Office.

### 遵守有關法律法規

於二零一六年度，本集團並不知悉有關本集團空氣及溫室氣體排放、向水及土地之排放以及產生有害及無害廢棄物產生之重大影響之有關法律法規之任何重大違規情況。此外，二零一六年度亦未報告因未遵守有關法律法規而遭受大額罰款或非貨幣制裁之情況。

### 使用資源

本集團致力於減少業務活動對環境之影響，並支持環保活動。具體而言，本集團推出多項旨在節約資源之活動措施，提升僱員之需求意識，以有效利用資源。

如上文「排放」一節所述，本集團設有一系列政策及程序，以減少香港辦事處、恒芯北京辦事處及青縣辦事處僱員之用電。此外，廣泛採用具有打印、掃描及複印功能之多功能設備。鼓勵僱員僅在使用時打開電腦，下班後關閉電腦。就在辦事處有效利用水資源之政策而言，鼓勵員工在食堂節約用水。保養好飲水機，以防止洩漏。就包裝材料之政策而言，鼓勵員工使用回收紙箱。

### 環境及自然資源

本集團鼓勵所有僱員參加各種回收活動，減少對自然資源之利用。於二零一六年度，本集團之營運，尤其是香港辦事處、恒芯北京辦事處及青縣辦事處並無對環境及自然資源造成重大影響。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### EMPLOYMENT

The Group seriously emphasise on developing human resources and provides competitive remuneration and welfare packages. Promotion opportunities and salary increments are benchmarked against individual performance. Employees are entitled to benefits such as annual leave, sick leave, maternity leave, marriage leave and medical insurance coverage in accordance with local laws and regulations.

The Group emphasises on equal opportunities for all personnel in respect of hiring, pay rates, training and development, promotion and other terms of employment. The Group committed to providing a work environment that is free from any form of discrimination on the basis of ethnicity, gender, religion, age, disability or sexual orientation.

The Group has diversified cultures including the employees with different genders, ages, skills, educational backgrounds, industry experiences and other qualifications in order to achieve the most suitable composition and balance.

The remuneration of the employees of the Group will be adjusted based on the levels of business prospect, the annual operating results, annual performance appraisal, market trend and inflation. A share option scheme was adopted on 30 December 2011. The purpose of the scheme is to enable the Group to grant options to participants as incentives or rewards for their contributions to the Group.

Treatment of employee's misconduct is to be fair and reasonable in all of the circumstances. Misconduct may lead to a warning, and more serious misconduct may lead to a dismissal. Any acts of misconduct are to be reported to the administration department. In addition, the audit committee of the Company (the "Audit Committee") establishes of whistleblowing policy. Written complaints can be lodged directly to the chairmen of the Audit Committee and/or make a copy to the chief financial controller of the Company (if applicable).

### 僱傭

本集團非常重視發展人力資源，並提供具競爭力之薪酬及福利待遇。根據個人表現提供晉升機會及加薪。根據當地法律法規，僱員有權享有年假、病假、產假、婚假及醫療保險等福利。

本集團強調所有人員在招聘、薪酬、培訓及發展、晉升及其他就業方面享有平等機會。本集團致力提供一個在種族、性別、宗教、年齡、傷殘或性取向方面不受任何歧視之工作環境。

本集團擁有多元化文化，包括不同性別、年齡、技能、教育背景、行業經驗及其他資歷之僱員，以達到最合適之組成及平衡。

本集團僱員之薪酬將根據業務前景、年度經營業績、年度業績考核、市場趨勢及通脹水平進行調整。本集團於二零一一年十二月三十日採納購股權計劃。該計劃旨在令本集團向參與者授出購股權，作為彼等對本集團所作貢獻之獎勵或回報。

在所有情況下，公平及合理處理僱員之不當行為。不當行為可能會導致警告，更嚴重之不當行為可能導致解僱。任何不當行為均須向行政部門報告。此外，本公司審核委員會（「審核委員會」）設立一項舉報政策，書面投訴可直接提交予審核委員會主席及／或將書面投訴之副本提交予本公司財務總裁（倘適用）。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

HK Office has established a series of policies to ensure compliance with the Employment Ordinance of Hong Kong. For Hengxin BJ Office and Qing Office, the employees are required to sign employment contracts with relevant subsidiaries. Such employment contracts and a series of policies aim to ensure compliance with Labour Law of the PRC, Labour Contract Law of the PRC and other local laws and regulations. In addition, the employees' wages, overtime pay and related benefits are in accordance with the local minimum wage. The working hours for general employees are normally not more than 8 hours a day and 40 hours a week. Integrated computation of working hours is implemented with reference to the requirements of the Labour Law of the PRC.

### *Compliance with relevant laws and regulations*

The Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare on the Group during the Year 2016. In addition, no non-compliance with relevant laws and regulations that resulted in significant fine or sanction has been reported in the Year 2016.

## HEALTH AND SAFETY

The Group adopts non-discriminatory employment practices and provides a healthy and safe workplace. All employees are required to keep the office premises in good and cleaning condition. Occupational hazards at workplace are reported to the local regulatory authorities annually.

Smoking is prohibited in office areas. Fire extinguishers, fire alarms and evacuation route are available for the employees located at HK Office, Hengxin BJ Office and Qing Office.

### *Compliance with relevant laws and regulations*

The Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact on providing a safe working environment and protecting employees from occupational hazards of the Group during the Year 2016. In addition, no non-compliance with relevant laws and regulations that resulted in significant fine or sanction has been reported in the Year 2016.

香港辦事處已制定一系列政策，確保遵守香港僱傭條例。就恒芯北京辦事處及青縣辦事處而言，僱員須與相關附屬公司簽訂勞動合同。該等勞動合同及一系列政策旨在確保遵守中國勞動法、中國勞動合同法及其他當地法律法規。此外，僱員之工資、加班費及相關福利均符合當地最低工資標準。一般僱員之每天工作時間通常不超過8小時，每週不超過40小時。本集團參照中國勞動法之規定綜合計算工作時間。

### *遵守有關法律法規*

於二零一六年度，本集團並不知悉有關本集團賠償及解僱、招聘及晉升、工作時間、休息時間、平等機會、多元化、反歧視及其他福利及待遇之產生重大影響之有關法律法規之任何重大違規情況。此外，二零一六年度亦未報告因未遵守有關法律法規而遭受大額罰款或制裁之情況。

## 健康及安全

本集團採納非歧視就業慣例，提供健康及安全之工作場所。所有僱員均須保持辦公場所之良好及清潔。工作場所之職業危害每年向當地監管機構報告。

辦公區域禁止吸煙。於香港辦事處、恒芯北京辦事處及青縣辦事處配有滅火器、火警及疏散路線供員工使用。

### *遵守有關法律法規*

於二零一六年度，本集團並不知悉有關對提供安全工作環境及保護僱員免受本集團職業危害產生重大影響之有關法律法規之任何重大違規情況。此外，二零一六年度亦未報告因未遵守有關法律法規而遭受大額罰款或制裁之情況。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### DEVELOPMENT AND TRAINING

The Group has committed to provide on-the-job training of its employees in order to enhance their knowledge and skills. All employees are encouraged to enhance their skills and knowledge in order to perform their duties more efficiently and effectively. During the Year 2016, certain external training expenses recommended to the employees were borne by the Group such as the topics about financial reporting and compliance updates on local laws and regulations.

The Group encourages employees to strike a balance between work and life. All employees are encouraged to participate in the recreation activities in order to enhance the team spirit, employee's sense of belonging and morale. For knowledge management and enhancement of using electronic devices purpose, the HK Office, Hengxin BJ Office and Qing Office provide free internet connection facilities to all employees.

### LABOUR STANDARDS

The Group fully understands that the exploitation of child and forced labour are universally condemned, and therefore take the responsibility against child and forced labour very seriously. The Group strictly comply with all laws and regulations against child labour and forced labour, in particular, for the HK Office, Hengxin BJ Office and Qing Office.

Employment by the Group is based on the principle of fairness, openness and willingness. All individuals enter into employment contracts without acts of forced labour.

### *Compliance with relevant laws and regulations*

The Group is not aware of any material non-compliance with the relevant laws and regulations that preventing from employment of child or forced labour by the Group during the Year 2016. In addition, no non-compliance with relevant laws and regulations that resulted in significant fine or sanction has been reported in the Year 2016.

### 發展及培訓

本集團致力為僱員提供在職教育及培訓，以增強其知識及技能。鼓勵所有僱員提升其技能及知識，以更足夠且有效地履行其職責。於二零一六年度，向僱員推薦之若干外部培訓費用由本集團承擔，例如有關財務申報及當地法律法規之合規更新之議題。

本集團鼓勵僱員在工作與生活之間取得平衡。鼓勵所有僱員參與娛樂活動，以提高團隊精神、員工之歸屬感及士氣。就知識管理及加強使用電子設備而言，香港辦事處、恒芯北京辦事處及青縣辦事處為所有僱員提供免費之互聯網連接設施。

### 勞工準則

本集團深知僱用童工及強迫勞動嚴重違反普世價值觀，因此承擔責任以竭力反對一切僱用童工及強迫勞動。本集團嚴格遵守所有針對僱用童工及強迫勞動之法律法規，尤其是香港辦事處、恒芯北京辦事處及青縣辦事處。

本集團本著公平、公開及自願之原則僱用員工。全體僱員均簽訂勞動合同，無強迫勞動行為。

### *遵守有關法律法規*

於二零一六年度，本集團並不知悉有關禁止本集團僱用童工或強迫勞動之有關法律法規之任何重大違規情況。此外，二零一六年度亦未報告因未遵守有關法律法規而遭受大額罰款或制裁之情況。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### SUPPLY CHAIN MANAGEMENT

The Group has the greatest respect for the laws and regulations that govern its business. The Group always adheres to international best practices and conducts fair and unbiased procurement processes when dealing with suppliers.

The Group adheres to the principle of transparency and implement the values of honesty, integrity and fairness in the supply chain management. The Group's procurement procedures provide directions and guidelines on evaluation and engagement when dealing with suppliers of goods and services to ensure business is conducted legally, financially and technically-sound. In addition, approval procedures are in place to ensure that supplier engagements are monitored and approved by the appropriate level of management.

### PRODUCT RESPONSIBILITY

A high priority for the Group is to ensure customer satisfaction in terms of its products and services. Strenuous efforts are made to ensure compliance with the laws and regulations relating to product health and safety, advertising, labelling and privacy matters of the jurisdictions in which the Group operates. The Group requires its employees to comply with applicable governmental and regulatory laws, rules, codes and regulations.

The employees in Qing Office deal with lots of private and confidential information of subscribers in its digital cable television business. Hence, Qing Office has set up strict code of conduct requirements for their employees and has signed privacy and confidential agreements with the subscribers. In addition, the employees are encouraged to maintain all reasonable methods to safeguard the information of the Group and the subscribers.

### *Compliance with relevant laws and regulations*

The Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress on the Company during the Year 2016. In addition, no significant fine has been reported in the Year 2016.

### 供應鏈管理

本集團遵守法律法規，並以此規管其業務。本集團一直以國際最佳慣例及公平公正之採購程序處理與供應商之交易。

在供應鏈管理方面，本集團秉持透明之原則以及執行誠實、正直及公平之價值觀。本集團之採購程序在評估及採用貨品及服務供應商方面提供了方向及指引，以確保以符合法規、財務穩健及技術出眾之方式展開業務。此外，本集團設有審批程序以確保與供應商之合作受到適當之管理層監控與審批。

### 產品責任

確保客戶滿意其產品及服務是本集團之主要目標。本集團致力確保本集團在產品健康及安全、廣告、標籤及私隱權方面遵守本集團經營所在司法權區之法律法規。本集團要求其僱員遵守適用之政府及監管法律、規則、守則及規例。

青縣辦事處之僱員處理大量有線數位電視業務用戶之私人及機密資料。因此，青縣辦事處為其僱員制定嚴格之行為守則規定，並與用戶簽訂私隱及保密協議。此外，鼓勵僱員採取一切合理方法保護本集團及用戶之資料。

### *遵守有關法律法規*

於二零一六年度，本集團並不知悉有關本公司所提供有關產品及服務之健康及安全、廣告、標籤及私隱權方面以及補救方法之產生重大影響之有關法律法規之任何重大違規情況。此外，二零一六年度亦未報告大額罰款之情況。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### ANTI-CORRUPTION

Corruption, bribery or fraud in any forms are strictly prohibited. The Group's anti-corruption policies in practice set out standards of conduct to which all employees are required to adhere to promote the integrity environment in the workplace. All employees are prohibited to offer and accept of advantages by using the excuse of work or the authority granted from the Group. The advantages include but not limited to money, gifts, loans, rewards, contracts, services and benefits-in-kind.

The Group encourages the reporting of dishonest acts among the employees. HK Office prohibits all employees to accept bribes, valuables and the embezzlement of funds. Hengxin BJ Office and Qing Office may terminate the employment with the employee who carries out dishonest acts as stated in the employment contracts.

#### *Compliance with relevant laws and regulations*

There is no legal case concerning corruption brought against the Group or its employees for the Year 2016.

### COMMUNITY INVESTMENT

The Group always seeks to be a positive force in the communities in which it operates and maintain close communications and interactions with the communities in order to contribute to local development from time to time.

As global responsible citizen, the Group strives to improve the society image and social responsibility through community investment. All employees of the Group are encouraged to participate their own initiatives on helping and supporting the local communities and neighbours.

### 反貪污

嚴格禁止任何形式之腐敗、賄賂或欺詐行為。本集團之反貪污政策實際上載有所有僱員須遵守之行為準則，以提升工作場所之誠信環境。所有僱員禁止利用工作之便或本集團授予之權力提供及接受利益。有關利益包括但不限於金錢、禮品、貸款、獎勵、合同、服務及實物福利。

本集團鼓勵僱員報告不誠實行為。香港辦事處禁止所有僱員收受賄賂、貴重物品及挪用資金。恒芯北京辦事處及青縣辦事處可與出現勞動合同中訂明之不誠實行為之僱員終止僱傭關係。

#### *遵守有關法律法規*

於二零一六年度，本集團或其僱員並無面對有關貪污之任何法律案件。

### 社區投資

本集團努力尋求成為營運所處社區之正面力量，並一直與社區維持密切溝通及互動以不時為社區發展作出貢獻。

作為全球負責任之公民，本集團致力通過社區投資改善社會形象及社會責任感。鼓勵本集團所有僱員主動幫助及支持當地社區及鄰里。



# DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層

### EXECUTIVE DIRECTORS

**Tan Sri Dato' Lim Tong Yong ("Tan Sri Dato' Lim")**, aged 67, was appointed as the chairman of the Board and an executive Director on 17 February 2016. He is also a director of several subsidiaries of the Company. Tan Sri Dato' Lim was conferred an honorary title of Tan Sri by His Majesty the King of Malaysia. He obtained his Bachelor Degree from Nanyang University, Singapore in 1971. Using his knowledge and experience in the palm oil industry, Tan Sri Dato' Lim established Paos Industries Sdn Bhd in 1987 and subsequently, he established Paos Holdings Berhad in 1997. Paos Holdings Berhad has been listed on the main board of Bursa Malaysia Berhad since 2000, which principally engaged in the downstream of the palm oil industry, producing palm oil and value-added products of palm oil, such as finished soap, animal feed, cocoa butter substitute and soap chips. Currently, Paos Industries Sdn Bhd is a wholly-owned subsidiary of Paos Holdings Berhad while Tan Sri Dato' Lim is the substantial shareholder of Paos Holdings Berhad. He was the major shareholder of Pantai Holdings Berhad, the largest chain of private hospital in Malaysia. In addition, Tan Sri Dato' Lim also involved in various industries, such as medical, hemodialysis products, investment bank, chemical products, biodiesel, palm oil refineries, soy lecithin, hotel and tourism.

**Mr. Chen Rongbin**, aged 53, was appointed as a vice chairman of the Board, an executive Director and the chief executive officer of the Company on 21 July 2016. He obtained his bachelor's degree in economics from Hunan College of Finance and Economics (湖南財經學院) (now known as Hunan University (湖南大學)) in 1987. Mr. Chen Rongbin obtained the Economist qualification (經濟師任職資格) and awarded the Floor Trader qualification (出市代表資格) from the Shenzhen Stock Exchange. He also obtained the practising certificate issued by the Securities Association of China and a license for dealing in securities issued by the Securities and Futures Commission in Hong Kong. Mr. Chen Rongbin has almost 30 years of experiences in banking and security management and is familiar with financial businesses such as banking, security and third party payment. He served as senior management in several sizeable state-owned financial institutions during 1987 to 2012. From September 2012 to August 2015, Mr. Chen Rongbin worked with Yue Xiu Securities Holdings Limited, and his last position was marketing director. From October 2015 to June 2016, he served as chief investment officer of Aurum Pacific (China) Group Limited, whose shares are listed on GEM.

### 執行董事

**丹斯里拿督林東洋\*(「丹斯里拿督林」)**，67歲，於二零一六年二月十七日獲委任為董事會主席兼執行董事。彼亦為本公司若干附屬公司之董事。丹斯里拿督林獲馬來西亞國家元首陛下御封丹斯里拿督勳銜。彼於一九七一年於新加坡南洋大學取得其學士學位。運用其於棕櫚油行業知識及經驗，丹斯里拿督林於一九八七年創立了Paos Industries Sdn Bhd，其後，於一九九七年創立了Paos Holdings Berhad。Paos Holdings Berhad自二零零零年在馬來西亞證券交易所主板上市，主要經營棕櫚油下游工業，生產棕櫚油及棕櫚油增值產品，例如肥皂成品、動物飼料、可可脂代用品及皂粒等等。現時，Paos Industries Sdn Bhd為Paos Holdings Berhad之全資附屬公司，而丹斯里拿督林為Paos Holdings Berhad之大股東。彼曾為馬來西亞最大連鎖私人醫院Pantai Holdings Berhad的大股東。此外，丹斯里拿督林亦涉獵多個行業，例如醫療、血液透析產品、投資銀行、化工產品、生物柴油、棕櫚油提煉、大豆卵磷脂、酒店及旅遊等等。

**陳榮斌先生**，53歲，於二零一六年七月二十一日獲委任為本公司董事會副主席、執行董事兼行政總裁。彼於一九八七年於湖南財經學院(現為湖南大學)取得經濟學學士學位。陳榮斌先生取得經濟師任職資格及由深圳證券交易所頒授的出市代表資格。彼亦持有中國證券業協會頒發之中國證券業執業證書及香港證券及期貨事務監察委員會頒發的證券交易牌照。陳榮斌先生於銀行及證券管理方面擁有將近三十年經驗，熟悉銀行、證券、第三方支付等金融業務。於一九八七年至二零一二年期間，彼先後在多間中國內地大型國有金融機構擔任高級管理人員。二零一二年九月至二零一五年八月，陳榮斌先生任職於越秀證券控股有限公司，最後職位為營銷總監。二零一五年十月至二零一六年六月，彼於奧栢中國集團有限公司(其股份於創業板上市)擔任投資總監。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

**Mr. Qiu Bin (“Mr. Qiu”)**, aged 44, was appointed as an executive Director on 1 January 2013. Mr. Qiu is also a director of a subsidiary of the Company. He graduated from Beijing Union University with a bachelor degree in Business Administration. From 1992 to 2003, Mr. Qiu was the department manager at the Bank of China Limited, Beijing Branch responsible for a wide range of banking and credit duties. From 2004 to 2008, he joined the Shanghai Pudong Development Bank, Beijing Branch and served as the business manager in charge of marketing and credit functions. Mr. Qiu then became the deputy general manager and director of the finance department in Beijing Dong Fang Chengrui Investment Consultants, Ltd. (“Dong Fang”). He was responsible for the overall operation and strategic decisions of the foreign investment and financing businesses of Dong Fang. Mr. Qiu is well versed with Chinese domestic banking system, settlement, foreign exchange and credit areas. He also has extensive experience in the fields of financial management and securities investment.

**Mr. Gao Yang (“Mr. Gao”)**, aged 61, was appointed as an independent non-executive Director on 9 November 2015 and re-designated as an executive Director on 18 December 2015. He is also a director of several subsidiaries of the Company. Mr. Gao graduated from 全國法院幹部業餘法律大學 National Judicial Official Amateur Legal University\* (the predecessor of National Judges College), majoring in law. He has extensive legal knowledge and has accumulated extensive experience in judgement. Mr. Gao had been worked in the Beijing court system for almost 20 years and has held various positions such as clerk of the court, assistant judge, judge, deputy chief judge of the Criminal Court and chief judge of the Economic Court. He also worked as general manager for several companies during 1991 to 2015.

仇斌先生(「仇先生」)，44歲，於二零一三年一月一日獲委任為執行董事。仇先生亦為本公司一間附屬公司之董事。彼畢業於北京聯合大學，獲頒工商管理學士專業學位。於一九九二年至二零零三年間，仇先生於中國銀行股份有限公司北京分行任職部門經理，負責廣泛之銀行及信貸工作。於二零零四年至二零零八年間，彼擔任上海浦東發展銀行北京分行之業務部經理，負責營銷及信貸工作。隨後，仇先生出任北京東方誠睿投資顧問有限公司(「東方」)副總經理及融資部總監。彼負責東方之全面營運及公司對外投資融資業務的決策。仇先生精通國內銀行系統、結算、外匯及信貸業務等範疇，在財務管理和證券投資方面亦有豐富之經驗。

高揚先生(「高先生」)，61歲，於二零一五年十一月九日獲委任為獨立非執行董事，並於二零一五年十二月十八日獲調任為執行董事。彼亦為本公司若干附屬公司之董事。高先生畢業於全國法院幹部業餘法律大學(國家法官學院的前身)，主修法律。彼具有深厚的法律知識，並積累了相當豐富的審判工作經驗。高先生曾在北京法院系統工作近二十年，曾擔任書記員、助理審判員、審判員、刑事審判庭副庭長、經濟審判庭庭長等職務。於一九九一年至二零一五年期間，彼亦於多間公司擔任總經理之職務。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

**Mr. Hu Qixian (“Mr. Hu”)**, aged 44, was appointed as an executive Director on 1 June 2016. He is also a member of the Nomination Committee and a director of a subsidiary of the Company. Mr. Hu obtained his undergraduate certificate in finance from the Open University of China (國家開放大學) (formerly known as China Central Radio and TV University (中央廣播電視大學)) in 2003. He is an Intermediate Economist (中級經濟師) in the PRC. Mr. Hu also obtained the Securities Practitioner Qualification Certificates issued by the Securities Association of China. He served in the branch of Longhui County, Hunan Province of the PRC (中國人民銀行湖南省隆回縣支行) as credit clerk during 1993 to 2010. From June 2010 to June 2012, Mr. Hu was the sales and marketing manager of sales department of Jiefang Road, Changsha of China Galaxy Securities Co., Ltd. (中國銀河證券股份有限公司).

**Mr. Chen Xi**, aged 50, was appointed as an executive Director on 1 June 2016. He is also a member of the Remuneration Committee. Mr. Chen Xi graduated from Shenzhen University (深圳大學) with a bachelor’s degree in business administration. From 1994 to 2003, he served as the general manager of 深圳中乾投資有限公司 (Shenzhen Zhongqian Investment Management Co., Ltd.), and has become its shareholder since 1995. Subsequently, Mr. Chen Xi founded or invested in various companies including 上海喜氏金融服務有限公司 (Shanghai Xishi Financial Services Co., Ltd.) and was appointed as its chairman. He has extensive experience in the fields of integrated financial services and investment management advisory services and possess strong foresight capacity.

胡其賢先生(「胡先生」)，44歲，於二零一六年六月一日獲委任為執行董事。彼亦為提名委員會之成員及本公司一間附屬公司之董事。胡先生於二零零三年於國家開放大學(前稱中央廣播電視大學)取得金融學大學本科畢業證書。彼為中國中級經濟師。胡先生亦持有中國證券業協會頒發之證券業從業人員資格。於一九九三年至二零一零年，彼於中國人民銀行湖南省隆回縣支行擔任信貸科員。於二零一零年六月至二零一二年六月，胡先生於中國銀河證券股份有限公司長沙解放路營業部擔任營銷經理。

陳希先生，50歲，於二零一六年六月一日獲委任為執行董事。彼亦為薪酬委員會之成員。陳希先生畢業於深圳大學，獲得工商企業管理學士學位。於一九九四年至二零零三年，彼任職深圳中乾投資有限公司總經理，並於一九九五年起成為該公司股東。隨後，陳希先生投資設立了若干公司包括上海喜氏金融服務有限公司(並出任董事長一職)。彼在綜合金融服務和投資管理諮詢服務領域均擁有豐富的從業經驗，且具備卓越的市場前瞻力。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Wong Chi Keung (“Mr. Wong”)**, aged 62, was appointed as an independent non-executive Director on 17 October 2016. He is also the chairman of the Audit Committee. Mr. Wong holds a master’s degree in Business Administration from the University of Adelaide in Australia. He is a fellow member of Hong Kong Institute of Certified Public Accountants, The Association of Chartered Certified Accountants and CPA Australia, and an associate member of The Institute of Chartered Secretaries and Administrators and The Chartered Institute of Management Accountants. Mr. Wong is also a responsible officer for asset management and advising on securities for CASDAQ International Capital Market (HK) Company Limited under the SFO. He is currently an independent non-executive director of Asia Orient Holdings Limited, Asia Standard International Group Limited, Century City International Holdings Limited, China Shanshui Cement Group Limited, China Ting Group Holdings Limited, ENM Holdings Limited, Fortunet e-Commerce Group Limited, Golden Eagle Retail Group Limited, Nickel Resources International Holdings Company Limited, Paliburg Holdings Limited, Regal Hotels International Holdings Limited, TPV Technology Limited, Yuan Heng Gas Holdings Limited and Zhuguang Holdings Group Company Limited, the shares of these companies are listed on the main board of the Stock Exchange. Mr. Wong was an executive director, the deputy general manager, group financial controller and company secretary of Guangzhou Investment Company Limited (now known as Yuexiu Property Company Limited) for over ten years. He acted as an independent non-executive director of PacMos Technologies Holdings Limited (now known as PacRay International Holdings Limited) during the period from August 1995 to June 2014, the shares of which are listed on the main board of the Stock Exchange. Mr. Wong has over 36 years of experience in finance, accounting and management.

#### 獨立非執行董事

黃之強先生(「黃先生」)，62歲，於二零一六年十月十七日獲委任為獨立非執行董事。彼亦為審核委員會之主席。黃先生持有澳洲阿得雷德大學頒發工商管理碩士學位。彼為香港會計師公會、英國特許公認會計師公會及澳洲會計師公會之資深會員，及英國特許秘書及行政人員公會及英國特許管理會計師公會之會員。黃先生亦為證券及期貨條例下之註冊負責人員，為卡斯達克國際資本市場(香港)有限公司提供資產管理及就證券提供意見。彼目前為匯漢控股有限公司、泛海國際集團有限公司、世紀城市國際控股有限公司、中國山水水泥集團有限公司、華鼎集團控股有限公司、安寧控股有限公司、鑫網易商集團有限公司、金鷹商貿集團有限公司、鍊資源國際控股有限公司、百利保控股有限公司、富豪酒店國際控股有限公司、冠捷科技有限公司、元亨燃氣控股有限公司及珠光控股集團有限公司之獨立非執行董事，該等公司的股份均於聯交所主板上市。黃先生曾為越秀投資有限公司(現稱越秀地產股份有限公司)之執行董事、副總經理、集團財務總監及公司秘書超過10年。彼亦於一九九五年八月至二零一四年六月期間擔任弘茂科技控股有限公司(現稱太睿國際控股有限公司)之獨立非執行董事，該公司的股份於聯交所主板上市。黃先生於財務、會計及管理方面積逾36年之經驗。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

**Ms. Chen Yan (“Ms. Chen”)**, aged 37, was appointed as an independent non-executive Director on 15 June 2016. She is also the chairperson of the Nomination Committee and a member of the Audit Committee. Ms. Chen is a law graduate from 清華大學 (Tsinghua University) in 2004 and obtained a master of laws degree (Business Law in a Global Contest) from University of Montreal, Canada in 2010. She had worked in Beijing Supreme People’s Court as judge’s assistant of the No. 2 criminal justice division (北京市高級人民法院刑事審判第二庭) during the period from September 2002 to January 2005, served as a legal adviser of a consulting company in Canada during the period from January 2005 to September 2007, a lawyer of Zhong Lun Law Firm (中倫律師事務所) in Shenzhen during the period of December 2009 to July 2012 and an investment manager of 唐商投資集團 (Tangshang Group) during the period of July 2012 to December 2013. Since 2014, Ms. Chen served as the PRC lawyer of Li & Partners. She has extensive experience in private equity transactions, domestic and overseas share offering and foreign direct investment projects.

**Mr. Xu Haiou (“Mr. Xu”)**, aged 49, was appointed as an independent non-executive Director on 15 June 2016. He is also the chairman of the Remuneration Committee, and a member of each of the Audit Committee and Nomination Committee. Mr. Xu holds a degree of bachelor of business studies with a major in finance, from Massey University of New Zealand. He has over 10 years’ experience in banking credit and investment management businesses and 10 years’ experience in private equity funds management. Mr. Xu had worked in 深圳市奇納實業發展有限公司 (Shenzhen Qina Industrial Development Co., Ltd.\*) during the period of 2010 to September 2013 as deputy general manager and was involved in helping that company to apply for personal SAFE foreign currency exchange franchise business, and the establishment of “Excellent Exchange” currency exchange brand. In 2013, he founded and served as the general manager of 深圳百新貿易有限公司 (Shenzhen G&F Trading Co., Ltd.), which is a company principally engaged in operation of convenience store chain business in Shenzhen port, metro and hospitals.

陳焰女士(「陳女士」)，37歲，於二零一六年六月十五日獲委任為獨立非執行董事。彼亦為提名委員會之主席及審核委員會之成員。陳女士於二零零四年獲清華大學法學本科學歷，並於二零一零年取得加拿大蒙特利爾大學國際商法碩士學位。彼曾於二零零二年九月至二零零五年一月期間在北京市高級人民法院刑事審判第二庭出任法官助理、於二零零五年一月至二零零七年九月期間在一家加拿大諮詢公司出任法律顧問、於二零零九年十二月至二零一二年七月期間在深圳中倫律師事務所擔任專職律師及於二零一二年七月至二零一三年十二月期間在唐商投資集團出任投資經理。陳女士自二零一四年開始於李偉斌律師行出任中國法律部律師。彼在私募股權交易、境內外上市、外商直接投資等領域，具有豐富的實踐經驗。

許海鷗\*先生(「許先生」)，49歲，於二零一六年六月十五日獲委任為獨立非執行董事。彼亦為薪酬委員會之主席，以及審核委員會及提名委員會各自之成員。許先生持有紐西蘭梅西大學(Massey University)工商管理學士學位，主修金融。彼有超過10年的銀行信貸、投資管理經驗，以及10年的私募基金管理經驗。許先生於二零一零年至二零一三年九月期間任職於深圳市奇納實業發展有限公司副總經理，幫助該公司申請獲得國家外匯管理局個人本外幣兌換特許經營業務，並創立「匯兌通」外幣兌換品牌。彼於二零一三年創立深圳百新貿易有限公司，任職總經理，該公司專注於在深圳口岸、地鐵、醫院開辦連鎖便利店業務。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

**Mr. Chau Sen Chung (“Mr. Chau”)**, aged 57, was appointed as an independent non-executive Director on 31 August 2016. He is also a member of the Remuneration Committee. Mr. Chau obtained a Bachelor degree from 華東師範大學 (East China Normal University) with a major in Mathematics. He had served as 上海市公共關係協會常務副秘書長 (the Deputy Secretary-General of Shanghai Public Relations Association) in 上海市委統戰部工商處 (the Economic Section of the United Front Work Department of Shanghai Committee of the Chinese People’s Political Consultative Conference) and had also served as the chief representative of the Shanghai representative office of 英國聯合多美集團公司 (Allied Domecq PLC), responsible for managing the wine trading business in provinces in Huadong region. Mr. Chau is currently a director of 暢邑 (上海) 國際貿易有限公司 (Changyi (Shanghai) International Trade Co., Ltd.). He has extensive experience in wine trading. In addition, Mr. Chau involved in clubhouse catering business since 2014 and entrenched well-developed relationships and network.

### COMPANY SECRETARY

**Mr. Tse Kam Fai (“Mr. Tse”)**, aged 53, was appointed as the Company Secretary of the Company on 1 January 2014. Mr. Tse is a fellow member of The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Company Secretaries. He is also a member of The Hong Kong Institute of Directors. Mr. Tse is currently also the company secretary of four companies whose shares are listed on the main board of the Stock Exchange and a company whose shares are listed on GEM. He is also an executive director of a local professional firm providing regulatory compliance, corporate governance and corporate secretarial services to listed and unlisted corporations. Mr. Tse has more than 25 years’ experience in handling listed company secretarial and compliance related matters.

周晨仲先生(「周先生」)，57歲，於二零一六年八月三十一日獲委任為獨立非執行董事。彼亦為薪酬委員會之成員。周先生取得華東師範大學數學系學士學位。彼過去曾於上海市委統戰部工商處擔任上海市公共關係協會常務副秘書長，及曾於英國聯合多美集團公司擔任上海辦事處首席代表，主管華東地區洋酒銷售業務。周先生目前為暢邑(上海)國際貿易有限公司之董事。彼於洋酒貿易擁有豐富經驗。此外，周先生由二零一四年起涉足餐飲會所行業，累積了廣泛的人脈資源。

### 公司秘書

謝錦輝先生(「謝先生」)，53歲，於二零一四年一月一日獲委任為本公司之公司秘書。謝先生為英國特許秘書及行政人員公會及香港特許秘書公會資深會員。彼亦為香港董事學會會員。謝先生現時亦為四間股份於聯交所主板上市之公司及一間股份於創業板上市之公司的公司秘書。彼亦為一間為上市及非上市公司提供監管合規、企業管治及企業秘書服務之本地專業機構的執行董事。謝先生於處理上市公司之公司秘書及合規性相關事務方面擁有超過25年的經驗。

# REPORT OF THE DIRECTORS

## 董事會報告

The Directors have pleasure in submitting their report and the audited financial statements of the Group for the year ended 31 December 2016.

董事欣然提呈彼等之報告以及本集團截至二零一六年十二月三十一日止年度之經審核財務報表。

## PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. The Group is principally engaged in digital cable television business, wireless digital television value-added services and wireless digital audio integrated circuits business. Details of the principal activities of the principal subsidiaries of the Company are set out in note 23 to the consolidated financial statements.

## 主要業務回顧

本公司之主要業務為投資控股。本集團主要從事有線數位電視業務、無線數位電視增值服務及無線數位音頻芯片業務。有關本公司主要附屬公司之主要業務詳情載於綜合財務報表附註23。

Further discussion and analysis of these activities, including a discussion of an indication of likely future developments in the Group's business and the events after the reporting period, can be found in the Management Discussion and Analysis as set out on pages 6 to 26 of this annual report. These discussions form part of this Report of the Directors.

有關該等業務之進一步討論及分析，包括討論本集團業務未來可能發展方向的跡象及報告期後事項，載於本年報第6至26頁之管理層討論及分析，該等討論為董事會報告之組成部分。

The environmental policies and performance and relationships with employees, customers and supplier and others that have a significant impact on the Company and on which the Company's success depends are also discussed under section headed "Environmental, Social and Governance Report" of this annual report. These discussions form part of this Report of the Directors.

環境政策及表現以及與僱員、客戶、供應商及其他人士之關係對本公司有著重大的影響，而本公司之成功乃依賴上述各項，有關上述各項之討論亦載於本年報「環境、社會及管治報告」一節，該等討論為本董事會報告之組成部分。

## Financial Key Performance Indicators

The analysis of financial key performance indicators can be found in the section headed "Management Discussion and Analysis" of this annual report.

## 主要財務表現指標

主要財務表現指標之分析載於本年報「管理層討論及分析」一節。

# REPORT OF THE DIRECTORS

## 董事會報告

### BUSINESS/MARKET RISKS

北京亞澳博視技術有限公司 (Beijing Yaa Boshi Technology Limited\*) had co-operated with local television stations of Xinji, Dongguang and Qing County in Hebei province to develop the cable television network that covers the 3 counties. The digital transformation scheme had been implemented for the cable television subscribers in the said 3 counties. The revenue from this sector form the main and vital source among the other business sectors in the Group.

The functional manager will carefully scrutinize each project for related risks and returns. These include assessment of relevant government policies, market demand, market conditions and economic data. The Management is responsible for supervision, conducting regular operational reviews and keeping the Board fully informed through regular reports (either in written or verbal form), and prompt decisions can therefore be made if changes are required.

### OPERATIONAL RISKS

The front-line or functional manager will review key activities of the Group and ensures all material required control procedures, including financial and operational, are functioning implemented. Precautionary and contingency measures are also set up to ensure the Group is protected against major potential loss, damage or impact to the business operations.

### 業務／市場風險

北京亞澳博視技術有限公司與河北省辛集縣、東光縣及青縣當地電視台進行合作，以發展覆蓋上述三縣之有線電視網絡，且一直為上述三縣有線電視用戶進行數位轉換計劃。來自該行業之收益成為本集團其他業務領域之主要關鍵來源。

職能經理將會細審每個項目涉及之相關風險及回報。其包括評估有關政府政策、市場需求、市況及經濟數據。管理層負責監督、定期進行營運檢討及透過定期報告(以書面或口頭形式)令董事會全面了解有關情況，從而於需要變動時可迅速作出決定。

### 營運風險

前線或職能經理將檢討本集團之主要活動，並確保所有必需之重大控制程序(包括財務及運營控制)有效運作。本集團亦已制定預防及應急措施以確保業務營運免遭重大潛在虧損、損害或影響。



# REPORT OF THE DIRECTORS

## 董事會報告

### FINANCIAL RISKS

The investment and business operation are exposed to risks from exchange rates, interest rates and liquidity. Amid global and PRC financial uncertainties, the financial risks encountered by the Group had increased accordingly.

The financial controller of the Group closely monitors the financial risks and when appropriate will adopt measures to manage and hedge corresponding risk if necessary and obtained approval from the Directors. The Group's cash and financing are decentrally managed and controlled at the subsidiary level and closely monitored at the corporate level through regularly reporting. To meet the obligations as and when needed, the Group maintains sufficient facilities with various banks in PRC and Hong Kong. The maturity of deposits and loans are planned and managed to reduce liquidity risk.

### COMPLIANCE RISKS

Front-line or functional manager reviews key activities of the Group to ensure the compliance of local rules and regulations from time to time. The responsible persons of each of the major subsidiaries are required to communicate and consult with local legal advisors in daily operations or for material transactions if necessary. The Group has engaged a PRC legal advisor in 2016 for annual retention services in PRC and a Hong Kong legal advisor for certain major events in 2016 to reduce the risk of non-compliance of local rules and regulations as well as the requirements of the GEM Listing Rules.

### OTHER RISKS

Details of other risks, for example, the foreign currency risk, credit risk, liquidity risk and interest rate risk, are set out in note 6 to the consolidated financial statements.

### 財務風險

投資及業務營運面臨匯率、利率及流動資金之風險。在全球及中國金融尚不明朗之情況下，本集團面臨之財務風險相應上升。

本集團財務總監密切監控財務風險，並將於需要時在獲得董事批准之情況下，於適當時候採取措施以管理及對沖相應風險。本集團之現金及融資乃透過定期匯報於附屬公司層面分散管理及監控以及於公司層面密切監控。為履行所需責任，本集團於多家中國及香港銀行備存充足融資額度。本集團計劃及管理存款及貸款之到期日以降低流動資金風險。

### 合規風險

前線或職能經理檢討本集團之主要活動，以確保不時遵守當地規則及規例。各主要附屬公司之負責人須在日常業務過程中或就重大交易(如需要)進行溝通並諮詢當地法律顧問。本集團已於二零一六年就中國年度保留服務委聘一名中國法律顧問，並於二零一六年就若干重大事項委聘一名香港法律顧問，以降低不遵守當地規則及規例以及創業板上市規則規定之風險。

### 其他風險

其他風險(如外幣風險、信貸風險、流動資金風險及利率風險)之詳情，載列於綜合財務報表附註6。

# REPORT OF THE DIRECTORS

## 董事會報告

### COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries in the PRC while the Shares are listed on GEM. Hence, our establishment and operations shall comply with relevant laws and regulations in the PRC, Hong Kong and the respective place of incorporation of the Company and its subsidiaries. In addition, the Company is required to comply with the GEM Listing Rules.

During the year ended 31 December 2016 and up to the date of this report, as far as the Company is aware, there was no material breach of or non-compliance with applicable laws and regulations by the Group that has a significant impact on the business and operations of the Group.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2016 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 91-92 of this annual report.

### DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2016 (31 December 2015: Nil).

### CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the forthcoming annual general meeting of the Company to be held on Friday, 2 June 2017, the register of members of the Company will be closed from Friday, 26 May 2017 to Friday, 2 June 2017, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the forthcoming annual general meeting, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:30 p.m. on Thursday, 25 May 2017.

### 遵守法律及監管條例

本集團的業務主要由本公司於中國的附屬公司進行，而股份於創業板上市。因此，本集團的成立及營運須遵守中國、香港及本公司及其附屬公司各自之註冊地的有關法律及法規。此外，本公司須遵守創業板上市規則。

截至二零一六年十二月三十一日止年度及截至本報告日期，據本公司所知悉，本集團概無出現對本集團之業務及營運造成嚴重影響之嚴重違反或未有遵守適用法律及法規的情況。

### 業績及分配

本集團截至二零一六年十二月三十一日止年度之業績載於本年報第91頁至第92頁之綜合損益及其他全面收入表。

### 股息

董事會並不建議派發截至二零一六年十二月三十一日止年度之末期股息（二零一五年十二月三十一日：無）。

### 暫停辦理股份過戶登記

為釐定出席本公司將於二零一七年六月二日（星期五）舉行之應屆股東週年大會並於會上投票之資格，本公司將於二零一七年五月二十六日（星期五）至二零一七年六月二日（星期五）（包括首尾兩天）暫停辦理股份過戶登記，期間不會辦理任何股份過戶登記手續。為符合資格出席應屆股東週年大會並於會上投票，所有股份過戶文件連同相關股票必須於二零一七年五月二十五日（星期四）下午四時三十分前送達本公司香港股份過戶登記分處聯合證券登記有限公司，地址為香港北角英皇道338號華懋交易廣場2期33樓3301-04室。

# REPORT OF THE DIRECTORS

## 董事會報告

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the year ended 31 December 2016 are set out in note 19 to the consolidated financial statements.

### SHARE CAPITAL

During the year ended 31 December 2016, a total of 3,044,347,822 new Shares has been issued by way of subscription and upon conversion of the First CB and Second CB. Further details of the Shares issued during the year ended 31 December 2016, the Subscription and conversion of the First CB and Second CB can be found in the section headed “Management Discussion and Analysis” of this annual report.

Details of movements in the Company's share capital during the year ended 31 December 2016 are set out in note 36 to the consolidated financial statements.

### BONDS

Details of the First CB and Second CB issued during the year ended 31 December 2016 can be found in the section headed “Management Discussion and Analysis” of this annual report.

### RESERVES

Details of movements in the reserves of the Group during the year ended 31 December 2016 are set out in the consolidated statement of changes in equity on page 95 of this annual report and note 38 to the consolidated financial statements.

### 物業、廠房及設備

本集團於截至二零一六年十二月三十一日止年度之物業、廠房及設備變動詳情載於綜合財務報表附註19。

### 股本

於截至二零一六年十二月三十一日止年度，合共3,044,347,822股新股份已以認購方式及於轉換第一批可換股債券及第二批可換股債券時發行。有關截至二零一六年十二月三十一日止年度已發行股份、認購事項及轉換第一批可換股債券及第二批可換股債券之進一步詳情載於本年報「管理層討論及分析」一節。

本公司於截至二零一六年十二月三十一日止年度之股本變動詳情載於綜合財務報表附註36。

### 債券

於截至二零一六年十二月三十一日止年度發行之第一批可換股債券及第二批可換股債券詳情可查閱本年報「管理層討論及分析」一節。

### 儲備

本集團於截至二零一六年十二月三十一日止年度之儲備變動詳情載於本年報第95頁之綜合權益變動表及綜合財務報表附註38。

# REPORT OF THE DIRECTORS

## 董事會報告

### DISTRIBUTABLE RESERVES

As at 31 December 2016, the Company did not have any reserves available for cash distribution and/or distribution in specie to the Shareholders, as computed in accordance with the Companies Act 1981 of Bermuda (as amended) (31 December 2015: Nil). In addition, the Company's share premium balance of approximately HK\$2,001.4 million as at 31 December 2016 (31 December 2015: approximately HK\$1,667.3 million) may be distributed in the form of fully paid bonus shares.

### DIRECTORS

The Directors during the year ended 31 December 2016 and up to the date of this annual report were:

#### Executive Directors

Tan Sri Dato' Lim Tong Yong (*Chairman*)  
(appointed on 17 February 2016)

Mr. Chen Rongbin (*Vice Chairman and Chief Executive Officer*)  
(appointed on 21 July 2016)

Mr. Qiu Bin

Mr. Gao Yang

Mr. Hu Qixian (appointed on 1 June 2016)

Mr. Chen Xi (appointed on 1 June 2016)

Mr. Xiao Yan (*Chief Executive Officer*)  
(retired on 31 May 2016)

Mr. Li Tao (retired on 31 May 2016)

Mr. Li Nan (retired on 31 May 2016)

Mr. Yu Bun (retired on 31 May 2016)

Mr. Tan Xiangdong (appointed on 1 June 2016  
and resigned on 24 June 2016)

#### Non-Executive Director

Mr. Wang Kun (resigned on 15 December 2016)

### 可供分派儲備

於二零一六年十二月三十一日，本公司並無任何可向股東作現金分派及／或實物分派之儲備（按照百慕達一九八一年公司法（經修訂）計算）（二零一五年十二月三十一日：無）。此外，本公司於二零一六年十二月三十一日之股份溢價結餘約為2,001,400,000港元（二零一五年十二月三十一日：約1,667,300,000港元），可以繳足紅股形式分派。

### 董事

截至二零一六年十二月三十一日止年度及截至本年報日期，董事為：

#### 執行董事

丹斯里拿督林東洋\*（主席）

（於二零一六年二月十七日獲委任）

陳榮斌先生（副主席及行政總裁）

（於二零一六年七月二十一日獲委任）

仇斌先生

高揚先生

胡其賢先生（於二零一六年六月一日獲委任）

陳希先生（於二零一六年六月一日獲委任）

肖彥先生（行政總裁）

（於二零一六年五月三十一日退任）

李濤先生（於二零一六年五月三十一日退任）

李楠先生（於二零一六年五月三十一日退任）

俞斌先生（於二零一六年五月三十一日退任）

譚向東先生（於二零一六年六月一日獲委任

並於二零一六年六月二十四日辭任）

#### 非執行董事

王坤先生（於二零一六年十二月十五日辭任）

# REPORT OF THE DIRECTORS

## 董事會報告

### Independent Non-Executive Directors

Mr. Wong Chi Keung (appointed on 17 October 2016)

Ms. Chen Yan (appointed 15 June 2016)

Mr. Xu Haiou (appointed 15 June 2016)

Mr. Chau Sen Chung (appointed 31 August 2016)

Mr. Leung Wo Ping *JP* (resigned on 20 June 2016)

Mr. Hu Dingdong (resigned on 20 June 2016)

Mr. Lei Yong (resigned on 8 June 2016)

Mr. Chiu Chi Kong (resigned on 8 June 2016)

Mr. Chan Fong Kong Francis (appointed on 1 June 2016  
and resigned on 31 August 2016)

Pursuant to Bye-Law 87(1) of the Bye-Laws, Mr. Qiu Bin shall retire from office by rotation at the forthcoming annual general meeting of the Company. In addition, by virtue of Bye-Law 86(2) of the Bye-Laws, Mr. Chen Rongbin, Mr. Hu Qixian, Mr. Chen Xi, Mr. Wong Chi Keung, Ms. Chen Yan, Mr. Xu Haiou and Mr. Chau Sen Chung shall retire from office as Directors at the forthcoming annual general meeting of the Company. All of the above retiring Directors, being eligible, will offer themselves for re-election at the forthcoming annual general meeting of the Company.

## DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management of the Company are set out on pages 61 to 66 of this annual report.

## DIRECTORS' SERVICE CONTRACTS

Each of the Directors (including all independent non-executive Directors) has entered into a service contract with the Company for a fixed term of one year renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term of appointment.

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

### 獨立非執行董事

黃之強先生(於二零一六年十月十七日獲委任)

陳焯女士(於二零一六年六月十五日獲委任)

許海鷗\*先生(於二零一六年六月十五日獲委任)

周晨仲先生(於二零一六年八月三十一日  
獲委任)

梁和平太平紳士(於二零一六年六月二十日  
辭任)

胡定東先生(於二零一六年六月二十日辭任)

雷勇先生(於二零一六年六月八日辭任)

趙志剛先生(於二零一六年六月八日辭任)

陳方剛先生(於二零一六年六月一日獲委任  
並於二零一六年八月三十一日辭任)

根據公司細則第87(1)條，仇斌先生須於本公司應屆股東週年大會上輪值退任。此外，根據公司細則第86(2)條，陳榮斌先生、胡其賢先生、陳希先生、黃之強先生、陳焯女士、許海鷗\*先生及周晨仲先生須於本公司應屆股東週年大會上輪值退任董事職務。上述所有退任董事均符合資格並願意於本公司應屆股東週年大會上膺選連任。

## 董事及高級管理層

本公司董事及高級管理層之履歷詳情載於本年報第61至66頁。

## 董事之服務合約

各董事(包括所有獨立非執行董事)已與本公司訂立固定任期為一年之服務合約，並可自動續期一年，各續期自當時委任之現有任期屆滿後翌日開始。

擬於應屆股東週年大會上膺選連任之董事概無與本集團訂立本集團不可在一年內毋須支付補償(法定補償除外)而終止之服務合約。

# REPORT OF THE DIRECTORS

## 董事會報告

### DIRECTORS' INTEREST IN CONTRACTS

No transaction, arrangement or contract of significance (as defined in Rule 18.25 of the GEM Listing Rules) to which the Company or any of its subsidiaries was a party and in which a director or substantial shareholder of the Company has a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2016.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2016.

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year under review was the Company or any of its subsidiaries a party to any arrangement to enable the Directors, their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of Shares in or debentures of the Company or any other body corporate.

### PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance cover for Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities. Save for the above, at no time during the year ended 31 December 2016 and up to the date of this annual report, there was or is, any permitted indemnity provision (as defined in section 9 of the Companies (Directors' Report) Regulation (Chapter 622D of the Laws of Hong Kong)) being in force for the benefit at any of the Directors (whether made by the Company or otherwise) or any of the directors of an associated company (if made by the Company).

### 董事之合約權益

本公司或其任何附屬公司概無訂立任何於年末或截至二零一六年十二月三十一日止年度任何時間存續而董事或本公司主要股東於其中直接或間接擁有重大權益之重大交易、安排或合約（定義見創業板上市規則第18.25條）。

### 管理合約

於截至二零一六年十二月三十一日止年度內並無訂立或存在有關本公司整體或任何重大部分業務之管理及行政合約。

### 董事購買股份或債券之權利

於回顧年度內任何時間，本公司或其任何附屬公司並無訂立任何安排，致使董事及彼等各自之配偶或未滿18歲子女藉購買本公司或任何其他公司的股份或債券而獲益。

### 獲准許的彌償條文

本公司已就其董事及高級管理層可能會面對由企業活動產生的法律行動，為董事及高級管理層的職責作適當的投保安排。除上文外，於截至二零一六年十二月三十一日止年度及截至本年報日期內任何時間，概無任何獲准許的彌償條文（定義見香港法例第622D章公司（董事會報告）規例）已或會基於任何董事（不論是否由本公司或其他公司作出）或聯繫公司的任何董事（倘由本公司作出）利益而生效。

# REPORT OF THE DIRECTORS

## 董事會報告

### EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Board on the basis of their merits, qualifications and competence.

The emoluments of the non-executive Directors are fixed by the Board with reference to the recommendations from the Remuneration Committee having regard to the duties and responsibilities of the non-executive Directors and the emoluments of the executive Directors are determined, with delegated responsibility, by the Remuneration Committee having regard to the duties and responsibilities of the executive Directors.

The Company has adopted the Share Option Scheme as an incentive to Directors and eligible participants, details of the scheme is set out below and note 39 to the consolidated financial statements.

### SHARE OPTION SCHEME

The terms of the Share Option Scheme adopted on 30 December 2011 are summarized as follows:

#### (a) Purpose

The purpose of the Share Option Scheme is to enable the Group to grant options to participants as incentives or rewards for their contributions to the Group.

#### (b) Participants

The Directors may, at their discretion, invite any person who is a full time or part time employee or director of any member of the Group, a consultant or agent of or adviser to any member of the Group, to take up options to subscribe for the Shares.

### 薪酬政策

本集團僱員之薪酬政策乃由董事會根據彼等之貢獻、資歷及能力制定。

非執行董事之酬金乃由董事會考慮非執行董事之責任及職責並經參考薪酬委員會之建議而釐定，而執行董事之酬金乃由薪酬委員會按獲授之責任並經考慮執行董事之責任及職責而決定。

本公司已採納購股權計劃作為董事及合資格參與者之獎勵，該計劃之詳情載於下文及綜合財務報表附註39。

### 購股權計劃

於二零一一年十二月三十日所採納之購股權計劃之條款概述如下：

#### (a) 目的

購股權計劃旨在令本集團可向參與者授出購股權，作為彼等對本集團所作貢獻之獎勵或回報。

#### (b) 參與者

董事可酌情邀請本集團任何成員公司之全職或兼職僱員或董事、本集團任何成員公司之顧問、代理或諮詢師等接納購股權以認購股份。

# REPORT OF THE DIRECTORS

## 董事會報告

### (c) Total number of Shares available for issue

At the 2016 AGM, a resolution relating to the refreshment of the scheme mandate limit under the Share Option Scheme was passed by the Shareholders as an ordinary resolution of the Company. The total number of the Shares available for issued under the Share Option Scheme is 795,670,983 Shares, representing approximately 9.58% of the issued Share as at the date of this annual report.

### (d) Maximum entitlement of each participant under the Share Option Scheme

The total number of Shares issued and to be issued upon exercise of the options granted under the Share Option Scheme to each participant in any 12 months period shall not exceed 1% of the Shares in issue as at the date of grant.

### (e) Time of exercise of option

An option may be accepted by a participant within 28 days from the date of the offer of grant of the option. Upon acceptance of the option, the grantee shall pay HK\$1.00 to the Company by way of consideration for the grant of the option.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during the period to be determined and notified by the Board to each grantee, at the time of making an offer of the grant of an option which shall not expire later than 10 years from the date of grant of the option. Unless otherwise determined by the Directors and stated in the offer of the grant of options to a grantee, there is neither any performance target that needs to be achieved before the option can be exercised nor any minimum period for which an option must be held before it can be exercised.

### (c) 可予發行之股份總數

於二零一六年股東週年大會上，一項有關更新購股權計劃項下計劃授權限額的決議案已獲股東通過為本公司普通決議案。根據購股權計劃可予發行之股份總數為795,670,983股，佔於本年報日期已發行股份約9.58%。

### (d) 各參與者於購股權計劃權利上限

於根據購股權計劃授出之購股權獲行使後向各參與者已發行及將予發行之股份總數，於任何十二個月期間不得超過授出當日已發行股份之1%。

### (e) 購股權之行使時間

參與者可於授出購股權要約當日起計28日內接納購股權。待購股權獲接納後，承授人須向本公司支付1.00港元作為獲授該購股權之代價。

購股權可以根據購股權計劃之條款，在由董事會於建議授出購股權之時釐定並通知各承授人之期限內之任何時間行使，購股權自授出購股權當日起10年內有效。除非董事另有決定並在建議授出購股權予承授人時聲明，否則在可行使購股權前並無需達致之任何績效目標，亦無任何在購股權可予行使前必須持有購股權之最低期限規定。



# REPORT OF THE DIRECTORS

## 董事會報告

### (f) Price of Shares

The subscription price for a Share in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price will not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; (ii) the average of the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share.

### (g) Remaining life of the Share Options Scheme

The Share Option Scheme will remain in force before 29 December 2021.

### (h) Movements in the share options granted

The following table disclosed movements in the Company's share options granted under the Share Option Scheme during the year ended 31 December 2016:

Participants		Number of Shares (Note)					As at 31 December 2016	Date of grant	Exercise period	Exercise price per Share
		As at 1 January 2016	Granted during the year	Exercised during the year	Cancelled during the year	Lapsed during the year				
參與者		於二零一六年 一月一日	於年內授出	於年內行使	於年內註銷	於年內失效	於二零一六年 十二月三十一日	授出日期	行使期	每股 行使價 HK\$ 港元
Other participant	其他參與者	3,000,000	-	-	-	3,000,000	-	29/02/2012	01/03/2013-29/02/2016	0.84
<b>Total</b>	<b>總計</b>	<b>3,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,000,000</b>	<b>-</b>			

Note:

Number of Shares over which options granted under the Share Option Scheme is exercisable.

### (f) 股價

根據購股權計劃授出任何特定購股權所涉及及股份之認購價須由董事會全權決定，惟該價格不得低於(以最高者為準)(i)於授出日期(須為營業日)聯交所每日報價表所報股份之收市價；(ii)緊接授出日期前五個營業日聯交所每日報價表所報股份之平均收市價；及(iii)股份面值。

### (g) 購股權計劃之剩餘有效期

購股權計劃將於二零二一年十二月二十九日前保持有效。

### (h) 授出之購股權之變動

下表披露本公司於截至二零一六年十二月三十一日止年度根據購股權計劃授出之購股權之變動：

附註：

根據購股權計劃授出而可予行使之購股權所涉及之股份數目。

# REPORT OF THE DIRECTORS

## 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2016, the interests and short positions of the Directors, the chief executive of the Company or their respective associates (as defined in the GEM Listing Rules) in the Shares, underlying shares and debentures of the Company or any of 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 were taken or deemed to have under such provisions of the SFO); or pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or pursuant to Rule 5.46 of the GEM Listing Rules relating to securities transactions by Directors, to be notified to the Company and the Stock Exchange were as follows:

#### Interests and short position in Shares, underlying shares and debentures of the Company

### 董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債權證之權益及淡倉

於二零一六年十二月三十一日，本公司董事、主要行政人員或彼等各自之聯繫人（定義見創業板上市規則）於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及第8分部規定須知會本公司及聯交所之權益及淡倉（包括彼等根據證券及期貨條例有關條文被當作或視為擁有之權益及淡倉）；或根據證券及期貨條例第352條須記錄於該條所述登記冊內之權益及淡倉；或根據有關董事進行證券交易之創業板上市規則第5.46條須知會本公司及聯交所之權益及淡倉如下：

#### 於本公司之股份、相關股份及債券中擁有權益及淡倉

Name of Director	Capacity	Long position/short position	Number of Shares held	Approximate percentage of interests in the issued share capital of the Company
董事姓名	身份	好倉／淡倉	持有之股份數目	佔本公司已發行股本權益之概約百分比
Tan Sri Dato' Lim Tong Yong 丹斯里拿督林東洋*	Beneficial owner 實益擁有人	Long position 好倉	865,596,000	10.42%

Save as disclosed above, none of the Directors and chief executives of the Company nor their associates had any interests and short positions in the Shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules as at 31 December 2016.

除上文所披露者外，於二零一六年十二月三十一日，本公司董事及主要行政人員及彼等之聯繫人概無於本公司及其相聯法團之股份、相關股份及債權證中擁有任何本公司根據證券及期貨條例第352條存置之登記冊所記錄之權益及淡倉，或根據創業板上市規則第5.46條所述董事進行交易之規定準則須知會本公司及聯交所之權益及淡倉。

# REPORT OF THE DIRECTORS

## 董事會報告

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

As at 31 December 2016, the following persons (other than the Directors and the chief executives of the Company) had interests or short positions in the Shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

### 主要股東／其他人士於本公司 之股份及相關股份之權益及淡倉

於二零一六年十二月三十一日，以下人士（本公司之董事及主要行政人員除外）於本公司股份或相關股份中擁有根據證券及期貨條例第336條須予存置登記冊所記錄之權益或淡倉：

#### Long positions in the Shares

#### 於股份之好倉

Name of shareholders	Type of Interests	Number of Shares held/interested in	Approximate percentage of interests in the issued share capital of the Company
股東名稱	權益類別	持有之股份數目／ 擁有權益之股份數目	佔本公司已發行股本權益之概約百分比
Tang Hanbo 唐漢博	Beneficial owner 實益擁有人	2,004,020,000	24.13%
Sino King Trading (HK) Co., Limited	Beneficial owner 實益擁有人	434,782,608	5.24%
Chan Lai Pan (Note) (附註)	Interest in controlled corporation 受控法團權益	434,782,608	5.24%

Note:

Chan Lai Pan is the legal and beneficial owner of the entire issued share capital of Sino King Trading (HK) Co., Limited. By virtue of the provisions of Part XV of the SFO, Chan Lai Pan is deemed to be interested in these 434,782,608 Shares which Sino King Trading (HK) Co., Limited is interested.

附註：

Chan Lai Pan 為 Sino King Trading (HK) Co., Limited 全部已發行股本之合法實益擁有人。根據證券及期貨條例第 XV 部之條文，Chan Lai Pan 被視為於該等 434,782,608 股股份（Sino King Trading (HK) Co., Limited 於其中擁有權益）中擁有權益。

## REPORT OF THE DIRECTORS 董事會報告

Save as disclosed above, as at 31 December 2016, the Directors were not aware that there was any person (not being a Director or chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and was recorded in the register kept by the Company pursuant to section 336 of the SFO.

除上文所披露者外，於二零一六年十二月三十一日，董事概不知悉有任何人士（並非本公司董事或主要行政人員）於本公司之股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露及按本公司根據證券及期貨條例第336條須予存置登記冊所記錄之權益或淡倉。

## MAJOR CUSTOMERS AND SUPPLIERS

## 主要客戶及供應商

		Percentage of the Group's 佔本集團百分比	
		Revenue 收益	Purchases 採購額
The largest customer	最大客戶	76%	
Five largest customers in aggregate	五大客戶合計	79%	
The largest supplier	最大供應商		31%
Five largest suppliers in aggregate	五大供應商合計		95%

None of the Directors or any of their close associates or any Shareholders (which to the best knowledge of the Directors own more than 5% of the number of issued Shares) had any interest in the Group's five largest customers and suppliers respectively.

概無董事或彼等之任何緊密聯繫人或就董事所知擁有已發行股份數目5%以上之任何股東分別於本集團五大客戶及供應商中擁有任何權益。

## PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Bye-Laws or the laws of Bermuda, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

## 優先購買權

公司細則或百慕達（本公司註冊成立所在之司法管轄區）法例並無有關優先購買權之條文，規定本公司須按比例向現有股東提呈發售新股。

# REPORT OF THE DIRECTORS

## 董事會報告

### PURCHASES, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 December 2016, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

### SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, the Company has maintained sufficient public float as required under the GEM Listing Rules.

### COMPETING INTERESTS

None of the Directors or any of their associates (as defined in the GEM Listing Rules) had an interest in a business, which competes or may compete with the business of the Group, or has any other conflict of interests with the Group.

### AUDITOR

Following the resignation of Cheng & Cheng Limited as auditor of the Company on 8 December 2015, ZHONGHUI ANDA CPA Limited was appointed as the auditor of the Company on 18 December 2015 to fill the casual vacancy following the resignation of Cheng & Cheng Limited.

Save as disclosed above, there were no other changes in auditor of the Company during the past three years.

A resolution will be proposed at the forthcoming annual general meeting to re-appoint ZHONGHUI ANDA CPA Limited as auditor of the Company.

### 購買、出售或贖回本公司之上市證券

截至二零一六年十二月三十一日止年度，本公司或其任何附屬公司並無購買、出售或贖回本公司之任何上市證券。

### 足夠公眾持股量

根據本公司公開可得之資料並就董事所知，於本年報日期，本公司維持創業板上市規則規定之足夠公眾持股量。

### 競爭權益

各董事或彼等之任何聯繫人(定義見創業板上市規則)概無於與本集團業務出現或可能出現競爭或與本集團出現任何其他權益衝突之業務中擁有任何權益。

### 核數師

隨著鄭鄭會計師事務所有限公司於二零一五年十二月八日辭任本公司核數師，中匯安達會計師事務所有限公司於二零一五年十二月十八日獲委任為本公司核數師以填補鄭鄭會計師事務所有限公司辭任的臨時空缺。

除上述披露外，於過去三年期間，本公司概無其他核數師的變動。

重新委任中匯安達會計師事務所有限公司為本公司之核數師的決議案將於應屆股東週年大會上提呈。

# REPORT OF THE DIRECTORS

## 董事會報告

### FIVE YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the past five financial years is set out on pages 191 to 192.

On behalf of the Board

**Lim Tong Yong**

*Chairman and Executive Director*

24 March 2017

### 五年財務概要

本集團過往五個財政年度之業績以及資產及負債概要載於第 191 至 192 頁。

代表董事會

主席兼執行董事

林東洋\*

二零一七年三月二十四日

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



**TO THE SHAREHOLDERS OF  
HENG XIN CHINA HOLDINGS LIMITED**  
*(Incorporated in Bermuda with limited liability)*

致恒芯中國控股有限公司  
各股東  
*(於百慕達註冊成立之有限公司)*

### QUALIFIED OPINION

We have audited the consolidated financial statements of Heng Xin China Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 91 to 190, which comprise the consolidated statement of financial position as at 31 December 2016, 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 effect of the matters as 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 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR QUALIFIED OPINION

#### 1. Corresponding figures

Included in the impairment loss for the year ended 31 December 2015 were amounts of approximately RMB111,695,000 (equivalent to HK\$141,386,000) relating to trade receivables brought forward from 31 December 2014. We have not been provided with sufficient appropriate audit evidence whether the impairment loss should be recorded in 2015 or years before.

### 保留意見

本核數師(以下簡稱我們)已審核恒芯中國控股有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)第91至190頁之綜合財務報表，包括於二零一六年十二月三十一日之綜合財務狀況表，及截至該日止年度之綜合損益及其他全面收入表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附注，包括主要會計政策概要。

我們認為，除本報告保留意見之基礎一節所述事項之可能影響外，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零一六年十二月三十一日之綜合財務狀況，及其截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港公司條例之披露規定妥為編製。

### 保留意見之基礎

#### 1. 比較數字

截至二零一五年十二月三十一日止年度之減值虧損中包括應收賬款約人民幣111,695,000元(相等於141,386,000港元)，乃自二零一四年十二月三十一日結轉。吾等並未獲提供充分合適之審核憑證，以證明減值虧損應於二零一五年或過往年度入賬。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### 2. Disposal group classified as held for sale and associated liabilities

We have not yet obtained sufficient appropriate audit evidence to satisfy ourselves as to the carrying amounts of disposal group classified as held for sale of approximately HK\$245,268,000 (2015: HK\$254,362,000) and liabilities associated with disposal group classified as held for sale of approximately HK\$43,650,000 (2015: HK\$64,246,000). There are no other satisfactory audit procedures that we could adopt to satisfy ourselves as to whether these amounts are fairly stated in the consolidated statement of financial position.

### 3. Loss on deconsolidation of a subsidiary

As explained in note 2 to the consolidated financial statements, due to the incident of a suspected misappropriation of funds of Shanxi Zhongze Heng Yuan Biological Technology Company Limited ("Shanxi Zhongze"), a 51% owned subsidiary of the Company, the existing directors considered that the control over the Shanxi Zhongze had been lost. Since then, the directors neither had control over the operating and financial activities, nor any access to the underlying accounting books and records of Shanxi Zhongze. Due to the lack of control and the unavailability of these financial records of Shanxi Zhongze for the period beginning from 1 January 2016, the directors considered that it was impracticable to consolidate the results, assets, liabilities and cash flows of Shanxi Zhongze from 1 January 2016.

No sufficient evidence has been provided to satisfy ourselves as to whether the Group had lost control of Shanxi Zhongze since 1 January 2016. In addition, no sufficient evidence has been provided to satisfy ourselves as to the amounts of assets and liabilities of this subsidiary deconsolidated. As a result, we are unable to satisfy ourselves that the loss on deconsolidation of this subsidiary of approximately HK\$65,403,000 for the year ended 31 December 2016 was fairly stated.

### 2. 分類為持作出售之出售集團及相關負債

我們尚未能取得充份合適之審核憑證，使我們信納分類為持作出售之出售集團及與之相關的負債之賬面值約245,268,000港元(二零一五年：254,362,000港元)及約43,650,000港元(二零一五年：64,246,000港元)。並無其他可採納之令人滿意審核程序，以使我們信納此等款項是否已於綜合財務狀況表中公平地呈列。

### 3. 取消綜合入賬一間附屬公司之虧損

如綜合財務報表附註2所闡述，由於山西中澤恒遠生物科技有限公司(「山西中澤」，貴公司擁有51%權益之附屬公司)涉嫌挪用資金，現有董事認為已失去對山西中澤之控制權。自此，董事不再對山西中澤之營運及財務活動擁有控制權，亦無法獲得其相關會計賬目及記錄。由於自二零一六年一月一日開始之期間失去對山西中澤之控制權並無法獲得該等財務記錄，董事認為自二零一六年一月一日起綜合入賬山西中澤之業績、資產、負債及現金流量並不可行。

我們並無獲提供充份證據，令我們信納貴集團是否已自二零一六年一月一日起失去對山西中澤之控制權。此外，我們並無獲提供充份證據，令我們信納取消綜合入賬該附屬公司之資產及負債金額。因此，我們未能信納截至二零一六年十二月三十一日止年度取消綜合入賬該附屬公司之虧損約65,403,000港元乃已公平地呈列。



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### 4. Deposits for acquisition of non-current assets

As explained in note 25 to the consolidated financial statements, the Group had paid a deposit of HK\$36,000,000 for acquisition of non-current assets, of which an impairment loss of HK\$18,000,000 was recognised during the year ended 31 December 2016. We have not yet obtained sufficient appropriate audit evidence to satisfy ourselves as to amount of impairment loss recognised during the year and the recoverability of remaining deposit for acquisition of non-current assets of HK\$18,000,000. There are no other satisfactory audit procedures that we could adopt to determine whether the impairment loss of HK\$18,000,000 made during the year and the remaining balances of the deposit of HK\$18,000,000 are fairly stated.

### 5. Other investment

We have not yet obtained sufficient appropriate audit evidence to satisfy ourselves as to the impairment test of other investment of HK\$61,750,000. There are no other satisfactory audit procedures that we could adopt to determine whether any impairment on the amounts should be made 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 years ended 31 December 2015 and 2016, the financial positions of the Group as at 31 December 2015 and 2016, and the related disclosures thereof in the consolidated financial statements.

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

### 4. 收購非流動資產之按金

如綜合財務報表附註25所述，本集團已就收購非流動資產支付按金36,000,000港元，其中18,000,000港元之減值虧損已於截至二零一六年十二月三十一日止年度確認。我們尚未能取得充份合適之審核憑證，使我們信納本年度已確認之減值虧損金額及收購非流動資產之剩餘按金18,000,000港元之可收回性。我們並無其他可予採納之令人滿意審核程序，以釐定本年度作出之減值虧損18,000,000港元及餘下按金結餘18,000,000港元乃已公平地呈列。

### 5. 其他投資

我們尚未取得充份合適之審核憑證令我們信納其他投資61,750,000港元之減值測試。我們並無其他可予採納之令人滿意審核程序，以釐定該款項之任何減值是否應計入綜合財務報表。

對上述有關數字作出任何調整均可能對 貴集團截至二零一五年及二零一六年十二月三十一日止年度之財務表現及現金流量以及 貴集團於二零一五年及二零一六年十二月三十一日之財務狀況以及綜合財務報表內之相關披露造成相應影響。

我們已根據香港會計師公會頒佈之香港審計準則（「香港審計準則」）進行審核。我們就該等準則承擔之責任在本報告之核數師就審核綜合財務報表須承擔的責任一節中進一步闡述。根據香港會計師公會之職業會計師道德守則（以下簡稱「守則」），我們獨立於 貴集團，並已履行守則中的其他道德責任。我們相信，我們所獲得的審核憑證能夠充足和適當地為我們之保留意見提供基礎。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### 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. In addition to the matters described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

### PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Refer to Notes 19 and 21 to the consolidated financial statements

The Group tested the amount of property, plant and equipment and intangible assets for impairment. This impairment test is significant to our audit because the balance of property, plant and equipment and intangible assets of HK\$20,271,000 and HK\$8,179,000 respectively as at 31 December 2016 is 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 identification of the related cash generating units;
- Assessing the arithmetical accuracy of the value-in-use calculations with reference to the valuation performed by the external valuer engaged by client;
- Assessing the competence, independence and integrity of the external valuer engaged by client;
- 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;

### 關鍵審核事項

關鍵審核事項是根據我們之職業判斷，對本期間審核綜合財務報表之最為重要的事項。這些事項是在我們審核整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨之意見。除上述保留意見之基礎部分中提及之事項外，我們已釐定下列事項為報告中溝通之關鍵審核事項。

### 物業、廠房及設備以及無形資產

請參閱綜合財務報表附註19及21

貴集團對物業、廠房及設備以及無形資產之金額進行減值測試。該減值測試對我們的審核而言屬重要，乃由於於二零一六年十二月三十一日，物業、廠房及設備以及無形資產之結餘分別為20,271,000港元及8,179,000港元，該等金額對綜合財務報表而言屬重大。此外，貴集團之減值測試涉及應用判斷及乃基於假設及估計。

我們的審核程序包括(其中包括)：

- 評估有關現金產生單元之識別；
- 經參考客戶委聘之外部估值師所進行之估值，評估使用價值計算之算術準確性；
- 評估客戶委聘之外部估值師之工作能力、獨立性及誠信；
- 獲取外部估值報告並與外部估值師會面，以討論及對估值過程、所用方法及市場憑證提出質疑，以支撐應用於估值模型之重大判斷及假設；

## INDEPENDENT AUDITOR'S REPORT

### 獨立核數師報告

- Checking key assumptions and input data in the valuation model to supporting evidence;
  - Checking arithmetical accuracy of the valuation model;
  - Comparing the actual cash flows with the cash flow projections;
  - Assessing the reasonableness of the key assumptions (including revenue growth, profit margins, terminal growth rates and discount rates); and
  - Checking input data to supporting evidence.
- 核查估值模型中關鍵假設及輸入數據以支持憑證；
  - 核查估值模型之算術準確性；
  - 比較實際現金流量與現金流量預測；
  - 評估關鍵假設之合理性(包括收益增長、利潤率、最終增長率及貼現率)；及
  - 核查輸入數據以支撐憑證。

We consider that the Group's impairment test for property, plant and equipment and intangible assets is supported by the available evidence.

我們認為 貴集團對物業、廠房及設備以及無形資產進行之減值測試得到現有證據支撐。

## TRADE RECEIVABLES

Refer to Note 27 to the consolidated financial statements.

The Group tested the amount of trade receivables for impairment. This impairment test is significant to our audit because the balance of trade receivables of HK\$35,901,000 as at 31 December 2016 is material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on estimates.

## 應收賬款

請參閱綜合財務報表附註27。

貴集團對應收賬款之金額進行減值測試。該減值測試對我們的審核而言屬重要，乃由於於二零一六年十二月三十一日，應收賬款之結餘為35,901,000港元，該金額對綜合財務報表而言屬重大。此外，貴集團之減值測試涉及應用判斷及乃基於估計。

Our audit procedures included, among others:

- Assessing the Group's procedures on granting credit limits and credit periods to customers;
  - Assessing the Group's relationship and transaction history with the customers;
  - Evaluating the Group's impairment assessment;
- 評估 貴集團向客戶授出信貸額度及信貸期限之程序；
  - 評估 貴集團與客戶之關係及交易歷史；
  - 評核 貴集團之減值評估；

## INDEPENDENT AUDITOR'S REPORT

### 獨立核數師報告

- Assessing ageing of the debts;
  - Assessing creditworthiness of the customers;
  - Checking subsequent settlements from the customers; and
  - Assessing the disclosure of the Group's exposure to credit risk in the consolidated financial statements.
- 評估債項之賬齡；
  - 評估客戶之信譽度；
  - 核查客戶之後續結算情況；及
  - 評估 貴集團於綜合財務報表所面臨之信貸風險之披露。

We consider that the Group's impairment test for trade receivables is supported by the available evidence.

我們認為 貴集團對應收賬款進行之減值測試得到現有證據支撐。

### OTHER INFORMATION

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.

### 其他資料

董事須對其他資料負責。其他資料包括載於貴公司年報之全部資料，惟不包括綜合財務報表及我們就此發出之核數師報告。

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

我們對綜合財務報表的意見並不涵蓋其他資料，我們將不對其他資料發表任何形式的鑒證結論。

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.

在我們審核綜合財務報表時，我們的責任為閱讀上文指出可以向我們提供之其他資料，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有重大不一致，或者似乎有重大錯誤陳述。

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, we were unable to obtain sufficient appropriate evidence about the corresponding figures, disposal group classified as held for sale and associated liabilities, loss on deconsolidation of a subsidiary, deposit for acquisition of non-current assets and other investment. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to these matters.

倘基於我們進行的審核工作，我們認為該其他資料存在重大錯誤陳述，則我們須呈報該事實。如於保留意見之基礎一節所述，我們未能獲取有關比較數字、分類為持作出售之出售集團及相關負債、取消綜合入賬一間附屬公司之虧損、收購非流動資產之按金及其他投資的充足適當憑證，故我們無法就其他資料於此而言是否存在重大錯誤陳述做出結論。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### 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 HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

### 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 HKSAAs 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.

### 董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及按照香港公司條例之披露規定編製真實而公平的綜合財務報表，及落實其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之能力，並在適用情況下披露與持續經營有關之事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

### 核數師就審核綜合財務報表須承擔之責任

我們的目標，是對整體綜合財務報表是否不存在由於欺詐或錯誤而導致之任何重大錯誤陳述取得合理保證，並出具包括我們意見之核數師報告。我們僅向整體股東報告我們之意見，除此之外本報告別無其他目的。我們不會就本報告之內容向任何其他人士負上或承擔任何責任。合理保證是高水平之保證，但不能保證按香港審計準則進行之審核總能發現存在之某一重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們個別或匯總起來可能影響該等綜合財務報表之基準使用者所作出之經濟決定，則有關之錯誤陳述可被視作重大。

## INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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*

### **Sze Lin Tang**

*Audit Engagement Director*

Practising Certificate Number P03614

Hong Kong, 24 March 2017

我們就審核綜合財務報表所承擔之責任之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/>

該描述構成核數師報告之一部分。

### **中匯安達會計師事務所有限公司**

*執業會計師*

### **施連燈**

*審核委聘董事*

執業證書編號 P03614

香港，二零一七年三月二十四日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收入表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

			2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>CONTINUING OPERATIONS</b>	持續經營業務			
<b>REVENUE</b>	收益	7	<b>81,218</b>	34,679
Cost of sales	銷售成本		<b>(10,344)</b>	(22,502)
<b>Gross profit</b>	毛利		<b>70,874</b>	12,177
Other income	其他收入	8	<b>38,227</b>	1,437
Selling and distribution costs	銷售及分銷成本		<b>(893)</b>	(1,717)
Administrative and operating expenses	行政及經營開支		<b>(82,113)</b>	(55,875)
Impairment on various assets	各種資產減值	10	<b>(62,697)</b>	(260,684)
Loss on deconsolidation of a subsidiary	取消綜合入賬一間附屬公司之虧損	15	<b>(65,403)</b>	—
<b>LOSS FROM OPERATION</b>	經營業務虧損		<b>(102,005)</b>	(304,662)
Finance costs	融資成本	11	<b>(6,973)</b>	(9,302)
<b>LOSS BEFORE TAX</b>	除稅前虧損		<b>(108,978)</b>	(313,964)
Income tax credit	所得稅抵免	12	<b>59,551</b>	1,391
<b>LOSS FOR THE YEAR FROM CONTINUING OPERATIONS</b>	持續經營業務年內虧損		<b>(49,427)</b>	(312,573)
<b>DISCONTINUED OPERATIONS</b>	已終止經營業務			
LOSS FOR THE YEAR FROM DISCONTINUED OPERATIONS	已終止經營業務年內虧損	16(c)	<b>(8,653)</b>	(148,286)
<b>LOSS FOR THE YEAR</b>	年內虧損	13	<b>(58,080)</b>	(460,859)
<b>Other comprehensive loss for the year, net of tax:</b>	年內其他全面虧損(扣除稅項):			
<b>Items that may be reclassified to profit or loss:</b>	可能重新分類至損益之項目:			
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額		<b>(12,336)</b>	(12,737)
Exchange difference reclassified to profit or loss on deconsolidation of subsidiary	於取消綜合入賬附屬公司時重新分類至損益之匯兌差額		<b>3,437</b>	—
Exchange differences reclassified to profit or loss on disposal of subsidiaries	於出售附屬公司時重新分類至損益之匯兌差額		—	(11,241)
			<b>(8,899)</b>	(23,978)
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>	年內全面虧損總額		<b>(66,979)</b>	(484,837)

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收入表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

	Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>LOSS FOR THE YEAR</b>	以下人士應佔年內虧損：		
<b>ATTRIBUTABLE TO:</b>			
<b>Owners of the Company</b>	本公司擁有人		
Loss from continuing operations	持續經營業務虧損	(49,427)	(312,573)
Loss from discontinued operations	已終止經營業務虧損	(4,413)	(139,521)
<b>Loss attributable to owners of the Company</b>	本公司擁有人應佔虧損	<b>(53,840)</b>	(452,094)
<b>Non-controlling interests</b>	非控股股東權益		
Loss from continuing operations	持續經營業務虧損	—	—
Loss from discontinued operations	已終止經營業務虧損	(4,240)	(8,765)
<b>Loss attributable to non-controlling interests</b>	非控股股東權益應佔虧損	<b>(4,240)</b>	(8,765)
		<b>(58,080)</b>	(460,859)
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>	以下人士應佔年內全面虧損總額：		
<b>ATTRIBUTABLE TO:</b>			
<b>Owners of the Company</b>	本公司擁有人	<b>(64,966)</b>	(476,262)
<b>Non-controlling interests</b>	非控股股東權益	<b>(2,013)</b>	(8,575)
		<b>(66,979)</b>	(484,837)
<b>LOSS PER SHARE (HK\$ cents)</b>	每股虧損(港仙)	18	
<b>From continuing and discontinued operations</b>	來自持續及已終止經營業務		
— Basic	— 基本	<b>(0.70)</b>	(10.17)
— Diluted	— 攤薄	<b>(0.70)</b>	(10.17)
<b>From continuing operations</b>	來自持續經營業務		
— Basic	— 基本	<b>(0.64)</b>	(7.03)
— Diluted	— 攤薄	<b>(0.64)</b>	(7.03)
<b>From discontinued operations</b>	來自已終止經營業務		
— Basic	— 基本	<b>(0.06)</b>	(3.14)
— Diluted	— 攤薄	<b>(0.06)</b>	(3.14)



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 December 2016

於二零一六年十二月三十一日

			2016	2015
			二零一六年	二零一五年
		Notes	HK\$'000	HK\$'000
		附註	千港元	千港元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	19	20,271	35,566
Goodwill	商譽	20	—	20,446
Intangible assets	無形資產	21	8,179	63,738
Derivative financial instrument	衍生金融工具		—	3,896
Deposits for acquisition of non-current assets	收購非流動資產之按金	25	19,300	36,000
Other investment	其他投資	24	61,750	—
			<b>109,500</b>	159,646
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	26	—	46,733
Trade receivables	應收賬款	27	35,901	110,923
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	28	3,060	62,428
Cash and cash equivalents	現金及現金等價物	29	84,411	88,864
			<b>123,372</b>	308,948
Non-current assets held for sale	持作出售之非流動資產	22	245,268	254,362
			<b>368,640</b>	563,310
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade payables	應付賬款	30	21,548	41,066
Other payables and accruals	其他應付款項及應計費用	31	21,715	240,672
Receipts in advance	預收賬款	32	8,684	47,297
Notes payables	應付票據		—	70,000
Short term loans	短期貸款	33	3,371	12,571
Tax payable	應繳稅項		10	56,287
			<b>55,328</b>	467,893
Liabilities directly associated with non-current assets held for sale	與持作出售之非流動資產直接相關之負債	22	43,650	64,246
			<b>98,978</b>	532,139
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>269,662</b>	31,171
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>379,162</b>	190,817

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 December 2016

於二零一六年十二月三十一日

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Receipts in advance	預收賬款	32	—	56,637
Deferred tax liabilities	遞延稅項負債	35	<b>1,768</b>	7,111
			<b>1,768</b>	63,748
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>377,394</b>	127,069
<b>EQUITY</b>	<b>權益</b>			
<b>Equity attributable to owners of the Company</b>	<b>本公司擁有人應佔權益</b>			
Issued capital	已發行股本	36	<b>83,045</b>	52,602
Reserves	儲備	38	<b>283,898</b>	14,780
			<b>366,943</b>	67,382
<b>Non-controlling interests</b>	<b>非控股股東權益</b>		<b>10,451</b>	59,687
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>377,394</b>	127,069

The consolidated financial statements on pages 91 to 190 were approved and authorised for issue by the board of directors on 24 March 2017 and are signed on its behalf by:

第91頁至第190頁之綜合財務報表已於二零一七年三月二十四日經董事會批准及授權刊發且由以下人士代為簽署：

Approved by:

批准人：

**Tan Sri Dato' Lim Tong Yong**

丹斯里拿督林東洋\*

Director

董事

**Chen Rongbin**

陳榮斌

Director

董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### Attributable to owners of the Company

本公司擁有人應佔

		Issued capital	Share premium*	Capital reserve*	Foreign currency translation reserve*	Share option reserve*	Other reserve*	Accumulated losses*	Total	Non-controlling interests	Total equity
		已發行股本	股份溢價*	資本儲備*	外幣換算儲備*	購股權儲備*	其他儲備*	累計虧損*	總計	非控股股東權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2015	於二零一五年一月一日	34,586	1,478,350	2,325	80,847	4,236	(79,992)	(1,183,650)	336,702	21,039	357,741
Total comprehensive loss for the year	年內全面虧損總額	—	—	—	(24,168)	—	—	(452,094)	(476,262)	(8,575)	(484,837)
Issue of new shares	發行新股份	18,016	188,926	—	—	—	—	—	206,942	—	206,942
Acquisition of a subsidiary	收購一間附屬公司	—	—	—	—	—	—	—	—	47,223	47,223
At 31 December 2015	於二零一五年十二月三十一日	52,602	1,667,276	2,325	56,679	4,236	(79,992)	(1,635,744)	67,382	59,687	127,069
At 1 January 2016	於二零一六年一月一日	52,602	1,667,276	2,325	56,679	4,236	(79,992)	(1,635,744)	67,382	59,687	127,069
Total comprehensive loss for the year	年內全面虧損總額	—	—	—	(11,126)	—	—	(53,840)	(64,966)	(2,013)	(66,979)
Issue of new shares	發行新股份	17,400	182,700	—	—	—	—	—	200,100	—	200,100
Issue of shares upon conversion of convertible bonds	因轉換可換股債券而發行之股份	13,043	151,384	—	—	—	—	—	164,427	—	164,427
Share options lapsed during the year	於年內已失效購股權	—	—	—	—	(4,236)	—	4,236	—	—	—
Deconsolidation of a subsidiary	取消綜合入賬一間附屬公司	—	—	—	—	—	—	—	—	(47,223)	(47,223)
At 31 December 2016	於二零一六年十二月三十一日	83,045	2,001,360	2,325	45,553	—	(79,992)	(1,685,348)	366,943	10,451	377,394

\* These reserve accounts comprise the consolidated reserves in the consolidated statement of financial position.

\* 該等儲備賬包括綜合財務狀況表內的綜合儲備。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>經營活動所得現金流量</b>		
Loss before tax	除稅前虧損		
From continuing operations	來自持續經營業務	<b>(108,978)</b>	(313,964)
From discontinued operations	來自已終止經營業務	<b>(8,653)</b>	(148,286)
Adjustments for:	就以下各項作出調整：		
Finance costs	融資成本	<b>6,973</b>	9,302
Interest income	利息收入	<b>(26)</b>	(4)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	—	(205)
Loss on disposal of subsidiaries	出售附屬公司虧損	—	123,069
Loss on deconsolidation of a subsidiary	取消綜合入賬一間附屬公司之虧損	<b>65,403</b>	—
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>3,714</b>	8,433
Amortisation of intangible assets	無形資產攤銷	<b>6,783</b>	15,027
Property, plant and equipment written off	物業、廠房及設備撇銷	<b>4</b>	—
Reversal of overprovision of costs of sales	銷售成本超額撥備撥回	<b>(7,741)</b>	—
Net gain on settlement with a customer	與一名客戶結算之收益淨額	<b>(21,765)</b>	—
Fair value loss on initial recognition of convertible bonds	初步確認可換股債券之公平值虧損	<b>15,000</b>	—
Share of loss of an associate	分佔一間聯營公司虧損	<b>566</b>	124
Fair value changes on disposal group classified as held for sale	分類為持作出售之出售集團之公平值變動	<b>(12,068)</b>	—
Fair value gain on financial derivatives	金融衍生工具之公平值收益	<b>(5,451)</b>	—
Impairment losses on goodwill	商譽減值虧損	<b>11,563</b>	80,295
Impairment losses on intangible assets	無形資產減值虧損	<b>16,477</b>	—
Impairment losses on inventories	存貨減值虧損	<b>3,243</b>	4,631
Impairment losses on trade receivables	應收賬款減值虧損	<b>692</b>	137,895
Impairment losses on prepayments, deposits and other receivables	預付款項、按金及其他應收款項減值虧損	<b>151</b>	8,000
Impairment losses on property, plant and equipment	物業、廠房及設備減值虧損	<b>12,571</b>	13,823
Impairment losses on deposits for acquisition on non-current assets	收購非流動資產之按金減值虧損	<b>18,000</b>	12,000
Impairment losses on construction-in-progress	在建工程減值虧損	—	4,040
		<b>(3,542)</b>	(45,820)
Change in inventories	存貨變動	<b>2,062</b>	8,403
Change in trade receivables	應收賬款變動	<b>44,917</b>	8,081
Change in prepayments, deposits and other receivables	預付款項、按金及其他應收款項變動	<b>4,907</b>	(21,009)
Change in trade payables	應付賬款變動	<b>(11,777)</b>	6,360
Change in other payables and accruals	其他應付款項及應計費用變動	<b>(11,883)</b>	7,249
Change in receipts in advance	預收賬款變動	<b>(59,956)</b>	(17,687)
Cash used in operations	經營所用之現金	<b>(35,272)</b>	(54,423)
Income tax paid	已付所得稅	<b>(847)</b>	(3,888)
<b>Net cash flows used in operating activities</b>	<b>經營活動所用現金流量淨額</b>	<b>(36,119)</b>	(58,311)

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>投資活動所得現金流量</b>		
Deposits for investment	投資之按金	(1,300)	(36,000)
Acquisition of other investment	收購其他投資	(61,750)	—
Purchase of property, plant and equipment	購買物業、廠房及設備	(2,846)	(38,408)
Purchase of intangible assets	購買無形資產	—	(928)
Disposal of subsidiaries	出售附屬公司	—	9,866
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	—	629
Net cash outflow on decosolidation of a subsidiary	取消綜合入賬一間附屬公司之現金流出淨額	(769)	—
Net cash outflow on acquisition of a subsidiary	收購一間附屬公司之現金流出淨額	—	(61,161)
Interest received	已收利息	26	4
<b>Net cash flows used in investing activities</b>	<b>投資活動所用現金流量淨額</b>	<b>(66,639)</b>	<b>(125,998)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資活動所得現金流量</b>		
Net proceeds from issue of shares	股份發行所得款項淨額	40,050	146,946
Temporary receipts from shares subscription	自股份認購收取之臨時款項	—	160,050
Issue of notes payable	發行應付票據	—	70,000
Repayment of notes payable	償還應付票據	—	(100,000)
Net proceeds from issue of convertible bonds	發行可換股債券所得款項淨額	80,000	—
Repayment of short-term loans	償還短期貸款	(9,000)	—
Interest on bank loans/other loan	銀行貸款／其他貸款之利息	(2,668)	(2,041)
<b>Net cash flows generated from financing activities</b>	<b>融資活動產生之現金流量淨額</b>	<b>108,382</b>	<b>274,955</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物增加淨值</b>	<b>5,624</b>	<b>90,646</b>
Cash and cash equivalents at beginning of year	於年初之現金及現金等價物	88,947	7,107
Net foreign exchange difference	匯兌差額淨值	(9,441)	(8,806)
<b>Cash and cash equivalents at end of year</b>	<b>於年末之現金及現金等價物</b>	<b>85,130</b>	<b>88,947</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物之結餘分析</b>		
Cash and bank balances	現金及銀行結餘	84,411	88,864
Cash and bank balances included in assets held for sale	計入持作出售之資產之現金及銀行結餘	719	83
Total cash and bank balances	現金及銀行結餘總額	<b>85,130</b>	<b>88,947</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 1. GENERAL INFORMATION

Heng Xin China Holdings Limited (the “Company”) was incorporated in Bermuda as an exempted company with limited liability. Its shares are listed on the Growth Enterprise Market (“GEM”) of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of its registered office is at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The address of its principal place of business is Suite 3604, 36/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 23 to the consolidated financial statements.

### 2. BASIS OF PREPARATION

#### *Deconsolidation of a subsidiary*

The consolidated financial statements have been prepared based on the books and records maintained by the Group. However, due to the incident of a suspected misappropriation of funds of 山西中澤恒遠生物科技有限公司 (Shanxi Zhongze Heng Yuan Biological Technology Company Limited\*) (“Shanxi Zhongze”), a 51% owned subsidiary of the Company, as detailed in the Company’s announcement dated 14 November 2016, the directors considered that the control over the Shanxi Zhongze had been lost. Since then, the directors neither had control over the operating and financial activities, nor any access to the underlying accounting books and records of Shanxi Zhongze. Due to the lack of control and thus the unavailability of these financial records of Shanxi Zhongze for the period beginning from 1 January 2016, the directors considered that it was impracticable to consolidate the results, assets, liabilities and cash flows of Shanxi Zhongze from 1 January 2016.

\* The English names are for identification only

### 1. 一般資料

恒芯中國控股有限公司(「本公司」)乃於百慕達註冊成立之獲豁免有限公司。其股份於香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)上市。本公司註冊辦事處位於Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。其主要營業地點位於香港灣仔港灣道18號中環廣場36樓3604室。

本公司為一間投資控股公司。其附屬公司之主要業務載於綜合財務報表附註23。

### 2. 編製基準

#### *取消綜合入賬一間附屬公司*

綜合財務報表乃根據由本集團所維持之賬目及記錄而編製。然而，由於山西中澤恒遠生物科技有限公司(「山西中澤」，本公司擁有51%權益之附屬公司)涉嫌挪用資金(如本公司日期為二零一六年十一月十四日之公告所詳述)，董事認為已失去對山西中澤之控制權。自此，董事不再對山西中澤之營運及財務活動擁有控制權，亦無法獲得其相關會計賬目及記錄。由於自二零一六年一月一日開始之期間失去對山西中澤之控制權並因此無法獲得該等財務記錄，董事認為自二零一六年一月一日起綜合入賬山西中澤之業績、資產、負債及現金流量並不可行。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting year beginning on 1 January 2016. HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations. The adoption of these new and revised HKFRSs 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 HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRS but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

### 4. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with HKFRSs, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange and by the Hong Kong Companies Ordinance.

These consolidated financial statements have been prepared under the historical cost convention.

The preparation of the consolidated financial statements in conformity with HKFRSs 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 consolidated financial statements.

### 3. 採納新訂及經修訂國際財務報告準則

於本年度，本集團已採納與本集團之業務有關且由香港會計師公會頒佈於二零一六年一月一日開始之會計年度生效之所有新訂及經修訂香港財務報告準則（「香港財務報告準則」）。香港財務報告準則包括香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）及詮釋。採納該等新訂及經修訂香港財務報告準則對本集團之會計政策、本集團財務報表之呈列及就本年度及過往年度所呈報之金額並無造成重大變動。

本集團並無應用已頒佈惟尚未生效之新訂及經修訂香港財務報告準則。本集團已著手評估此等新訂及經修訂香港財務報告準則之影響，但尚未能確定此等新訂及經修訂香港財務報告準則會否對其經營業績及財務狀況造成重大影響。

### 4. 重要會計政策

該等綜合財務報表乃根據香港財務報告準則、香港公認會計原則及聯交所創業板證券上市規則與香港公司條例之適用披露規定而編製。

該等綜合財務報表已根據歷史成本慣例編製。

編製符合香港財務報告準則之綜合財務報表須採用若干主要假設及估計，董事在應用會計政策的過程中亦須行使其判斷。牽涉對該等財務報表屬重大判斷及重大之假設及估計之範疇於綜合財務報表附註5披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

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

#### (a) 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.

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.

### 4. 重要會計政策 (續)

編製該等綜合財務報表時採用之重大會計政策載列於下文。

#### (a) 綜合

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止之財務報表。附屬公司是指本集團對其擁有控制權的實體。當本集團承受或享有參與實體所得的可變回報，且有能力透過其對實體的權力影響該等回報時，則本集團控制該實體。當本集團的現有權力賦予其目前掌控有關業務（即大幅影響實體回報的業務）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的潛在投票權，以釐定其是否擁有控制權。在持有人能實際行使潛在投票權的情況下，方會考慮其權利。

附屬公司在控制權轉移至本集團之日綜合入賬，而在控制權終止之日起停止綜合入賬。

集團內公司間之交易、結餘及未變現溢利均予以對銷。除非交易提供憑證顯示所轉讓資產出現減值，否則未變現虧損亦予以對銷。倘有需要，附屬公司之會計政策會作出調整，以確保符合本集團採納之政策。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (a) Consolidation (continued)

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

### 4. 重要會計政策 (續)

#### (a) 綜合 (續)

非控股股東權益是指本公司並非直接或間接應佔之附屬公司權益。非控股股東權益在綜合財務狀況表及綜合權益變動表的權益下呈列。非控股股東權益乃於綜合損益及其他全面收入表中呈列為非控股股東與本公司擁有人之間之年內損益及全面收益總額分配。

溢利或虧損及其他全面收益項目歸屬於本公司擁有人及非控股股東，即使此舉導致非控股股東權益結餘出現虧絀。

本公司並無導致失去附屬公司控制權之擁有人權益變動，按權益交易入賬，即與以擁有人身分進行之擁有人交易。控股及非控股股東權益的帳面款額經調整以反映其於附屬公司相關權益之變動。非控股股東權益數額的調整額與已付或已收代價公平值間差額，直接於權益確認，歸本公司擁有人。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (b) Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Company.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in the accounting policy (z) below. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

### 4. 重要會計政策 (續)

#### (b) 業務合併及商譽

本集團採用收購法為業務合併中所收購之附屬公司列賬。收購成本乃按所獲資產收購日期之公平值、所發行之股本工具及所產生之負債以及或然代價計量。收購相關成本於有關成本產生及接獲服務期間確認為開支。於收購時，附屬公司之可識別資產及負債均按其於收購日期之公平值計量。

收購成本超出本公司分佔附屬公司可識別資產及負債之公平淨值之差額乃列作商譽。本公司分佔可識別資產及負債之公平淨值超出收購成本之差額乃於綜合損益內確認為本公司應佔議價收購之收益。

商譽會每年進行減值檢測或當事件或情況改變顯示可能出現減值時則更頻繁地進行減值檢測。商譽乃按成本減累計減值虧損計量。商譽減值虧損之計量方法與會計政策(z)所載之其他資產之計量方法相同。商譽之減值虧損於綜合損益確認，且其後不會撥回。就減值檢測而言，商譽被分配至預期將受惠於收購協同效益之現金產生單位。

於附屬公司之非控股股東權益初步按非控股股東於收購日期應佔附屬公司可識別資產及負債之公平淨值比例計量。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (c) Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by other entities, are considered when assessing whether the Group has significant influence. In assessing whether a potential voting right contributes to significant influence, the holder's intention and financial ability to exercise or convert that right is not considered.

Investment in an associate is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of acquisition over the Group's share of the net fair value of the associate's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

### 4. 重要會計政策 (續)

#### (c) 聯營公司

聯營公司為本集團對其具有重大影響力之實體。重大影響力為參與該實體財務及營運政策決策之權力，惟無權控制或共同控制該等政策。在評估本集團是否具有重大影響力時現時，會考慮到可行使或可轉換之潛在投票權之存續或影響（包括由其他實體持有之潛在投票權）。在評估潛在投票權是否構成重大影響力時，不會考慮持有人之意向以及行使或轉換該權利之財務能力。

於聯營公司之投資乃按權益法記入綜合財務報表，並初步按成本確認。聯營公司於收購日期收購之可辨識資產及負債按其公平價值計量。倘收購成本超出本集團應佔聯營公司之可辨識資產及負債之淨公平值，則差額將以商譽入賬。商譽乃計入投資之賬面值，並於有客觀證據顯示該項投資已減值時於各呈報期末連同該項投資進行減值測試。倘本集團攤分可辨識資產及負債之淨公平價值高於收購成本，則有關差額將於綜合損益確認。

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## 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (c) Associates (continued)

The Group's share of an associate's post-acquisition profits or losses is recognised in consolidated profit or loss, and its share of the post-acquisition movements in reserves is recognised in the consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The gain or loss on the disposal of an associate that results in a loss of significant influence represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that associate and (ii) the Group's share of the net assets of that associate plus any remaining goodwill relating to that associate and any related accumulated foreign currency translation reserve. If an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not remeasure the retained interest.

Unrealised profits on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

### 4. 重要會計政策(續)

#### (c) 聯營公司(續)

本集團應佔聯營公司收購後溢利或虧損於綜合損益確認，而其應佔收購後儲備變動則於綜合儲備內確認。收購後之累計變動於投資之賬面值作出調整。倘本集團應佔共聯營公司虧損相等於或多於其於聯營公司之權益(包括任何其他無抵押應收款項)，則本集團不進一步確認虧損，除非本集團已產生責任或代聯營公司付款。倘聯營公司其後錄得溢利，則本集團僅於其應佔溢利相等於其應佔未確認之虧損後，方會恢復確認其應佔之該等溢利。

出售一間聯營公司(將導致失去重大影響)之收益或虧損指(i)該出售代價之公平值加上保留於該聯營公司之任何投資之公平值，以及(ii)本集團分佔該聯營公司之資產淨值加上任何有關該聯營公司之餘下商譽及任何相關累計外幣換算儲備間之差額。倘於聯營公司之投資變成於合營公司之投資，本集團會繼續應用權益法且不會重續計量保留利益。

對銷本集團與其聯營公司間交易之未變現溢利乃以本集團於聯營公司之權益為限；而未變現虧損則僅會於交易有證據顯示所轉讓之資產出現減值時方予以對銷。聯營公司之會計政策已於有需要時作出變動，以確保與本集團所採納之政策貫徹一致。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (d) Foreign currency translation

##### (i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the Company's functional and presentation currency.

##### (ii) 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. 重要會計政策 (續)

#### (d) 外幣換算

##### (i) 功能及呈列貨幣

本集團各實體之財務報表所載列之項目乃採用實體經營所在之主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表以本公司之功能貨幣及呈列貨幣港元（「港元」）呈列。

##### (ii) 各實體財務報表之交易及結餘

外幣交易於首次確認時按交易日當時適用之匯率折算為功能貨幣。以外幣計值之貨幣資產及負債按各呈報期末之匯率折算。該折算政策所產生之收益及虧損於損益確認。

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## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (d) Foreign currency translation (continued)

##### (iii) 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.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

### 4. 重要會計政策 (續)

#### (d) 外幣換算 (續)

##### (iii) 綜合入賬時換算

功能貨幣有別於本公司呈列貨幣之所有本集團實體之業績及財務狀況均會以下列方式換算為本公司之呈列貨幣：

- 所呈列之各份財務狀況表之資產及負債以財務狀況表日期之匯率換算；
- 收支以平均匯率換算（惟倘此平均匯率並非各交易日期適用之匯率累計影響之合理概約值，則收支以交易日期之匯率換算）；及
- 所產生之所有匯兌差額於外幣換算儲備內確認。

於綜合入賬時，換算於海外實體之投資淨額及借貸所產生之匯兌差額乃於外幣換算儲備內確認。於出售海外業務時，有關匯兌差額將於綜合損益中確認為出售收益或虧損之部分。

收購海外實體所產生之商譽及公平值調整視作海外實體之資產及負債處理，並會以收市匯率作出換算。

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## 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (e) Property, plant and equipment

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

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Depreciation begins when the relevant assets are available for use. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use.

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

### 4. 重要會計政策(續)

#### (e) 物業、廠房及設備

物業、廠房及設備(在建工程除外)乃按成本減累計折舊及任何減值虧損列賬。物業、廠房及設備項目之成本值包括其購買價及任何為使資產達至營運狀況及運抵營運地點作原定用途之任何直接應佔成本。

在建工程包括處於工程階段作生產或自用之物業、廠房及設備。在建工程按成本減任何已確認減值虧損列賬。在建工程於相關資產可用時開始計提折舊。在建工程於竣工及可作擬定用途時分類為物業、廠房及設備之適當類別。

僅於有關項目的未來經濟利益有很大機會流入本集團而該項目成本能可靠計量時，後續成本方會計入資產賬面值中，或確認為個別資產(視適用情況而定)。所有其他維修及保養於產生的期間在損益確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (e) Property, plant and equipment (continued)

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 at the following rates per annum:

Computer equipment	9-30%
Furniture and fixtures	19%
Leasehold improvements	over the remaining lease term
Motor vehicles	6%
Office equipment	18%
Plant and machinery	6-9%
Transmission and other network equipment	6% or over the contract term, which ever is shorter

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

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. 重要會計政策 (續)

#### (e) 物業、廠房及設備 (續)

物業、廠房及設備折舊乃採用按足以其估計可使用年期內撇銷其成本減剩餘價值的折舊率以直線法計算，年折舊率如下：

電腦設備	9-30%
傢具及固定裝置	19%
租賃物業裝修	按餘下租約年期
汽車	6%
辦公室設備	18%
廠房及機器	6-9%
傳輸及其他網絡設備	6%或按合約年期 (以較短者為準)

於每個報告期末均會檢討和調整剩餘價值、可使用年期及折舊方法(如適用)。

出售物業、廠房及設備之盈虧指出售所得款項淨額與相關資產賬面值之間的差額，在損益表內確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (f) Leases

##### (i) Operating leases

Leases that do not substantially transfer to the Group all the risks and rewards of ownership of assets 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.

##### (ii) Finance leases

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. At the commencement of the lease term, a finance lease is capitalised at the lower of the fair value of the leased asset and the present value of the minimum lease payments, each determined at the inception of the lease.

The corresponding liability to the lessor is included in the statement of financial position as finance lease payable. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Assets under finance leases are depreciated over the shorter of the lease term and their estimated useful lives.

### 4. 重要會計政策(續)

#### (f) 租賃

##### (i) 經營租賃

實際上並無向本集團轉讓資產擁有權之所有風險及回報之租賃入賬作為經營租賃。租賃付款(扣除收取出租人的任何獎勵)按直線法於租期確認為開支。

##### (ii) 融資租賃

融資租賃指將擁有資產之風險及回報基本上全部轉讓予本集團之租賃。融資租賃在開始時按租賃資產之公平值及最低租賃款項現值(兩者均於租賃開始時釐定)之較低者資本化。

出租人之相應債務於財務狀況表中列作應付融資租賃。租賃款項按比例分配為財務費用及削減未償付債務。財務費用在各租期內分攤，以為債務結餘得出一個貫徹之定期利率。

於融資租賃下之資產按租期及其估計可使用年期(以較短者為準)計算折舊。

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## 綜合財務報表附註

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截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (g) Intangible assets

##### (i) Intangible assets acquired separately

On initial recognition, intangible assets acquired separately other than from business combinations are recognised at cost. After initial recognition, intangible assets with indefinite useful lives are carried at cost less any identified impairment loss. Intangible assets with finite useful lives are amortised on a straight-line basis over its useful lives of 10-18 years, and carried at cost less accumulated amortisation and accumulated impairment losses.

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss when the asset is derecognised.

##### (ii) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives of 8 to 18 years. Alternatively, intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

### 4. 重要會計政策(續)

#### (g) 無形資產

##### (i) 獨立收購之無形資產

於初步確認時，獨立收購之無形資產(不包括來自業務合併者)乃按成本值確認。於初步確認後，無限可使用年期之無形資產按成本值減任何已識別減值虧損列賬。有限可使用年期之無形資產乃以直線法就其可使用年期10-18年進行攤銷，並按成本值減累計攤銷及累計減值虧損列賬。

由終止確認無形資產而產生之損益按出售所得款項淨額與資產賬面值兩者之差額計量，當資產終止確認時，於損益中確認。

##### (ii) 於業務合併中收購之無形資產

於業務合併中收購之無形資產如符合無形資產之定義而其公平值亦能可靠地計量，則與商譽分開確定及確認。有關無形資產之成本值為其於收購日期之公平值。

於初步確認後，有限可使用年期之無形資產乃按成本值減累計攤銷及任何累計減值虧損列賬。有限可使用年期之無形資產乃以直線法就其估計可使用年期8-18年進行攤銷。此外，無限可使用年期之無形資產乃按成本值減任何其後產生之累計減值虧損列賬。

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## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (h) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. 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.

#### (i) 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.

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

### 4. 重要會計政策 (續)

#### (h) 存貨

存貨按成本值與可變現淨值兩者中的較低者列值。成本值乃按加權平均法釐定。製成品及在製品之成本值包括原料、直接勞工及適當比例的生產間接開支，以及(倘適用)分包費用。可變現淨值為在日常業務運作過程中的估計售價，減估計完成成本及估計作出銷售所必要之成本。

#### (i) 確認及終止確認金融工具

本集團於成為工具合約條文之訂約方時可在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時；本集團轉讓資產擁有權之絕大部分風險及回報時；或本集團既無轉讓亦不保留資產擁有權之絕大部分風險及回報，但不保留資產之控制權時，將終止確認金融資產。終止確認一項金融資產時，資產賬面值與已收代價以及已於其他全面收益確認之累計盈虧之總和之間之差額於損益內確認。

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。已終止確認之金融負債賬面值與已付代價之差額於損益內確認。

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## 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (j) 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 receivables' recoverable amount 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.

#### (k) Other investments

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, are measured at cost less impairment losses.

### 4. 重要會計政策 (續)

#### (j) 應收賬款及其他應收款項

應收賬款及其他應收款項為非衍生工具金融資產，可按固定或可予釐定款項支付，且並無於活躍市場上報價，初步按公平值確認，其後則以實際利率法按經攤銷成本值計算，並須扣除減值撥備。如有客觀證據顯示本集團無法按照應收款項的原來條款收取所有欠款，則須為應收賬款及其他應收款項作出減值撥備。撥備額為應收款項之賬面值與估計未來現金流量按於初始確認時計算的實際利率折算之現值兩者的差額。撥備額於損益中確認。

倘應收款項的可收回金額增加客觀上與確認減值之後發生的事項有聯繫，則減值虧損會於後續期間撥回，並在損益中確認，惟應收款項於減值撥回日期的賬面值不應超過不確認減值情況下的攤銷成本。

#### (k) 其他投資

於沒有活躍市場報價且公平值不能可靠計量的股本工具以及與有關無報價股本工具掛鉤且須以有關股本工具結算的衍生工具的投資按成本減減值虧損計量。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (l) 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.

#### (m) 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 HKFRSs. 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.

#### (n) 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. 重要會計政策 (續)

#### (l) 現金及現金等值物

就現金流量表而言，現金及現金等值物指銀行及手頭現金、在銀行及其他財務機構的活期存款，以及期限短、流動性強、可隨時轉換成已知金額的現金、且價值變動風險甚微的投資。須按要求償還並為本集團現金管理組成部分的銀行透支，亦計為現金及現金等值物之一部分。

#### (m) 金融負債及權益工具

金融負債及權益工具按所訂立合同安排的內容及香港財務報告準則中金融負債及權益工具的定義分類。權益工具指能證明擁有本集團在減除所有負債後的資產中的餘剩權益的合同。就特定金融負債及權益工具所採納的會計政策列載如下。

#### (n) 借款

借款初始按公平值(扣除所產生的交易費用)確認，其後採用實際利率法按攤銷成本計量。

借款分類為流動負債，除非本集團擁有無條件權利將負債的償還遞延至報告期後最少12個月。

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## 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (o) 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.

#### (p) Convertible loans

Convertible loans which entitle the holder to convert the loans into equity instruments, other than into a fixed number of equity instruments at a fixed conversion price, are regarded as combined instruments consist of a liability and derivative components. At the date of issue, the fair values of the derivative components are determined using an option pricing model. The remainder of the proceeds is allocated to the liability component and is carried as a liability at amortised cost using the effective interest method until extinguished on conversion or redemption. The derivative components are measured at fair value with gains and losses recognised in profit or loss.

Transaction costs are apportioned between the liability and derivative components of the convertible loans based on the allocation of proceeds to the liability and derivative components on initial recognition.

#### (q) Derivative financial instruments

Derivative financial instruments, including early redemption option of convertible bonds, are initially recognised at fair value on the date of issue and are subsequently remeasured at their fair value.

#### (r) Equity instruments

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

### 4. 重要會計政策(續)

#### (o) 應付賬款及其他應付款項

應付賬款及其他應付款項初始按公平值確認，其後運用實際利率法，以攤銷成本計量，除非貼現影響甚微，在此情況下，則按成本列值。

#### (p) 可換股貸款

賦予持有人權利將貸款轉換為權益工具之可換股貸款(按固定轉換價轉換為固定數目權益工具者除外)被視為由負債及衍生部分組成之合併工具。於發行當日，衍生部分之公平值採用期權定價模式釐定。剩餘所得款額分配至負債部分，並使用實際利率法按攤銷成本列為負債，直至獲轉換或贖回時註銷為止。衍生部分按公平值計量，其盈虧於損益內確認。

交易成本按可換股貸款之負債及衍生部分按於首次確認負債及衍生部分時之所得款項分配。

#### (q) 衍生金融工具

衍生金融工具(包括提前贖回期權可換股債券)起初其按發行日期的公平值計量，隨後則按其公平值重新計量。

#### (r) 權益工具

本公司發行之權益工具按已收所得款項扣除直接發行成本列賬。

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## 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (s) 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.

- (i) 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.
- (ii) Service income is recognised in the period when services are rendered.
- (iii) Interest income is recognised on a time-proportion basis using the effective interest method.

#### (t) Employee benefits

##### (i) 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.

### 4. 重要會計政策 (續)

#### (s) 收入確認

收入按已收或應收代價的公平值計量，並於經濟利益將流入本集團，且收益金額能可靠地計量時確認。

- (i) 銷售貨品所得收入乃於貨品擁有權之重大風險及回報轉讓時確認。所有權轉讓通常與貨品交付及業權轉讓予客戶之時間相同。
- (ii) 服務收入於提供服務期間列賬。
- (iii) 利息收入按時間比例根據實際利率法確認。

#### (t) 僱員福利

##### (i) 僱員應享假期

僱員可享有之年假及長期服務假期乃在其權利產生時確認。本集團為截至報告期末僱員已提供之服務而產生之年假及長期服務假期之估計負債作出撥備。

僱員之病假及產假直至僱員正式休假時方予確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (t) Employee benefits (continued)

##### (ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

##### (iii) 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.

#### (u) Share-based payments

The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at the fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

### 4. 重要會計政策 (續)

#### (t) 僱員福利 (續)

##### (ii) 退休福利責任

本集團為所有僱員提供定額供款退休計劃。本集團與僱員的供款按僱員基本薪金之百分比計算，在損益表支銷的退休福利計劃成本指本集團應向此基金支付之供款。

##### (iii) 離職福利

離職福利於本集團不再取消提供該等福利，或本集團確認重組成本並涉及支付離職福利時（以較早者為準）確認。

#### (u) 以股份支付之款項

本集團向若干僱員發行以股權結算並以股份支付之款項。以股權結算並以股份支付之款項乃按股權工具於授出日期之公平值（非市場歸屬條件之影響除外）計量。以股權結算並以股份支付之款項於授出日期釐定之公平值乃於歸屬期間以直線法，根據本集團估計最終歸屬之股份支銷，並就非市場歸屬條件之影響作出調整。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (v) 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.

### 4. 重要會計政策(續)

#### (v) 借貸成本

因收購、建設或生產合資格資產(需要一段長時間方能達致其擬定用途或出售者)而直接產生之借貸成本乃資本化為該等資產之成本一部分，直至該等資產大致上可準備用作其擬定用途或出售時為止。從特定借貸待支付合資格資產之費用前而作出之短暫投資所賺取之投資收入乃從合資格資本化之借貸成本中扣除。

就於一般情況及用作取得合資格資產而借入之資金而言，合資格資本化之借貸成本金額乃按用於該資產開支之資本化比率計算。資本化比率為適用於本集團該期間內尚未償還借貸(不包括就取得合資格資產而借入之特定借貸)之加權平均借貸成本。

所有其他借貸成本於其產生期間在損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (w) 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.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

### 4. 重要會計政策(續)

#### (w) 稅項

所得稅為即期稅項與遞延稅項之總額。

即期應付稅項乃按本年度之應課稅溢利計算。應課稅溢利與損益中所確認的溢利不同，因應課稅溢利不包括在其他年度應課稅收入或可扣減開支項目，而且不包括永不課稅或不可扣稅的項目。本集團之即期稅項負債乃按於報告期末已實施或實質上已實施之稅率計算。

遞延稅項乃就財務報表所列資產及負債賬面值與計算應課稅溢利所用相應稅基之差異確認。遞延稅項負債一般就所有應課稅暫時差異確認，而遞延稅項資產乃一般於可能出現應課稅溢利對銷可用的可扣稅暫時差異時(未動用稅項虧損或未動用稅項抵免時)就所有可扣稅暫時差異確認。倘若暫時差異由商譽或不影響應課稅溢利及會計溢利的交易中初步確認(業務合併除外)之其他資產及負債所產生，則不會確認該等遞延稅項資產及負債。

遞延稅項負債應就於附屬公司及聯營公司的投資及合營企業權益產生之應課稅暫時差異確認，惟倘本集團可控制暫時差異之撥回而暫時差異於可見將來可能不會撥回之情況除外。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (w) Taxation (continued)

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.

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.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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.

### 4. 重要會計政策 (續)

#### (w) 稅項 (續)

遞延稅項資產之賬面值於報告期末予以審閱，倘不再可能取得足夠之應課稅溢利以收回全部或部份資產，則賬面值須予以調低。

遞延稅項乃按預期於負債獲償還或資產獲變現期間適用之稅率，以報告期末已實施或實質上已實施之稅率為基準計算。遞延稅項於損益中確認，惟倘有遞延稅項與在其他全面收入或直接於權益確認之項目有關，則亦分別於其他全面收入或直接於權益內確認。

遞延稅項資產及負債之計量反映了本集團於報告期末所預期收回或償還其資產及負債之賬面值的方式所產生的稅務結果。

當有法定可強制執行權利將即期稅項資產與即期稅項負債互相抵銷，且彼等與同一稅務當局徵收的所得稅，及本集團擬按淨額基準結算當期稅項資產及負債，則會將遞延稅項資產與負債互相抵銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (x) 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.

(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.

### 4. 重要會計政策(續)

#### (x) 關連人士

關連人士為與本集團相關之人士或實體。

(a) 倘屬以下人士，則該人士或該人士之近親家庭成員與本集團有關連：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 為本公司或本公司母公司之主要管理人員。

(b) 倘符合下列任何條件，即實體與本集團(申報實體)有關連：

- (i) 該實體與本公司屬同一集團之成員公司(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之聯營公司或合營企業(或另一實體為成員公司之集團成員公司之聯營公司或合營企業)。
- (iii) 兩間實體均為同一第三方之合營企業。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (x) Related parties (continued)

(b) (continued)

- (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).
- (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. 重要會計政策(續)

#### (x) 關連人士(續)

(b) (續)

- (iv) 一間實體為第三方實體之合營企業，而另一實體為同一第三方實體之聯營公司。
- (v) 實體為本集團或與本集團有關連之實體就僱員利益而設之離職後福利計劃。倘本集團自身屬於有關計劃，則資助之僱員亦與本集團相關連。
- (vi) 實體受(a)所識別人士控制或受共同控制。
- (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)主要管理人員。
- (viii) 實體或實體屬其中一部份之集團之任何成員公司為向本公司或本公司之母公司提供主要管理人員服務。

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## 綜合財務報表附註

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截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (y) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purpose of allocating resources to, and assessing the performance of the Group's various lines of business in different geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

#### (z) Impairment of assets

Intangible assets that have an indefinite useful life or not yet available for use are reviewed annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and other intangible assets except goodwill, inventories, derivatives 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.

### 4. 重要會計政策(續)

#### (y) 分部報告

經營分部及綜合財務報表內呈報之每個分部項目之金額，乃根據就分配資源予本集團各項業務及地區分部以及評估其表現而定期提供予本集團最高行政管理層之財務資料而確定。

個別重大之經營分部不會為財務報告目的而合計，除非有關分部具有類似經濟特性，並且具有類似之產品及服務性質、生產工序性質、客戶類型或類別、分銷產品或提供服務方法，以及監管環境性質。個別非重大之經營分部倘符合上述大多數標準可予合計。

#### (z) 資產減值

對無限期使用的無形資產和尚未使用的無形資產會每年進行重估，亦會於有發生某事件或狀態改變顯示賬面值或未能收回時進行評估，以判斷是否須予減值。

於各報告期末，本集團須審閱其有形及其他無形資產(商譽、存貨、衍生工具及應收款項除外)之賬面值，以確定是否有任何跡象顯示該等資產出現減值虧損。倘出現任何有關跡象，則估計資產可收回金額，以釐定減值虧損的幅度。當不可能估計個別資產之可收回金額時，本集團會估計該資產所屬現金產生單元之可收回金額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (z) Impairment of assets (continued)

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. 重要會計政策 (續)

#### (z) 資產減值 (續)

可收回金額為公平值減出售成本後之金額與使用價值兩者中之較高者。於評估使用價值時，乃使用可反映現時市場對時間值之評估及該資產特有之風險之除稅前折現率，將估計未來現金流量折現至其現值。

倘某項資產(或某現金產生單元)之可收回金額估計低於其賬面值，則該項資產(或該現金產生單元)之賬面值須削減至其可收回金額。減值虧損即時於損益中確認，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少。

倘日後撥回減值虧損，有關資產或現金產生單元之賬面值須增至其經重新估計之可收回金額，惟增加之賬面值(扣除攤銷或折舊後)不得超出倘有關資產或現金產生單元並無於過往年度確認任何減值虧損所應釐定之賬面值。減值虧損撥回即時於損益中確認，惟倘有關資產按重估金額列賬，則減值虧損撥回會作重估增加處理。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (aa) 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.

#### (ab) 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 consolidated financial statements when material.

### 4. 重要會計政策(續)

#### (aa) 撥備及或然負債

倘本集團因過往事件負上現有法律或推定責任，而有關責任可能需要以經濟利益流出清償，且能作出可靠估計時，便會就未有確定時間或金額的負債確認撥備。倘金錢時值重大，撥備會以清償責任預期所需支出的現值列賬。

倘需要流出經濟利益的可能性不大，或未能可靠估計有關金額，則除非流出經濟利益的可能性極微，否則有關責任將列作或然負債披露。須視乎某宗或多宗未來事件是否發生才能確定潛在責任存在與否，亦會披露為或然負債，除非經濟利益流出的可能性極低則作別論。

#### (ab) 報告期後事項

提供本集團於報告期末之業務狀況的額外資料或顯示持續經營假設並不適當的報告期後事項為調整事項，並反映於財務報表內。並非調整事項的報告期後事項，倘屬重大時，於綜合財務報表附註內披露。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (ac) Non-current assets held for sale and discontinued operation

Non-current assets or disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the assets or disposal group are available for immediate sale in their present condition. The Group must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets or disposal group classified as held for sale are measured at the lower of the assets' or disposal group's previous carrying amount and fair value less costs to sell.

A discontinued operation is a component of the Group, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale in accordance with HKFRS 5, if earlier. It also occurs when the operation is abandoned.

### 4. 重要會計政策(續)

#### (ac) 持作出售非流動資產及已終止經營業務

如非流動資產或出售集團之賬面值主要透過出售交易而非持續使用而收回，非流動資產或出售集團則被分類為持作出售，是項條件僅於出售最有可能進行及資產或出售集團可以以現狀即時出售。本集團須承諾進行出售，預計應可自分類之日起一年內合資格確認為已完成出售。

分類為持作出售之非流動資產或出售集團，以其非流動資產或出售集團之先前賬面值與公平值減出售成本之較低者計算。

已終止經營業務為本集團其中一部分，其營運及現金流量可與本集團其餘部分清晰地劃分，並構成獨立重大業務或營運區域，或屬出售獨立重大業務或營運區域之單一統籌計劃其中部分或為純粹就轉售購入之附屬公司。

根據香港財務報告準則第5號，於出售或業務符合分類為持作銷售之條件(以較早者為準)時，則作出已終止經營業務之分類。另外，亦於廢棄業務時作出此分類。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (ac) Non-current assets held for sale and discontinued operation (continued)

When an operation is classified as discontinued, a single amount is presented in the statement of profit or loss and other comprehensive income, which comprises:

- The post-tax profit or loss of the discontinued operation; and
- The post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group constituting the discontinued operation.

### 5. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

#### Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt with below).

### 4. 重要會計政策 (續)

#### (ac) 持作出售非流動資產及已終止經營業務 (續)

倘業務分類為已終止，則於損益及其他全面收益表呈報單一數額，當中包括：

- 已終止經營業務除稅後溢利或虧損；及
- 於計量組成已終止經營業務之資產或出售集團之公平值減出售成本或於出售有關資產或出售集團時，確認除稅後收益或虧損。

### 5. 關鍵會計判斷及估計不確定性之主要來源

#### 應用會計政策之關鍵判斷

於應用會計政策之過程中，董事已對在財務報表中確認金額具有最重大影響之下列判斷（除涉及下文處理的估算外）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 5. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(continued)*

#### ***Critical judgements in applying accounting policies*** *(continued)*

##### **Deconsolidation of a subsidiary**

The consolidated financial statements have been prepared based on the books and records maintained by the Group. However, due to the incident of a suspected misappropriation of funds associated with a subsidiary, by that time, the directors considered that the control over this subsidiary had been lost. Since then, the directors neither had control over the operating and financial activities, nor any access to the underlying accounting books and records of this subsidiary. Due to the lack of control and financial information, the directors considered that it was impracticable to consolidate the results, assets, liabilities and cashflows of this subsidiary.

#### ***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.

### 5. 關鍵會計判斷及估計不確定性之主要來源 *(續)*

#### ***應用會計政策之關鍵判斷*** *(續)*

##### **取消綜合入賬一間附屬公司**

綜合財務報表乃根據本集團存置之賬簿及記錄編製。然而，由於一間附屬公司涉嫌挪用資金事件，董事於該事件發生時認為已失去對該附屬公司之控制權。自此，董事並無控制該附屬公司之營運及財務活動，亦未能取得該附屬公司之相關財務賬簿及記錄。由於失去控制權及缺乏財務資料，董事認為將該附屬公司之業績、資產、負債及現金流量進行綜合入賬並不實際可行。

#### ***估計不確定性之主要來源***

可能引致資產及負債賬面值於下個財政年度造成大幅調整之重大風險且有關未來之主要假設，以及於報告期末的估計不確定性之其他主要來源討論如下。

##### **(a) 物業、廠房及設備及折舊**

本集團釐定物業、廠房及設備的估計可使用年期、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相應調整，或將已報廢或出售之技術過時或非策略資產註銷或撇減。

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### 5. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(continued)*

#### **Key sources of estimation uncertainty**

*(continued)*

#### **(b) Impairment of property, plant and equipment and construction in progress**

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 present value of estimated future cash flows. Where the future cash flows are less than expected or there are unfavourable events and change in facts and circumstance which result in revision of future estimate cash flows, a material impairment loss may arise.

#### **(c) Recoverability of intangible assets**

During the year, the Group reconsidered the recoverability of its intangible assets arising from the Group's development, which is included in its consolidated statement of financial position at 31 December 2016 at HK\$8,179,000 (2015: HK\$63,738,000). Detailed sensitivity analysis has been carried out and the Group is confident that the carrying amount of the assets will be recovered in full, even if returns are reduced. This situation will be closely monitored, and adjustments made in future periods, if future market activity indicates that such adjustments are appropriate.

### 5. 關鍵會計判斷及估計不確定性之主要來源 *(續)*

#### **估計不確定性之主要來源 *(續)***

#### **(b) 物業、廠房及設備以及在建工程減值**

倘出現事件或情況變動顯示資產賬面值超出其可收回金額，則本集團會就物業、廠房及設備進行減值檢討。可收回金額乃參照估計未來現金流量之現值而釐定。倘未來現金流量低於預期值或不利事件以及事實及情況變動導致修訂估值未來現金流量，則可能產生重大減值虧損。

#### **(c) 無形資產的可收回性**

於年內，本集團重新考慮產生自本集團開發活動的無形資產的可收回性，8,179,000港元(二零一五年：63,738,000港元)計入二零一六年十二月三十一日的綜合財務狀況表。本集團已進行詳盡的敏感度分析並深信，即使回報減少，該資產的賬面值將全數收回。本集團將密切監察有關情況，倘未來市場活動顯示該等調整屬適當，則將於未來期間作出調整。

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## 綜合財務報表附註

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### 5. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(continued)*

#### *Key sources of estimation uncertainty*

*(continued)*

#### (d) Impairment of deposits for acquisition of non-current assets, trade and other receivables, deposits and prepayments

Impairment of deposits for acquisition of non-current assets, trade and other receivables, deposits and prepayments is made based on an assessment of the recoverability of deposits for acquisition of non-current assets, trade and other receivables, deposits and prepayments. The assessment of impairment of receivables, deposits and prepayments involves the use of estimates and judgments. An estimate for doubtful debts is made when collection of the full amount is no longer probable, as supported by objective evidence using available contemporary and historical information to evaluate the exposure. Bad debts are written off as incurred. Where the actual outcome or expectation in the future is different from the original estimates, such differences will affect the carrying amount of deposits for acquisition of non-current assets, trade and other receivables, deposits and prepayments and thus the impairment loss in the period in which such estimate is changed.

#### (e) Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

### 5. 關鍵會計判斷及估計不確定性之主要來源 *(續)*

#### *估計不確定性之主要來源 *(續)**

#### (d) 收購非流動資產之按金、應收賬款及其他應收款項、按金及預付款項之減值

收購非流動資產之按金、應收賬款及其他應收款項、按金及預付款項之減值乃根據收購非流動資產之按金、應收賬款及其他應收款項、按金及預付款項之可收回性而評估應收賬款、按金及預付款項之減值評估包括估值與判斷。當根據當前及過往資料評估風險時，客觀證據顯示不能收回全數款項，則進行呆賬評估。壞賬於產生時撇銷。若未來的實際情況或預計有別於原有估計，則有關差額將影響到改變有關估計的期間內收購非流動資產之按金、應收賬款及其他應收款項、按金及預付款項的賬面值，因而影響減值虧損之數額。

#### (e) 所得稅

本集團須繳納多個司法管轄區之所得稅。釐定所得稅之撥備金額時須作出重大估計。於日常業務過程中有若干未能準確釐定最終須繳納稅項之交易及計算。若該等事項之最終稅務結果與最初記錄之金額不同，該等差額將影響作出該等釐定期間之所得稅及遞延稅項撥備。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

#### (b) Credit risk

The carrying amount of the cash and bank balances and trade and other receivables included in the consolidated statement of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

### 6. 財務風險管理目標及政策

本集團之業務須承受各種財務風險：外匯風險、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項目集中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

由於大多數業務交易、資產及負債均以本集團授權之功能貨幣計值，故本集團並無重大外幣風險。本集團目前並無針對外幣交易、資產及負債之對沖政策。本集團將密切監察其外幣風險，並於有需要時考慮對沖重大外幣風險。

#### (b) 信貸風險

本集團有關金融資產承受的最高信貸風險指於綜合財務狀況表列賬的現金及銀行結餘及應收賬款及其他應收款項。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

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### 6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### 6. 財務風險管理目標及政策 (續)

#### (b) Credit risk (continued)

#### (b) 信貸風險 (續)

The Group's maximum exposure to credit risk in the event that counterparties fail to perform their obligations at 31 December 2016 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 receivables. In order to minimise credit risk, the directors have delegated a team to be responsible for the determination of credit limits, credit approvals and other monitoring procedures. In addition, the directors review the recoverable amount of each individual trade debt regularly to ensure that adequate impairment losses are recognised for irrecoverable debts. In this regard, the directors consider that the Group's credit risk is significantly reduced.

倘對手方於二零一六年十二月三十一日未能履行其責任，則本集團就每類已確認金融資產而須承受之最高信貸風險為已反映於綜合財務狀況表列賬之資產賬面值。本集團之信貸風險主要來自應收款項。為將有關信貸風險降至最低，董事已指定一個團隊負責釐定信貸額度、信貸審批及其他監控程序。此外，董事審閱每項個別交易債項之可收回金額，以確保就不能收回金額作出足夠減值虧損。因此，董事認為，本集團之信貸風險大大降低。

The Group's concentration of credit risk on trade receivables as at 31 December 2016 is mainly from one major customer which accounted for 98% (2015: 97%) of trade receivables.

於二零一六年十二月三十一日，本集團應收賬款之集中信貸風險主要來自一名主要客戶，彼等佔應收賬款之98% (二零一五年：97%)。

It has policies in place to ensure that sales are made to customers with an appropriate credit history.

本集團已制定政策，確保銷售對象為具有良好信貸記錄的客戶。

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.

現金及銀行結餘的信貸風險有限，此乃由於對手方均為獲國際信用評級機構給予高信用評級的銀行。

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## 綜合財務報表附註

For the year ended 31 December 2016

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### 6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### 6. 財務風險管理目標及政策 (續)

#### (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:

#### (c) 流動資金風險

本集團的政策為定期監察現有及預期的流動資金需要，以確保其維持足以應付短期及較長遠流動資金需要的現金儲備。

本集團金融負債的期限分析如下：

		Carrying amount	Total contractual undiscounted cash flows within 1 year or on demand
		賬面值 HK\$'000 千港元	一年內或 按要求合約 非折現現金 流量總額 HK\$'000 千港元
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>		
Trade payables	應付賬款	21,548	21,548
Other payables and accruals	其他應付款項及應計費用	21,715	21,715
Short term loans	短期貸款	3,371	3,371
		<b>46,634</b>	<b>46,634</b>
<b>At 31 December 2015</b>	<b>於二零一五年十二月三十一日</b>		
Trade payables	應付賬款	41,066	41,066
Other payables and accruals	其他應付款項及應計費用	240,672	240,672
Notes payables	應付票據	70,000	71,941
Short term loans	短期貸款	12,571	12,571
		364,309	366,250



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)*

### 6. 財務風險管理目標及政策 *(續)*

#### **(d) Interest rate risk**

The Group is exposed to fair value interest rate risk in relation to notes payables and short term loans. The Group is also exposed to cash flow interest rate risk in relation to variable-rate financial assets of bank balances. The Group has not used any interest rate swaps to mitigate its exposure associated with fluctuations relating to interest cash flows.

The Group currently does not have interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

In the opinion of the directors of the Company, no interest rate sensitivity is disclosed as the interest rate sensitivity does not give additional value in view of insignificant exposure of interest bearing bank balances as at the end of the reporting period.

#### **(d) 利率風險**

本集團承受與應付票據及短期貸款有關之公平值利率風險。本集團亦承受與浮息短期貸款金融負債及銀行結餘金融資產有關之現金流量利率風險。本集團並無採用任何利率掉期合約以降低其所承受與現金流量利率波動有關之風險。

本集團目前並無利率對沖政策。然而，管理層監察利率風險，並將於需要時考慮對沖重大利率風險。

鑒於報告期末計息銀行結餘之利率風險並不重大，利率敏感度並無產生額外價值，故本公司董事認為毋須披露利率敏感度。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### 6. 財務風險管理目標及政策 (續)

#### (e) Categories of financial instruments

#### (e) 金融工具分類

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Financial assets:</b>	<b>金融資產：</b>		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)		
— Trade receivables	— 應收賬款	<b>35,901</b>	110,923
— Financial assets included in prepayments, deposits and other receivables	— 金融資產包括預付款項、按金及其他應收款項	<b>737</b>	23,578
— Cash and cash equivalents	— 現金及現金等價物	<b>84,411</b>	88,864
		<b>121,049</b>	223,365
<b>Financial liabilities:</b>	<b>金融負債：</b>		
Financial liabilities at amortised cost	攤銷成本之金融負債		
— Trade payables	— 應付款項	<b>21,548</b>	41,066
— Other payables and accruals	— 其他應付款項及應計費用	<b>21,715</b>	240,672
— Notes payables	— 應付票據	<b>—</b>	70,000
— Short term loans	— 短期貸款	<b>3,371</b>	12,571
		<b>46,634</b>	364,309

#### (f) Fair value

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.

#### (f) 公平值

載於綜合財務狀況表之本集團金融資產及金融負債的賬面值與其各自的公平值相若。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 7. REVENUE

Revenue represents the net amounts received and receivable by the Group from the sale of goods and services rendered to outside customers, net of discounts, returns and sales related taxes are as follows:

### 7. 收益

收益指本集團向外來客戶銷售貨品及提供服務所收取及應收之淨值(經扣減折扣、退貨及銷售相關稅項後)，分析如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Digital cable television business	有線數位電視業務	17,586	21,120
Wireless digital television value-added services	無線數位電視增值服務	61,547	9,495
Wireless digital audio integrated circuits	無線數位音頻芯片	2,085	4,064
Wireless digital terrestrial television network equipment integrated business	地面無線數位電視網絡設備集成業務	—	1,198
Encrypted integrated circuits	加密芯片	—	117
		<b>81,218</b>	35,994
Representing:	其中：		
— Continuing operations	— 持續經營業務	81,218	34,679
— Discontinued operations (note 16)	— 已終止經營業務(附註16)	—	1,315
		<b>81,218</b>	35,994

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 8. OTHER INCOME

### 8. 其他收入

		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		千港元	千港元
Bank interest income	銀行利息收入	26	4
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	—	205
Reversal of provision on deposits, prepayments and other receivables	按金、預付款項及其他應收款項撥備回撥	563	—
Reversal of over-provision on costs of sales	銷售成本超額撥備回撥	7,741	—
Net gain on settlement with a customer	與一名客戶結算之收益淨額	21,765	—
Rental income	租金收入	102	—
Fair value gain on financial derivatives	金融衍生工具之公平值收益	5,451	—
Waiver of other payables	獲豁免其他應付款項	25,052	—
Sundry income	雜項收入	2,579	1,230
		<b>63,279</b>	1,439
Representing:	其中：		
— Continuing operations	— 持續經營業務	38,227	1,437
— Discontinued operations (note 16)	— 已終止經營業務(附註16)	25,052	2
		<b>63,279</b>	1,439

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 9. SEGMENT INFORMATION

The Group has three reportable segments in continuing operations and are as follows:

- Digital cable television business
- Wireless digital television value-added services
- Wireless digital audio integrated circuits

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

The accounting policies of the operating segments are the same as those described in note 4 to the consolidated financial statements. No operating segments have been aggregated in arriving at the reportable segments of the Group.

### 9. 分部資料

本集團之持續經營業務擁有三個可報告分部，如下：

- 有線數位電視業務
- 無線數位電視增值服務
- 無線數位音頻芯片

本集團之可報告分部為戰略業務單元，提供不同的產品及服務。其被分開管理是由於業務需要不同的技術及市場營銷策略。

經營分部之會計政策與綜合財務報表附註4所述相同。並無經營分部獲併入本集團之可報告分部。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 9. SEGMENT INFORMATION (continued)

Information about reportable segment profit or loss, assets and liabilities:

### 9. 分部資料(續)

有關可報告分部溢利或虧損、資產及負債之資料：

		Continuing operations 持續經營業務				Discontinued operations 已終止經營業務				Total
		Digital cable television business	Wireless digital television value-added services	Wireless digital audio integrated circuits	Castor products	Sub-total	Wireless digital terrestrial television network equipment integrated business	Encrypted integrated circuits	Sub-total	
		有線數位電視業務 HK\$'000 千港元	無線數位電視增值服務 HK\$'000 千港元	無線數位音頻芯片 HK\$'000 千港元	蔥麻產品 HK\$'000 千港元	小計 HK\$'000 千港元	地面無線數位電視網絡設備集成業務 HK\$'000 千港元	加密芯片 HK\$'000 千港元	小計 HK\$'000 千港元	總計 HK\$'000 千港元
<b>Year ended 31 December 2016</b>	<b>截至二零一六年十二月三十一日止年度</b>									
Revenue from external customers	來自外來客戶之收益	17,586	61,547	2,085	—	81,218	—	—	—	81,218
Segment profit/(loss)	分部溢利/(虧損)	3,643	63,692	(4,114)	—	63,221	—	—	—	63,221
Depreciation and amortisation	折舊及攤銷	2,521	96	804	—	3,421	—	—	—	3,421
Capital expenditure	資本開支	3	—	9	—	12	—	—	—	12
<b>As at 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>									
Reportable segment assets	可報告分部之資產	113,064	667	1,644	—	115,375	—	—	—	115,375
Reportable segment liabilities	可報告分部之負債	(39,914)	(7,544)	(12,471)	—	(59,929)	—	—	—	(59,929)
<b>Year ended 31 December 2015</b>	<b>截至二零一五年十二月三十一日止年度</b>									
Revenue from external customers	來自外來客戶之收益	21,120	9,495	4,064	—	34,679	1,198	117	1,315	35,994
Segment profit/(loss)	分部溢利/(虧損)	(174,785)	2,222	(4,009)	—	(176,572)	(37)	(7,287)	(7,324)	(183,896)
Depreciation and amortisation	折舊及攤銷	4,962	1,180	727	5	6,874	4	7,647	7,651	14,525
Capital expenditure	資本開支	12,444	293	1,563	27,350	41,650	—	928	928	42,578
<b>As at 31 December 2015</b>	<b>於二零一五年十二月三十一日</b>									
Reportable segment assets	可報告分部之資產	149,254	4,586	12,710	100,008	266,558	—	—	—	266,558
Reportable segment liabilities	可報告分部之負債	(176,484)	(133,659)	(9,944)	(2,412)	(322,499)	—	—	—	(322,499)

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## 綜合財務報表附註

For the year ended 31 December 2016

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### 9. SEGMENT INFORMATION (continued)

Reconciliations of reportable segment revenue, profit or loss, assets and liabilities:

### 9. 分部資料(續)

可報告分部收益、溢利或虧損、資產及負債之對賬：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Revenue</b>	<b>收益</b>		
Total revenue of reportable segments	可報告分部之總收益	81,218	35,994
Elimination of discontinued operations	已終止經營業務之對銷	—	(1,315)
Consolidated revenue	綜合收益	81,218	34,679
<b>Profit or loss</b>	<b>溢利或虧損</b>		
Total profit or loss of reportable segments	可報告分部之損益總額	63,221	(183,896)
Unallocated income	未分配收入	7,182	1
Loss on deconsolidation of a subsidiary	取消綜合入賬一間附屬公司之虧損	(65,403)	—
Impairment losses on goodwill	商譽減值虧損	(11,563)	(80,295)
Impairment losses on intangible assets	無形資產減值虧損	(16,477)	—
Impairment losses on inventories	存貨減值虧損	(3,243)	(4,631)
Impairment losses on trade receivables	應收賬款減值虧損	(692)	(137,895)
Impairment losses on prepayments, deposits and other receivables	預付款項、按金及其他應收款項減值虧損	(151)	(8,000)
Impairment losses on property, plant and equipment	物業、廠房及設備減值虧損	(12,571)	(13,823)
Impairment losses on deposits for acquisition on non-current assets	收購非流動資產之按金減值虧損	(18,000)	(12,000)
Impairment losses on construction-in-progress	在建工程減值虧損	—	(4,040)
Other unallocated expenses	其他未分配開支	(52,961)	(8,369)
Finance costs	融資成本	(6,973)	(9,302)
Income tax expenses	所得稅開支	59,551	1,391
Elimination of discontinued operations	已終止經營業務之對銷	8,653	148,286
Consolidated loss for the year from continuing operations	年內來自持續經營業務之綜合虧損	(49,427)	(312,573)
<b>Assets</b>	<b>資產</b>		
Total assets of reportable segments	可報告分部之總資產	115,375	266,558
Unallocated assets	未分配資產	362,765	456,398
Consolidated total assets	綜合總資產	478,140	722,956
<b>Liabilities</b>	<b>負債</b>		
Total liabilities of reportable segments	可報告分部之總負債	59,929	322,499
Unallocated liabilities	未分配負債	40,817	273,388
Consolidated total liabilities	綜合總負債	100,746	595,887

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## 綜合財務報表附註

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### 9. SEGMENT INFORMATION (continued)

### 9. 分部資料(續)

#### Geographical information:

#### 地域資料：

		Revenue		Non-current assets	
		收益		非流動資產	
		2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>Continuing operations</b>	<b>持續經營業務</b>				
PRC	中國	<b>79,132</b>	30,615	<b>28,450</b>	139,121
Hong Kong	香港	<b>2,086</b>	4,064	<b>81,050</b>	—
<b>Discontinued operation</b>	<b>已終止經營業務</b>				
PRC	中國	—	1,315	—	20,525
Consolidated total	綜合總計	<b>81,218</b>	35,994	<b>109,500</b>	159,646

In presenting the geographical information, revenue is based on the locations of the customers.

於呈列地域資料時，收益乃基於客戶之所在地。

#### Revenue from major customers:

#### 來自於主要客戶之收益：

Revenue from customers of the corresponding periods individually contributing over 10% of the total revenue of the Group are as follows:

於相關期間內，來自個別客戶之收益貢獻（佔本集團總收益超過10%）詳情如下：

		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		千港元	千港元
Customer A	Wireless digital television value-added services	<b>61,547</b>	9,495
客戶甲	無線數位電視增值服務		
Customer B	Wireless Digital Audio Intergrated Circuits	—	4,064
客戶乙	無線數位音頻芯片		



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

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### 10. IMPAIRMENT ON VARIOUS ASSETS

### 10. 多項資產減值

		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		千港元	千港元
Impairment losses on goodwill	商譽減值虧損	<b>11,563</b>	80,295
Impairment losses on inventories	存貨減值虧損	<b>3,243</b>	4,631
Impairment losses on trade receivables	應收賬款減值虧損	<b>692</b>	137,895
Impairment losses on prepayments, deposits and other receivables	預付款項、按金及其他應收款項減值虧損	<b>151</b>	8,000
Impairment losses on intangible assets	無形資產減值虧損	<b>16,477</b>	—
Impairment losses on property, plant and equipment	物業、廠房及設備減值虧損	<b>32,817</b>	13,823
Impairment losses on deposits for acquisition on non-current assets	收購非流動資產之按金減值虧損	<b>18,000</b>	12,000
Impairment losses on construction-in-progress	在建工程減值虧損	—	4,040
		<b>82,943</b>	260,684
Representing:	代表：		
— Continuing operations	— 持續經營業務	<b>62,697</b>	260,684
— Discontinued operations (note 16)	— 已終止經營業務(附註16)	<b>20,246</b>	—
		<b>82,943</b>	260,684

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## 綜合財務報表附註

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### 11. FINANCE COSTS

### 11. 融資成本

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Interest on other loans	其他貸款利息	1,356	2,118
Interest on redeemable bonds	可贖回債券之利息	739	7,184
Interest on convertible bonds	可換股債券之利息	4,878	—
		<b>6,973</b>	9,302
Representing:	其中：		
— Continuing operations	— 持續經營業務	6,973	9,302
— Discontinued operations (note 16)	— 已終止經營業務(附註16)	—	—
		<b>6,973</b>	9,302

### 12. INCOME TAX CREDIT

### 12. 所得稅抵免

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current — the PRC	即期 — 中國		
— Charge for the year	— 本年度稅項	58	81
— Over-provision in prior years	— 過往年度超額撥備	(55,488)	—
— Deferred tax (note 35)	— 遞延稅項(附註35)	(4,121)	(1,472)
		<b>(59,551)</b>	(1,391)
Representing:	其中：		
— Continuing operations	— 持續經營業務	(59,551)	(1,391)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

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### 12. INCOME TAX CREDIT (continued)

No provision for Hong Kong Profits Tax has been made for the years ended 31 December 2016 and 2015 as the Group did not generate any assessable profits arising in Hong Kong during that years.

PRC corporate income tax is calculated at a standard rate of 25% (2015: 25%) on the estimated assessable profits arising from its operation in the PRC.

The reconciliation between the income tax credit from continuing and discontinued operations and the product of loss before tax multiplied by the PRC enterprise income tax rate is as follows:

### 12. 所得稅抵免 (續)

由於本集團於截至二零一六年及二零一五年十二月三十一日止年度並無於香港產生任何應課稅溢利，故該兩年內並未就香港利得稅計提撥備。

於中國經營之業務產生之估計應課稅利潤之中國企業所得稅標準稅率為25% (二零一五年：25%)。

來自持續及已終止經營業務的所得稅抵免與除稅前虧損乘中國企業所得稅稅率之乘積對賬如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Loss before tax	除稅前虧損	<b>(117,631)</b>	(462,250)
Tax calculated at the domestic tax rate of 25% (2015: 25%)	按本地之稅率25%計算之稅項 (二零一五年：25%)	<b>(29,408)</b>	(115,563)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法管轄地區經營之 附屬公司之不同稅率影響	<b>3,612</b>	46,802
Tax effect of income that is not taxable	繳納不同稅率之稅項影響	<b>(7,447)</b>	(1,599)
Tax effect of expenses that are not deductible	不能扣除開支之稅項影響	<b>26,063</b>	54,071
Tax effect of tax losses not recognised	未確認稅項虧損之稅項影響	<b>16,891</b>	16,915
Over-provision in prior years	過往年度超額撥備	<b>(55,488)</b>	—
Utilisation of tax losses not recognised previously	動用先前未確認之稅項虧損	<b>(13,774)</b>	(2,017)
Income tax credit	所得稅抵免	<b>(59,551)</b>	(1,391)

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## 綜合財務報表附註

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### 13. LOSS FOR THE YEAR

The Group's loss for the year is arrived at after charging/(crediting):

### 13. 年內虧損

本集團年內虧損乃經扣除／(計入)下列各項後列賬：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Staff costs including directors' emoluments: 員工成本包括董事酬金：		
— Salaries, bonus and allowances — 薪金、獎金及津貼	<b>17,804</b>	15,759
— Retirement benefits scheme contributions — 退休福利計劃供款	<b>732</b>	2,164
	<b>18,536</b>	17,923
Auditors' remuneration 核數師酬金	<b>1,180</b>	700
Cost of inventories sold 已出售之存貨成本	<b>2,036</b>	3,964
Depreciation of items of property, plant and equipment 物業、廠房及設備項目之折舊	<b>3,714</b>	8,433
Amortisation of intangible assets 無形資產之攤銷	<b>6,783</b>	15,027
Fair value loss on initial recognition of convertible bonds 初步確認可換股債券之公平值虧損	<b>15,000</b>	—
Operating lease charges 經營租賃費用	<b>4,638</b>	3,417
Gain on disposal of property, plant and equipment 出售物業、廠房及設備之收益	—	(205)
Research and development expenditure 研發開支	<b>4,433</b>	2,956

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## 綜合財務報表附註

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### 14. DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS

The emoluments of each director were as follows:

### 14. 董事及五名最高薪個人之酬金

各董事之酬金載列如下：

Year ended	Notes	Fees	Salaries, allowances and other benefits	Retirement benefits scheme contributions	Total emoluments
31 December 2016	附註	袍金	薪金·津貼及其他利益	退休福利計劃供款	總薪酬
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>Year ended 31 December 2016</b>					
<b>Executive directors:</b>					
Tan Sri Dato' Lim Tong Yong (appointed on 17 February 2016)	(i)	906	—	—	906
Mr. Chen Rongbin (appointed on 21 July 2016)	(ii)	870	100	9	979
Mr. Gao Yang		1,087	—	—	1,087
Mr. Qiu Bin		832	—	18	850
Mr. Hu Qixian (appointed on 1 June 2016)		607	169	—	776
Mr. Chen Xi (appointed on 1 June 2016)		607	—	—	607
Mr. Tan Xiangdong (appointed on 1 June 2016 and resigned on 24 June 2016)		144	—	—	144
Mr. Yu Bun (retired on 31 May 2016)		436	—	9	445
Mr. Xiao Yan (retired on 31 May 2016)		378	—	—	378
Mr. Li Nan (retired on 31 May 2016)		379	—	—	379
Mr. Li Tao (retired on 31 May 2016)		387	—	8	395
<b>Non-executive director:</b>					
Mr. Wang Kun (resigned on 16 December 2016)		—	—	—	—

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## 綜合財務報表附註

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

### 14. 董事及五名最高薪個人之酬金(續)

	Notes	Fees	Salaries, allowances and other benefits	Retirement benefits scheme contributions	Total emoluments
	附註	袍金	薪金、津貼及其他利益	退休福利計劃供款	總薪酬
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Independent non-executive directors:	獨立非執行董事：				
Mr. Wong Chi Keung (appointed on 17 October 2016)	黃之強先生 (於二零一六年十月十七日獲委任)	32	—	—	32
Ms. Chen Yan (appointed on 15 June 2016)	陳焯女士 (於二零一六年六月十五日獲委任)	71	—	—	71
Mr. Xu Haiou (appointed on 15 June 2016)	許海鷗*先生 (於二零一六年六月十五日獲委任)	71	—	—	71
Mr. Chau Sen Chung (appointed on 31 August 2016)	周晨仲先生 (於二零一六年八月三十一日獲委任)	44	—	—	44
Mr. Chan Fong Kong Francis (appointed on 1 June 2016 and resigned on 31 August 2016)	陳方剛先生 (於二零一六年六月一日獲委任並於二零一六年八月三十一日辭任)	30	—	—	30
Mr. Leung Wo Ping (resigned on 20 June 2016)	梁和平先生 (於二零一六年六月二十日辭任)	68	—	—	68
Mr. Hu Dingdong (resigned on 20 June 2016)	胡定東先生 (於二零一六年六月二十日辭任)	57	—	—	57
Mr. Lei Yong (resigned on 8 June 2016)	雷勇先生 (於二零一六年六月八日辭任)	53	—	—	53
Mr. Chiu Chi Kong (resigned on 8 June 2016)	趙志剛先生 (於二零一六年六月八日辭任)	88	—	5	93
		<b>7,147</b>	<b>269</b>	<b>49</b>	<b>7,465</b>

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

### 14. 董事及五名最高薪個人之酬金 (續)

	Notes	Fees	Salaries, allowances and other benefits	Retirement benefits scheme contributions	Total emoluments
	附註	袍金 HK\$'000 千港元	薪金、津貼及其他利益 HK\$'000 千港元	退休福利計劃供款 HK\$'000 千港元	總薪酬 HK\$'000 千港元
<b>Year ended 31 December 2015</b>					
<b>截至二零一五年十二月三十一日止年度</b>					
<b>Executive directors:</b>	<b>執行董事：</b>				
Mr. Xiao Yan	肖彥先生	1,849	—	—	1,849
Mr. Li Tao	李濤先生	1,400	—	18	1,418
Mr. Qiu Bin	仇斌先生	1,120	—	—	1,120
Mr. Wang Kun (re-designated as a non-executive director with effect from 18 December 2015)	王坤先生 (於二零一五年十二月十八日調任為非執行董事)	—	—	—	—
Mr. Li Nan (appointed on 9 November 2015)	李楠先生 (於二零一五年十一月九日獲委任)	—	—	—	—
Mr. Gao Yang (re-designated as an executive director with effect from 18 December 2015)	高揚先生 (於二零一五年十二月十八日調任為執行董事)	—	—	—	—
Mr. Yu Bun (appointed on 18 December 2015)	俞斌先生 (於二零一五年十二月十八日獲委任)	—	—	—	—
<b>Non-executive director:</b>	<b>非執行董事：</b>				
Mr. Xu Lei (resigned on 18 December 2015)	徐雷先生 (於二零一五年十二月十八日辭任)	262	—	—	262
Mr. Wang Kun (re-designated as a non-executive director with effect from 18 December 2015)	王坤先生 (於二零一五年十二月十八日調任為非執行董事)	—	—	—	—
<b>Independent non-executive directors:</b>	<b>獨立非執行董事：</b>				
Mr. Leung Wo Ping	梁和平先生	168	—	—	168
Mr. Hu Dingdong	胡定東先生	140	—	—	140
Mr. Lei Yong	雷勇先生	131	—	—	131
Mr. Dong Shi (resigned on 18 December 2015)	董石先生 (於二零一五年十二月十八日辭任)	131	—	—	131
Mr. Gao Yang (appointed as an independent non-executive director on 9 November 2015 and re-designated as an executive director with effect from 18 December 2015)	高揚先生 (於二零一五年十一月九日獲委任為獨立非執行董事並於二零一五年十二月十八日調任為執行董事)	—	—	—	—
Mr. Chiu Chi Kong (appointed on 18 December 2015)	趙志剛先生 (於二零一五年十二月十八日獲委任)	8	—	—	8
		5,209	—	18	5,227

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## 綜合財務報表附註

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截至二零一六年十二月三十一日止年度

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

#### Notes

- (i) Tan Sri Dato' Lim Tong Yong was appointed as an executive director and the chairman of the Board with effect from 17 February 2016.
- (ii) Mr. Chen Rongbin was appointed as an executive director, a vice chairman and the chief executive officer of the Company with effect from 21 July 2016.

There was no arrangement under which a director waived or agreed to waive any emoluments during the years ended 31 December 2016 and 2015.

The five highest paid individuals in the Group during the year included four (2015: three) directors whose emoluments are reflected in the analysis presented above. The emoluments of the remaining one (2015: two) individuals are set out below:

### 14. 董事及五名最高薪個人之酬金(續)

#### 附註

- (i) 丹斯里拿督林東洋\*於二零一六年二月十七日獲委任為執行董事及董事會主席。
- (ii) 陳榮斌先生於二零一六年七月二十一日獲委任為本公司執行董事、副主席及行政總裁。

截至二零一六年及二零一五年十二月三十一日止年度，概無任何董事放棄或同意放棄任何酬金之安排。

年內，本集團五名最高薪人士包括四名(二零一五年：三名)董事，彼等之薪酬詳情已於上文呈列。餘下一名(二零一五年：二名)人士之薪酬如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries, allowances and other benefits in kind	薪金、津貼及實物利益	1,082	2,440
Contributions to pension scheme	退休福利計劃供款	9	18
		<b>1,091</b>	2,458



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## 綜合財務報表附註

For the year ended 31 December 2016

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

The emoluments fell within the following bands:

		Number of individuals	
		人數	
		2016	2015
		二零一六年	二零一五年
Nil to HK\$1,000,000	0港元 — 1,000,000港元	—	1
HK\$1,000,001 — HK\$1,500,000	1,000,001港元 — 1,500,000港元	1	—
HK\$1,500,001 — HK\$2,000,000	1,500,001港元 — 2,000,000港元	—	1
		<b>1</b>	<b>2</b>

During the years ended 31 December 2016 and 2015, no emoluments were paid by the Group to any of the directors or the highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

### 14. 董事及五名最高薪個人之酬金(續)

薪金介乎以下範圍之人數如下：

截至二零一六年及二零一五年十二月三十一日止年度，本集團概無向董事或五位最高薪人士中任何一位支付酬金，作為吸引彼等加盟或作為彼等加盟本集團後之獎勵或離職補償。

### 15. LOSS ON DECONSOLIDATION OF A SUBSIDIARY

As disclosed in note 2 to these consolidated financial statements, the financial results of Shanxi Zhongze was deconsolidated from the consolidated financial statements of the Company from 1 January 2016 due to the incident of a suspected misappropriation of funds of Shanxi Zhongze. As a result, assets, liabilities and cash flows of Shanxi Zhongze was deconsolidated from the consolidated financial statements of the Group from 1 January 2016.

### 15. 取消綜合入賬一間附屬公司之虧損

如該等綜合財務報表附註2所披露，由於山西中澤涉嫌挪用資金事件，於二零一六年一月一日本公司綜合財務報表取消綜合入賬山西中澤之財務業績。因此，於二零一六年一月一日，山西中澤之資產、負債及現金流量於本集團綜合財務報表取消綜合入賬。

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## 綜合財務報表附註

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### 15. LOSS ON DECONSOLIDATION OF A SUBSIDIARY (continued)

### 15. 取消綜合入賬一間附屬公司之虧損(續)

Net assets of Shanxi Zhongze as at the date of deconsolidation were as follows:

山西中澤於取消綜合入賬日期之資產淨值如下：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	86
Intangible assets	無形資產	32,143
Goodwill	商譽	8,883
Derivative financial instruments	衍生金融工具	3,896
Inventories	存貨	41,428
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	25,582
Cash and cash equivalents	現金及現金等價物	769
Trade and other payables	應付賬款及其他應付款項	(2,412)
Deferred tax liabilities	遞延稅項負債	(1,222)
Non-controlling interests	非控股股東權益	(47,223)
Net assets of the deconsolidated subsidiary	取消綜合入賬附屬公司之資產淨值	61,930
Release of the related foreign currency translation reserves	解除相關外幣換算儲備	3,473
Loss on deconsolidation of a subsidiary	取消綜合入賬一間附屬公司之虧損	65,403
Net cash outflow arising on deconsolidation of a subsidiary:	取消綜合入賬一間附屬公司產生之現金流出淨額：	769

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 16. DISCONTINUED OPERATIONS

The Group's discontinued operations for the year ended 31 December 2016 represented the investment in mining business operated by Zhong Kuang Jing Zi Investment Co., Limited (the "Zhong Kuang Jing Zi").

The Group's discontinued operations for the year ended 31 December 2015 represented the wireless digital terrestrial television network equipment integrated business segment and encrypted integrated circuits segment operated by Star Hub Investment Limited and its subsidiaries (the "Star Hub Group") and the investment in mining business operated by Zhong Kuang Jing Zi.

- (a) During the year ended 31 December 2015, the directors intended to dispose of the Group's interests in Zhong Kuang Jing Zi. Negotiations with several interested parties had been taken place during the year ended 31 December 2016.

The Disposal of Zhong Kuang Jing Zi was planned during year ended 31 December 2015. Up to the date of approval of these consolidated financial statements, the disposal was not yet completed. The results of Zhong Kuang Jing Zi under the business segment of investment in mining business in Lijiang has been presented as discontinued operation during the years ended 31 December 2016 and 2015, and Zhong Kuang Jing Zi was classified as asset/(liabilities) of disposal group held for sale on the consolidated statement of financial position.

- (b) On 30 November 2015, the Group entered into a sale and purchase agreement to dispose of the entire equity interest in the Star Hub Group. The disposal was completed on 31 December 2015, the date on which the control of the Star Hub Group was passed to the acquirer. The Star Hub Group represented a separate major line of business of the Group and the Star Hub Group was presented as a discontinued operation.

### 16. 已終止經營業務

本集團截至二零一六年十二月三十一日止年度之已終止經營業務為由中礦京資投資有限公司(「中礦京資」)經營的礦業業務投資。

本集團截至二零一五年十二月三十一日止年度之已終止經營業務為由Star Hub Investment Limited及其附屬公司(「Star Hub集團」)經營的無線數位電視網絡設備集成業務分部及加密芯片業務分部以及中礦京資經營的礦業業務投資。

- (a) 截至二零一五年十二月三十一日止年度，董事擬出售本集團於中礦京資之權益，並已於截至二零一六年十二月三十一日止年度與多名有意方進行磋商。

於截至二零一五年十二月三十一日止年度已計劃出售中礦京資。截至該等綜合財務報表批准日期，出售事項尚未完成。中礦京資在麗江採礦投資業務分部下之業績於截至二零一六年及二零一五年十二月三十一日止年度已呈列為已終止經營業務，且中礦京資已於綜合財務狀況表中被分類為持作出售之出售集團資產／(負債)。

- (b) 於二零一五年十一月三十日，本集團訂立一項買賣協議以出售Star Hub集團之全部股權。該出售事項已於二零一五年十二月三十一日完成，且對Star Hub集團之控制權亦於當日移交予收購方。Star Hub集團為本集團一條單獨的主要業務線，而Star Hub集團以已終止經營業務呈列。

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## 綜合財務報表附註

For the year ended 31 December 2016

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### 16. DISCONTINUED OPERATIONS (continued)

- (c) The loss for the year from discontinued operations is analysed as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Loss of discontinued operations	已終止經營業務之虧損	(8,653)	(25,217)
Loss on disposal of discontinued operations	出售已終止經營業務之虧損	—	(123,069)
		<b>(8,653)</b>	<b>(148,286)</b>

The results of the discontinued operations for the year which have been included in consolidated profit or loss, are as follows:

- (c) 年內已終止經營業務虧損之分析如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Loss of discontinued operations	(8,653)	(25,217)
Loss on disposal of discontinued operations	—	(123,069)
	<b>(8,653)</b>	<b>(148,286)</b>

年內已終止經營業務之業績(已載入綜合損益中)如下：

		Zhong Kuang Jing Zi 中礦京資 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>2016</b>	<b>二零一六年</b>		
Other income	其他收入	25,052	25,052
Administrative expenses	行政開支	(12,893)	(12,893)
Impairment loss on various assets	各種資產減值虧損	(20,246)	(20,246)
Share of loss of an associate	分佔一間聯營公司虧損	(566)	(566)
Loss from operations	經營虧損	(8,653)	(8,653)
Finance costs	融資成本	—	—
Loss before tax	除稅前虧損	(8,653)	(8,653)
Income tax expense	所得稅開支	—	—
Loss for the year from discontinued operation	年內已終止經營業務虧損	<b>(8,653)</b>	<b>(8,653)</b>

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## 綜合財務報表附註

For the year ended 31 December 2016

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### 16. DISCONTINUED OPERATIONS (continued)

(c) (continued)

		Star Hub Group Star Hub集團 HK\$'000 千港元	Zhong Kuang Jing Zi 中礦京資 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>2015</b>	<b>二零一五年</b>			
Revenue	收益	1,315	—	1,315
Cost of goods sold	貨品銷售成本	(1,210)	—	(1,210)
Gross profit	毛利	105	—	105
Other income	其他收入	1	1	2
Selling and distribution costs	出售及分銷成本	(60)	—	(60)
Administrative expenses	行政開支	(7,375)	(17,765)	(25,140)
Share of loss of an associate	分佔一間聯營公司虧損	—	(124)	(124)
Loss from operations	經營虧損	(7,329)	(17,888)	(25,217)
Finance costs	融資成本	—	—	—
Loss before tax	除稅前虧損	(7,329)	(17,888)	(25,217)
Income tax expense	所得稅開支	—	—	—
Loss for the year	年內虧損	(7,329)	(17,888)	(25,217)
Loss on disposal of subsidiaries, net of income tax	出售附屬公司虧損 (扣除所得稅)	—	—	—
Loss for the year from discontinued operation	年內已終止經營業務虧損	(7,329)	(17,888)	(25,217)

During the year, the discontinued operation received approximately HK\$726,000 (2015: received approximately HK\$27,899,000) in respect of operating activities, received approximately HK\$nil (2015: received approximately HK\$6,449,000) in respect of investing activities and paid HK\$nil (2015: HK\$nil) in respect of financing activities.

No tax charge or credit arose on loss on disposal of the discontinued operation.

年內，已終止經營業務就經營活動收取約726,000港元(二零一五年：收取約27,899,000港元)，就投資活動收取約零港元(二零一五年：收取約6,449,000港元)及就融資活動支付零港元(二零一五年：零港元)。

出售已終止經營業務之虧損並無產生任何稅項開支或抵免。

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## 綜合財務報表附註

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### 17. DIVIDEND

The Directors do not recommend the payment of any dividend for each of the years ended 31 December 2016 and 2015.

### 17. 股息

董事會不建議派發截至二零一六年及二零一五年十二月三十一日止各年度之任何股息。

### 18. LOSS PER SHARE (HK\$ CENTS)

#### (a) From continuing and discontinued operations

##### Basic loss per share (HK\$ cents)

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the year attributable to owners of the Company of HK\$53,840,000 (2015: HK\$452,094,000) and the weighted average number of 7,721,537,000 (2015: 4,447,210,000) ordinary shares in issue during the year.

##### Diluted loss per share (HK\$ cents)

The computation of diluted loss per share for the year ended 31 December 2016 is the same as the basic loss per share as the impact of the convertible bonds outstanding had an anti-dilutive effect (2015: No diluted loss per share are presented as the Company did not have any dilutive potential ordinary sharing during the year ended 31 December 2015.)

### 18. 每股虧損(港仙)

#### (a) 來自持續及已終止經營業務

##### 每股基本虧損(港仙)

本公司擁有人應佔每股基本虧損是根據本公司擁有人於年內應佔虧損53,840,000港元(二零一五年: 452,094,000港元)及年內已發行普通股加權平均數7,721,537,000股(二零一五年: 4,447,210,000股)計算。

##### 每股攤薄虧損(港仙)

由於尚未轉換可換股債券具反攤薄影響，故計算截至二零一六年十二月三十一日止年度之每股攤薄虧損與每股基本虧損相同(二零一五年: 由於截至二零一五年十二月三十一日止年度本公司並無任何攤薄潛在普通股，故並無呈列每股攤薄虧損。)

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### 18. LOSS PER SHARE (HK\$ CENTS) *(continued)*

### 18. 每股虧損(港仙)*(續)*

#### *(b) From continuing operations*

#### *(b) 來自持續經營業務*

##### Basic loss per share (HK\$ cents)

##### 每股基本虧損(港仙)

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the year attributable to owners of the Company of HK\$49,427,000 (2015: HK\$312,573,000) and the weighted average number of 7,721,537,000 (2015: 4,447,210,000) ordinary shares in issue during the year.

本公司擁有人應佔每股基本虧損是根據本公司擁有人於年內應佔虧損49,427,000港元(二零一五年: 312,573,000港元)及年內已發行普通股加權平均數7,721,537,000股(二零一五年: 4,447,210,000股)計算。

##### Diluted loss per share (HK\$ cents)

##### 每股攤薄虧損(港仙)

The computation of diluted loss per share for the year ended 31 December 2016 is the same as the basic loss per share as the impact of the convertible bonds outstanding had an anti-dilutive effect (2015: No diluted loss per share are presented as the Company did not have any dilutive potential ordinary sharing during the year ended 31 December 2015.)

由於尚未轉換可換股債券具反攤薄影響，故計算截至二零一六年十二月三十一日止年度之每股攤薄虧損與每股基本虧損相同(二零一五年: 由於截至二零一五年十二月三十一日止年度本公司並無任何攤薄潛在普通股，故並無呈列每股攤薄虧損。)

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## 綜合財務報表附註

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### 18. LOSS PER SHARE (HK\$ CENTS) *(continued)*

### 18. 每股虧損(港仙)*(續)*

#### *(c) From discontinued operation*

#### *(c) 來自已終止經營業務*

##### Basic loss per share (HK\$ cents)

##### 每股基本虧損(港仙)

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the year attributable to owners of the Company of HK\$4,413,000 (2015: HK\$139,521,000) and the weighted average number of 7,721,537,000 (2015: 4,447,210,000) ordinary shares in issue during the year.

本公司擁有人應佔每股基本虧損是根據本公司擁有人於年內應佔虧損4,413,000港元(二零一五年: 139,521,000港元)及年內已發行普通股加權平均數7,721,537,000股(二零一五年: 4,447,210,000股)計算。

##### Diluted loss per share (HK\$ cents)

##### 每股攤薄虧損(港仙)

The computation of diluted loss per share for the year ended 31 December 2016 is the same as the basic loss per share as the impact of the convertible bonds outstanding had an anti-dilutive effect (2015: No diluted earnings per share are presented as the Company did not have any dilutive potential ordinary sharing during the year ended 31 December 2015.)

由於尚未轉換可換股債券具反攤薄影響，故計算截至二零一六年十二月三十一日止年度之每股攤薄虧損與每股基本虧損相同(二零一五年: 由於截至二零一五年十二月三十一日止年度本公司並無任何攤薄潛在普通股，故並無呈列每股攤薄盈利。)



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### 19. PROPERTY, PLANT AND EQUIPMENT

### 19. 物業、廠房及設備

		Computer equipment	Furniture and fixtures	Leasehold improvements	Motor vehicles	Office equipment	Plant and machinery	Transmission and other network equipment	Construction in progress	Total
		電腦設備	傢具及固定裝置	租賃物業裝修	汽車	辦公室設備	廠房及機器	傳輸及其他網絡設備	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>COST:</b>	<b>成本：</b>									
<b>At 1 January 2015</b>	<b>於二零一五年一月一日</b>	936	718	1,009	7,295	1,512	4,429	135,930	20,858	172,687
Acquired on acquisition of subsidiaries	於收購附屬公司時購入	—	—	—	—	86	—	—	—	86
Additions	添置	492	4,209	20,211	—	88	68	13,340	—	38,408
Disposal	出售	(183)	(356)	—	(317)	(114)	(234)	—	—	(1,204)
Disposal of subsidiaries	出售附屬公司	(172)	(74)	(31)	(1,017)	—	—	—	—	(1,294)
Transferred to assets classified as held for sale	撥入分類為持作出售之資產	—	(3,874)	(19,405)	—	—	—	—	—	(23,279)
Exchange realignment	匯兌調整	(33)	(156)	(718)	(337)	(76)	(247)	(8,532)	(1,242)	(11,341)
<b>At 31 December 2015 and 1 January 2016</b>	<b>於二零一五年十二月三十一日及二零一六年一月一日</b>	1,040	467	1,066	5,624	1,496	4,016	140,738	19,616	174,063
Additions	添置	—	5	752	—	10	2	2,077	—	2,846
Written off	撇銷	(27)	—	—	—	(7)	—	—	—	(34)
Deconsolidation of a subsidiary	取消綜合入賬一間附屬公司	—	—	—	—	(90)	—	—	—	(90)
Exchange realignment	匯兌調整	(27)	(5)	—	(235)	(69)	(226)	(7,947)	(1,102)	(9,611)
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>	986	467	1,818	5,389	1,340	3,792	134,868	18,514	167,174
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT:</b>	<b>累計折舊及減值</b>									
<b>At 1 January 2015</b>	<b>於二零一五年一月一日</b>	632	458	1,009	6,263	1,486	1,317	96,861	16,715	124,741
Charge for the year	年度折舊	493	576	2,600	179	9	473	4,103	—	8,433
Eliminated on disposal	撇銷出售	(124)	(250)	—	(285)	(97)	(24)	—	—	(780)
Eliminated on disposal of subsidiaries	撇銷出售附屬公司	(186)	(12)	(28)	(647)	—	—	—	—	(873)
Transferred to assets classified as held for sale	撥入分類為持作出售之資產	—	(328)	(2,426)	—	—	—	—	—	(2,754)
Impairment loss	減值虧損	—	—	—	—	—	—	13,823	4,040	17,863
Exchange realignment	匯兌調整	(25)	(19)	(89)	(284)	(75)	(96)	(6,406)	(1,139)	(8,133)
<b>At 31 December 2015 and 1 January 2016</b>	<b>於二零一五年十二月三十一日及二零一六年一月一日</b>	790	425	1,066	5,226	1,323	1,670	108,381	19,616	138,497
Charge for the year	年度折舊	100	42	146	42	27	810	2,547	—	3,714
Written off	撇銷	(25)	—	—	—	(5)	—	—	—	(30)
Deconsolidation of a subsidiary	取消綜合入賬一間附屬公司	—	—	—	—	(5)	—	—	—	(5)
Impairment loss	減值虧損	—	—	—	—	—	881	11,690	—	12,571
Exchange realignment	匯兌調整	(18)	—	—	(215)	(65)	(170)	(6,274)	(1,102)	(7,844)
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>	847	467	1,212	5,053	1,275	3,191	116,344	18,514	146,903
<b>CARRYING AMOUNT:</b>	<b>賬面值：</b>									
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>	139	—	606	336	65	601	18,524	—	20,271
<b>At 31 December 2015</b>	<b>於二零一五年十二月三十一日</b>	250	42	—	398	173	2,346	32,357	—	35,566

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### 19. PROPERTY, PLANT AND EQUIPMENT

(continued)

Note: The Group carried out reviews of the recoverable amount of its plant and machinery, transmission and other network equipment in 2016. The recoverable amount of cash generating units in property, plant and equipment has been determined by the Group management based on value in use calculation using cash flow projection. The recoverable amount of the cash generating unit in the digital cable television business has been determined based on value in use calculation using cash flow projections based on financial budgets approved by senior management covering a five-year period. For the periods after the financial budgets a steady growth rate of 3% is applied. The discount rate applied to cash flow projections is 23.77% (2015: 22.88%). The impairment test has resulted in recognition of impairment loss of HK\$12,571,000 (2015: HK\$17,863,000) during the year in consolidated profit and loss.

### 19. 物業、廠房及設備(續)

附註：本集團已於二零一六年審閱其廠房及機器、傳輸及其他網絡設備的可收回金額。物業、廠房及設備現金產生單位的可收回金額已由本集團管理層使用現金流量預測法基於使用價值計算釐定。有線數位電視業務現金產生單位的可收回金額乃根據高級管理層審批通過的五年期財務預算使用現金流量預測法基於使用價值計算釐定。財務預算之後的期間則按3%的穩定增長率計算。現金流量預測所使用的折現率為23.77%（二零一五年：22.88%）。減值測試導致年內於綜合損益表確認減值虧損12,571,000港元（二零一五年：17,863,000港元）。

### 20. GOODWILL

### 20. 商譽

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>COST:</b>	<b>成本：</b>		
At beginning of the reporting period	於報告期初	<b>853,887</b>	848,764
Arising on acquisition of a subsidiary	收購一間附屬公司引起	—	8,883
Assets classified as held-for-sale	分類為持作出售之資產	—	(3,760)
Deconsolidation of a subsidiary	取消綜合入賬一間附屬公司	<b>(8,883)</b>	—
		<b>845,004</b>	853,887
<b>ACCUMULATED IMPAIRMENT LOSSES:</b>	<b>累計減值虧損：</b>		
At beginning of the reporting period	於報告期初	<b>833,441</b>	753,146
Impairment loss recognised in the current year	本年度確認之減值虧損	<b>11,563</b>	80,295
		<b>845,004</b>	833,441
<b>CARRYING AMOUNTS:</b>	<b>賬面值：</b>		
At end of the reporting period	於報告期末	—	20,446

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### 20. GOODWILL (continued)

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (“CGUs”) that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:

	Notes	2016	2015
	附註	二零一六年	二零一五年
		HK\$'000	HK\$'000
		千港元	千港元
Digital cable television business	有線數位電視業務 (i)	—	11,563
Castor products business	蓖麻產品業務 (ii)	—	8,883
		—	20,446

Notes:

- (i) The recoverable amount of the cash generating unit in the digital cable television business has been determined based on value in use calculation using cash flow projections based on financial budgets approved by senior management covering a five-year period. For the periods after the financial budgets a steady growth rate of 3% is applied. The discount rate applied to cash flow projections is 23.77% (2015: 22.88%).

The Group management's determined budgeted growth rate and gross profit margin based on past performance and market expectation. Besides the original business sectors, the Group has been investing its resources in the acquisition of new business and was prepared to enter into new business segments.

The impairment test results in the recondition of an impairment loss of goodwill of HK\$11,563,000 (2015: HK\$80,295,000) in the digital cable television business, which is expensed in the consolidated statement of profit or loss and other comprehensive income.

- (ii) The Group lost control on the subsidiary which operates the castor products business and the Group has deconsolidated this subsidiary in the consolidated financial statements for the year ended 31 December 2016.

### 20. 商譽(續)

於業務合併中收購之商譽乃於收購時分配至預期將自該業務合併獲益之現金產生單位(「現金產生單位」)。商譽之賬面值已分配如下：

	2016	2015
	二零一六年	二零一五年
	HK\$'000	HK\$'000
	千港元	千港元
Digital cable television business	—	11,563
Castor products business	—	8,883
	—	20,446

附註：

- (i) 有線數位電視業務之現金產生單元之可收回金額乃以使用價值計算法，根據高級管理層批准之財政預算計算之現金流量預測而釐定，為期五年財務預算後之期間持用平穩的增長率3%用於現金流量預測之折現率為23.77% (二零一五年：22.88%)。

本集團管理層之預算增長率和毛利率乃根據過往表現及市場預期釐定。除原有業務外，本集團已開始投資收購新業務，充分準備開拓新的業務分部。

減值測試導致有線數位電視業務確認商譽減值虧損11,563,000港元(二零一五年：80,295,000港元)，於綜合損益及其他全面收入表中支銷。

- (ii) 本集團失去對從事蓖麻產品業務的附屬公司的控制權，故本集團已於截至二零一六年十二月三十一日止年度的綜合財務報表內終止該附屬公司綜合入賬。

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## 綜合財務報表附註

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### 21. INTANGIBLE ASSETS

### 21. 無形資產

		Technology fees for castor business 葛麻業務之技術費用 HK\$'000 千港元	Technology fees for digital cable television business 有線數位電視業務之技術費用 HK\$'000 千港元	Development costs 開發成本 HK\$'000 千港元	Patents 專利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>COST:</b>	<b>成本：</b>					
<b>At 1 January 2015</b>	<b>於二零一五年一月一日</b>	—	193,446	6,722	—	200,168
Additions	添置	—	928	—	—	928
Disposal	出售	—	(806)	—	—	(806)
Acquisition of a subsidiary	收購一間附屬公司	18,778	—	—	13,365	32,143
Disposal of subsidiary	出售附屬公司	—	(103,833)	—	—	(103,833)
Exchange realignment	匯兌調整	—	(9,202)	(412)	—	(9,614)
<b>At 31 December 2015 and 1 January 2016</b>	<b>於二零一五年十二月三十一日及二零一六年一月一日</b>	18,778	80,533	6,310	13,365	118,986
Written off	撇銷	—	(2,056)	—	—	(2,056)
Deconsolidation of a subsidiary	取消綜合入賬一間附屬公司	(18,778)	—	—	(13,365)	(32,143)
Exchange realignment	匯兌調整	—	(2,337)	(354)	—	(2,691)
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>	—	76,140	5,956	—	82,096
<b>ACCUMULATED AMORTISATION AND IMPAIRMENT LOSSES:</b>	<b>累計攤銷及減值虧損：</b>					
<b>At 1 January 2015</b>	<b>於二零一五年一月一日</b>	—	146,473	6,722	—	153,195
Amortisation for the year	年內攤銷	—	15,027	—	—	15,027
Written off on disposal	出售撇銷	—	(806)	—	—	(806)
Written off on disposal of subsidiaries	出售附屬公司撇銷	—	(103,502)	—	—	(103,502)
Exchange realignment	匯兌調整	—	(8,254)	(412)	—	(8,666)
<b>At 31 December 2015 and 1 January 2016</b>	<b>於二零一五年十二月三十一日及二零一六年一月一日</b>	—	48,938	6,310	—	55,248
Amortisation for the year	年內攤銷	—	6,783	—	—	6,783
Written off	撇銷	—	(2,056)	—	—	(2,056)
Impairment loss	減值虧損	—	16,477	—	—	16,477
Exchange realignment	匯兌調整	—	(2,181)	(354)	—	(2,535)
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>	—	67,961	5,956	—	73,917
<b>CARRYING AMOUNT:</b>	<b>賬面值：</b>					
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>	—	8,179	—	—	8,179
<b>At 31 December 2015</b>	<b>於二零一五年十二月三十一日</b>	18,778	31,595	—	13,365	63,738

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### 21. INTANGIBLE ASSETS (continued)

The Group's intangible assets of technology fees paid for the digital cable television business and the evaluation technique for the castor products. The average remaining useful life of the technology fee is 5-18 years.

The Groups patents protect the specification of the Group's products in relation to the castor business. The average amortisation period of the patents is 18 years. The Group lost control on the subsidiary which operates the castor products business and the Group has deconsolidated this subsidiary in the consolidated financial statements for the year ended 31 December 2016.

The recoverable amount of cash generating units in intangible assets has been determined by the Group management based on value in use calculation using cash flow projection. The recoverable amount of the cash generating unit in the digital cable television business has been determined based on value in use calculation using cash flow projections based on financial budgets approved by senior management covering a five-year period. For the periods after the financial budgets a steady growth rate of 3% is applied. The discount rate applied to cash flow projections is 23.77% (2015: 22.88%). The impairment test has resulted in recognition of impairment loss of HK\$16,477,000 (2015: HK\$nil) during the year.

### 22. DISPOSAL GROUP HELD FOR SALE

During the year ended 31 December 2015, the directors intended to dispose of one of the Group's mining investment business. Negotiations with several interested parties have been taken place during the year ended 31 December 2016. Up to the end of the reporting period, the negotiations were not yet completed. The assets and liabilities attributable to the mining investment business, which are expected to be sold within twelve months, have been classified as a disposal group held for sale and are presented separately in the consolidated statement of financial position.

### 21. 無形資產 (續)

本集團就有線數位電視業務及蓖麻產品評估技術支付無形資產之技術費。技術費之平均餘下可使用年期為5至18年。

本集團專利權保障本集團於蓖麻業務之產品規格。專利權之平均攤銷期為18年。本集團失去對從事蓖麻產品業務的附屬公司的控制權，故本集團已於截至二零一六年十二月三十一日止年度的綜合財務報表內終止該附屬公司綜合入賬。

無形資產之現金產生單元之可收回金額乃由本集團管理層以使用價值計算法現金流量預測而釐定。有線數位電視業務之現金產生單元之可收回金額乃以使用價值計算法，根據高級管理層批准之財政預算計算之現金流量預測而釐定，為期五年財務預算後之期間持用平穩的增長率3%。用於現金流量預測之折現率為23.77% (二零一五年：22.88%)。減值測試導致本年內確認減值虧損16,477,000港元(二零一五年：零港元)。

### 22. 分類為持作出售之出售集團

截至二零一五年十二月三十一日止年度，董事會擬出售本集團其中一項礦業投資業務。截至二零一六年十二月三十一日止年度已與若干感興趣人士進行多次磋商。截至報告期末，有關磋商仍未完成。屬於礦業投資業務之資產及負債已分類為一個持作出售之出售集團並獨立呈列於綜合財務狀況表，預期將於十二個月內售出。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 22. DISPOSAL GROUP HELD FOR SALE

(continued)

The proceeds of disposal are expected to exceed the net carrying amount of the relevant assets and liabilities and, accordingly, no impairment loss has been recognised on the classification of these operations as held for sale.

The major classes of assets and liabilities comprising the disposal group classified as held for sale at 31 December 2015 and 31 December 2016 are as follows:

### 22. 分類為持作出售之出售集團

(續)

出售所得款項預期將超過相關資產及負債之賬面淨值，因此無須為分類該等業務為持作出售而確認任何減值虧損。

資產及負債(包括分類為持作出售之出售集團)於二零一五年十二月三十一日及二零一六年十二月三十一日之主要類別如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	26	20,525
Interest in an associate	於一間聯營公司之權益	39,634	40,200
Goodwill	商譽	3,760	3,760
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	201,129	189,794
Cash and cash equivalents	現金及現金等價物	719	83
<b>Total assets classified as held for sale</b>	<b>分類為持作出售之資產總額</b>	<b>245,268</b>	254,362
Trade and other payables, and total for liabilities associated with assets classified as held for sale	應付賬款及其他應付款項，以及與分類為持作出售資產相關之負債總額	<b>(43,650)</b>	(64,246)
<b>Net assets of disposal group</b>	<b>出售集團之資產淨值</b>	<b>201,618</b>	190,116

At 31 December 2016, cumulative income or expense recognised in other comprehensive income relating to the disposal group classified as held for sale amounted to a credit balance of HK\$828,000 (2015: debit balance of HK\$280,000).

於二零一六年十二月三十一日，在其他全面收入中確認與分類為持作出售之出售集團相關的累計收入或開支為進賬結餘828,000港元(二零一五年：借方餘額280,000港元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 23. SUBSIDIARIES

The amounts due from/to subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

A. Particulars of the principal subsidiaries as at 31 December 2016 are as follows:

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立/ 註冊及營運地點	Issued and paid-up capital 已發行及 繳足股本	Percentage of equity interests attributable to the Company 本公司所持股權 之百分比	Principal activities 主要業務
<b>Directly held:</b>				
直接持有：				
Heng Xin Management Limited	Hong Kong	HK\$1,000,000	100%	Provision for management services
恒芯管理有限公司	香港	1,000,000 港元	100%	提供管理服務
<b>Indirectly held:</b>				
間接持有：				
China Champion Development Limited	Hong Kong	HK\$10,000	100%	Investment holding and trading of electronic parts
中澤發展有限公司	香港	10,000 港元	100%	投資控股及買賣電子零配件
深圳中澤賽恩科技有限公司 (Shenzhen Champion Maxiumic Group Co., Ltd*)	The PRC	RMB200,000,000	100%	Investment holding, digital cable television business, general trading and provision for technical services and related value-added services, technology development and technology consultant
深圳中澤賽恩科技有限公司	中國	人民幣 200,000,000 元	100%	投資控股、有線數位電視業務、一般貿易及提供技術服務及相關增值服務、技術開發及技術顧問

### 23. 附屬公司

應收／應付附屬公司款項為無抵押、免息且無固定還款期。

A. 主要附屬公司於二零一六年十二月三十一日之詳情如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 23. SUBSIDIARIES (continued)

- A. Particulars of the principal subsidiaries as at 31 December 2016 are as follows (continued):

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立/ 註冊及營運地點	Issued and paid-up capital 已發行及 繳足股本	Percentage of equity interests attributable to the Company 本公司所持股權 之百分比	Principal activities 主要業務
<b>Indirectly held: (continued)</b> 間接持有：(續)				
河北中澤信息科技有限公司 (Hebei Champion Maxiumic Technologies Co., Ltd*)	The PRC	RMB10,000,000	100%	Investment holding, digital cable television business, general trading and provision for technical services and related value-added services, technology development and technology consultant
河北中澤信息科技有限公司	中國	人民幣 10,000,000 元	100%	投資控股、有線數位電視業務、一般貿易及提供技術服務及相關增值服務、技術開發及技術顧問
湖州明芯微電子設計有限責任公司 (Huzhou Mingxin Micro-Electronic Co., Ltd*)	The PRC	RMB10,000,000	100%	Research, design, manufacturing and trading of wireless digital audio products and related solutions and services
湖州明芯微電子設計有限責任公司	中國	人民幣 10,000,000 元	100%	研究、設計、製造及買賣無線數位音頻產品及相關解決方案及服務

### 23. 附屬公司 (續)

- A. 主要附屬公司於二零一六年十二月三十一日之詳情如下 (續)：



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 23. SUBSIDIARIES (continued)

A. Particulars of the principal subsidiaries as at 31 December 2016 are as follows (continued):

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立/ 註冊及營運地點	Issued and paid-up capital 已發行及 繳足股本	Percentage of equity interests attributable to the Company 本公司所持股權 之百分比	Principal activities 主要業務
<b>Indirectly held: (continued)</b> 間接持有：(續)				
北京中澤明芯科技有限公司 (Beijing Champion Maxiumic Technology Co., Ltd*)	The PRC	RMB16,550,000	100%	Wireless digital television value-added services, general trading and provision for technical services and related value-added services, technology development and technology consultant
北京中澤明芯科技有限公司	中國	人民幣 16,550,000 元	100%	無線數位電視增值服務、 一般貿易及提供技術 服務及相關增值服務、 技術開發及技術顧問
中礦京資投資有限公司 (Zhong Kuang Jing Zi Investment Co., Ltd*)	The PRC	RMB50,000,000	51%	Project investment, investment management, investment consulting and sale and trading of metal materials and mineral products
中礦京資投資有限公司	中國	人民幣 50,000,000 元	51%	項目投資、投資管理、 投資諮詢以及銷售及 買賣金屬材料及礦產品

### 23. 附屬公司 (續)

A. 主要附屬公司於二零一六年十二月三十一日之詳情如下 (續)：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

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### 23. SUBSIDIARIES (continued)

- A. Particulars of the principal subsidiaries as at 31 December 2016 are as follows (continued):

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立/ 註冊及營運地點	Issued and paid-up capital 已發行及 繳足股本	Percentage of equity interests attributable to the Company 本公司所持股權 之百分比	Principal activities 主要業務
<b>Indirectly held: (continued)</b> 間接持有：(續)				
北京亞澳博視技術有限公司 (Beijing Yaao Boshi Technology Limited*)	The PRC	RMB5,000,000	100%	Entrusted to conduct processing of radio and television equipment and communication equipment; technology development, transfer, service, consulting and training of technology products; sale of machinery equipment, electrical appliance equipment and instruments & meters
北京亞澳博視技術有限公司	中國	人民幣5,000,000元	100%	委託加工廣播電視設備、通信設備；科技產品的技術開發、技術轉讓、技術服務、技術諮詢、技術培訓；銷售機械設備、電器設備、儀器儀錶

\* The English names are for identification only

\* 英文名稱僅供參考

- B. The following table shows information of subsidiaries that have non-controlling interests ("NCI") material to the Group. The summarised financial information represents amounts before inter-company eliminations.

- A. 主要附屬公司於二零一六年十二月三十一日之詳情如下(續)：

- B. 下表列示對本集團屬重大且擁有非控股股東權益(「非控股股東權益」)之附屬公司資料。所概述之財務資料指公司間抵銷前之金額。

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## 綜合財務報表附註

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### 23. SUBSIDIARIES (continued)

B. (continued)

Name	名稱	Shanxi Zhongze Heng Yuan Biological Technology Company Limited 山西中澤恒遠生物科技有限公司		Zhong Kuang Jing Zi Investment Co., Ltd. 中礦京資投資有限公司	
		2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年
Principal place of business and country of incorporation	主要營業地點及註冊成立國家	the PRC 中國		the PRC 中國	
% of ownership interests and voting rights held by NCI	非控股股東權益持有之所有權權益及投票權百分比	49%	49%	49%	49%
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>At 31 December:</b>	於十二月三十一日：				
Non-current assets	非流動資產	—	32,229	39,660	64,485
Current assets	流動資產	—	67,779	201,847	189,877
Current liabilities	流動負債	—	(3,634)	(220,178)	(228,925)
Net assets	資產淨值	—	96,374	21,329	25,437
Accumulated NCI	累計非控股股東權益	—	47,223	10,451	12,464
<b>Year ended 31 December:</b>	截至十二月三十一日止年度：				
Revenue	收益	—	—	—	—
Loss for the year	年內虧損	—	—	(8,653)	(17,888)
Total comprehensive loss for the year	年內全面虧損總額	—	—	(7,545)	(17,997)
Profit allocated to NCI	分配予非控股股東權益之溢利	—	—	(4,240)	(8,765)
Net cash used in operation activities	經營活動所用現金淨額	—	—	(726)	23,199
Net cash used in investing activities	投資活動所用現金淨額	—	—	—	(23,206)
Net cash generated from financing activities	融資活動產生現金淨額	—	—	—	—
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	—	—	(726)	(7)

C. As at 31 December 2016, the bank and cash balances of the Group' subsidiaries in the PRC denominated in Renminbi ("RMB") amounted to HK\$14,700,000 (2015: HK\$1,141,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations.

C. 於二零一六年十二月三十一日，本集團中國附屬公司以人民幣（「人民幣」）計值之銀行及現金結餘為14,700,000港元（二零一五年：1,141,000港元）。兌換人民幣為外幣須遵守中國外匯管制法規。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

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### 24. OTHER INVESTMENT

### 24. 其他投資

		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		千港元	千港元
Non-current assets:	非流動資產：		
Unlisted equity securities, at cost	非上市股本證券，按成本	<b>61,750</b>	—

On 1 February 2016, the Group entered into a sale and purchase agreement with World Dragon Enterprise Limited (“World Dragon”), an independent third party, pursuant to which, World Dragon has conditionally agreed to sell, and the Group has conditionally agreed to acquire 9.5% shareholding interest of the entire issued share capital of Million Fortune International Investment Limited (“Million Fortune”) at a consideration of HK\$61,750,000 (“Acquisition of Million Fortune”). Million Fortune indirectly holds 90% equity interest in 中航國金商品交易中心(青島)有限公司 (formerly known as 青島國金貴金屬交易中心有限公司), a company incorporated in the PRC which headquartered in Qingdao, Shandong Province, the PRC and is primarily engaged in the provision of online platform for trading and deferred spot delivery services of precious metals mainly being silver and copper, and other associated services including transaction settlement management, commodity delivery management and related consulting services to customers nationwide in the PRC. The Acquisition of Million Fortune was completed on 19 February 2016.

Unlisted equity securities with carrying amount of HK\$61,750,000 was carried at cost as they do not have a quoted market price in an active market and whose fair value cannot be reliably measured.

於二零一六年二月一日，本集團與獨立第三方World Dragon Enterprise Limited (「World Dragon」) 訂立買賣協議，據此，World Dragon 已有條件同意出售而本集團已有條件同意收購Million Fortune International Investment Limited (「Million Fortune」) 全部已發行股本中9.5%股權，代價為61,750,000港元(「Million Fortune 收購事項」)。Million Fortune 間接持有中航國金商品交易中心(青島)有限公司(前稱為青島國金貴金屬交易中心股份有限公司)之90%股本權益，該公司為一家於中國註冊成立之公司，其總部設於中國山東省青島，主要從事為中國國內顧客提供貴金屬(主要為銀及銅)貿易網上平台及現貨延期交收服務以及其他相關服務(包括交易結付管理、商品交付管理及相關諮詢服務)。Million Fortune 收購事項已於二零一六年二月十九日完成。

賬面值為61,750,000港元之非上市股本證券乃按成本值列賬，因為該等證券並無活躍市場報價及其公平值不能可靠地計量。

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## 綜合財務報表附註

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### 25. DEPOSITS FOR ACQUISITION OF NON-CURRENT ASSETS

### 25. 收購非流動資產之按金

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Deposits for acquisition of subsidiaries:	收購附屬公司之按金：		
– Daqing AORUI Bioenergy Co., Ltd (note i)	— 大慶澳瑞生物能源有限公司 (附註i)	18,000	36,000
– JTI Securities Limited (note ii)	— 金唐國際證券有限公司 (附註ii)	1,300	—
		<b>19,300</b>	<b>36,000</b>

Notes:

- (i) On 1 December 2015, the Group has entered into a non-legally binding memorandum of understanding (“MOU”) with Mr. Qu Yong Bo (the “Vendor”) to purchase 100% equity interest in Daqing AORUI Bioenergy Co., Ltd, a company incorporated in the PRC, at an intended consideration of RMB600,000,000. Pursuant to the terms of the MOU, the Group had paid a refundable deposit of HK\$36,000,000 (equivalent to RMB30,000,000) in cash to the vendor upon signing of the MOU. If the formal agreement has been entered into between the Company and the vendor, the deposit, without interest, shall be applied as partial payment of the consideration for the possible acquisition in accordance with the terms of the formal agreement.

As disclosed in the Company’s announcement dated 31 May 2016, after taking into consideration of, among other factors, the preliminary results of the due diligence review, the directors decided not to proceed with the possible acquisition and accordingly, the Company served a written notification to the Vendor on 31 May 2016 informing the Vendor of its decision not to proceed with the possible acquisition. Pursuant to the terms of the MOU, the Vendor shall, within seven days from the date of the termination of the MOU, refund the deposit to the Company. Interest on the deposit shall accrue at the rate of 1.5% per month calculated on the actual number of days elapsed from the date of termination of the MOU if the Vendor is unable to refund the deposit in accordance with the terms of the MOU within seven days from the date of the termination. As at the date of this report, the Vendor has not yet refunded the deposit to the Company.

Consider the recoverability of the deposit paid is remote, impairment loss of HK\$18,000,000 was recognised during the year ended 31 December 2016.

附註：

- (i) 於二零一五年十二月一日，本集團與曲勇波先生（「賣方」）訂立不具法律約束力之諒解備忘錄（「諒解備忘錄」），擬定代價為人民幣600,000,000元以收購一間於中國註冊成立之公司大慶澳瑞生物能源有限公司之100%股本權益。根據諒解備忘錄之條款，本集團將於簽訂諒解備忘錄後以現金向賣方支付36,000,000港元（相當於人民幣30,000,000元）之可退回按金。倘本公司已與賣方訂立正式協議，則按金（不計利息）將用作根據正式協議條款支付可能收購事項之部份代價。

如本公司日期為二零一六年五月三十一日之公告所披露，考慮到（其中包括）相關盡職審查之初步結果，董事決定不進行可能收購事項，故此，本公司於二零一六年五月三十一日向賣方發出書面通知，告知賣方有關其不進行可能收購事項之決定。根據諒解備忘錄之條款，賣方須於終止諒解備忘錄日期起七日內退還按金予本公司。倘賣方未能根據諒解備忘錄之條款於終止日期起七日內退還按金，按金利息將以諒解備忘錄失效之實際日數，按月息1.5%計算。截至本報告日期，賣方尚未退還按金予本公司。

考慮到已付按金之可收回性甚微，故已於截至二零一六年十二月三十一日止年度確認18,000,000港元之減值虧損。

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### 25. DEPOSITS FOR ACQUISITION OF NON-CURRENT ASSETS (continued)

Notes: (continued)

- (ii) On 7 June 2016, the Group has entered into a sale and purchase agreement to acquire 100% equity interest in JTI Securities Limited, a company incorporated in Hong Kong which is principally engaged in securities brokerage business and is a licensed corporation under the Securities and Futures Ordinance to carry out Type 1 (dealing in securities) regulated activities and is a China Connect Exchange Participant and a Hong Kong Stock Exchange Participant. The consideration for the acquisition will be determined with reference to the net asset value of JTI Securities Limited as at the date as specified in the sale and purchase agreement plus an agreed premium of HK\$13,000,000 ("Premium"). Having regard to the net asset value of the JTI Securities Limited as at 31 March 2016, it is expected that the final consideration shall not exceed HK\$25,000,000. Pursuant to the terms of the sale and purchase agreement, the Group had paid a refundable deposit of HK\$1,300,000 in cash to the vendor upon signing of the sale and purchase agreement.

The acquisition was completed on 23 March 2017.

### 25. 收購非流動資產之按金(續)

附註：(續)

- (ii) 於二零一六年六月七日，本集團訂立買賣協議，收購一間於香港註冊成立之公司金唐國際證券有限公司之100%股本權益。該公司主要從事證券經紀業務，為一間根據證券及期貨條例從事第一類(證券交易)受規管活動之持牌法團，以及中華通交易所參與者及香港聯交所參與者。收購事項之代價將參考金唐國際證券有限公司截至買賣協議所指明日期之資產淨值，加上協定的溢價13,000,000港元(「溢價」)釐定。經考慮金唐國際證券有限公司於二零一六年三月三十一日之資產淨值，最終代價預期不會超過25,000,000港元。根據買賣協議條款，本集團已於簽署買賣協議後向賣方支付可退還現金按金1,300,000港元。

收購事項已於二零一七年三月二十三日完成。

### 26. INVENTORIES

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Raw materials	原材料	—	861
Work in progress	在製品	—	162
Finished goods	製成品	—	45,710
		—	46,733

The Group carried out reviews of the recoverable amount of inventories during the year and considered certain inventories were obsolete and are no longer suitable for use in operation. The reviews led to recognition of an impairment loss of HK\$3,243,000 (2015: HK\$4,631,000) which is expensed in the consolidated statement of profit or loss and other comprehensive income.

本集團已審閱年內存貨之可收回金額，並將若干存貨視作廢棄及不再適合於業務中使用。該等審閱導致確認減值虧損3,243,000港元(二零一五年：4,631,000港元)，已於綜合損益及其他全面收入表中支銷。

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### 27. TRADE RECEIVABLES

### 27. 應收賬款

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Trade receivables	應收賬款	<b>337,130</b>	426,247
Less: allowance for doubtful debts	減：呆賬撥備	<b>(301,229)</b>	(315,324)
		<b>35,901</b>	110,923

The Group's trading terms with other customers are mainly on credit. The credit terms generally range from 30 to 180 days.

本集團與其他客戶之貿易條款以信貸為主。信貸期一般為三十日至一百八十日。

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

應收賬款按發票日期經扣除撥備後之賬齡分析如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
0 to 90 days	零至九十日	<b>820</b>	4,978
91 days to 180 days	九十一日至一百八十日	—	—
181 days to 365 days	一百八十一日至三百六十五日	—	—
Over 1 year	一年以上	<b>35,081</b>	105,945
		<b>35,901</b>	110,923

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## 綜合財務報表附註

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### 27. TRADE RECEIVABLES (continued)

Reconciliation of allowance for trade receivables:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At 1 January	於一月一日	315,324	202,629
Allowance for the year	年度撥備	692	137,895
Amounts written off	撇銷金額	—	(13,220)
Exchange differences	匯兌差額	(14,787)	(11,980)
		<b>301,229</b>	315,324

The aging of trade receivables which are past due but not impaired are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
0 to 90 days overdue	逾期零至九十日	—	—
91 days to 180 days overdue	逾期九十一日至一百八十日	—	—
181 days to 365 days overdue	逾期一百八十一日至 三百六十五日	—	71,490
Over 1 year overdue	逾期一年以上	35,081	34,455
		<b>35,081</b>	105,945

Receivables that were past due but not impaired related to a number of independent customers that have a good track record maintained with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

### 27. 應收賬款 (續)

應收賬款撥備之對賬：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At 1 January	於一月一日	315,324	202,629
Allowance for the year	年度撥備	692	137,895
Amounts written off	撇銷金額	—	(13,220)
Exchange differences	匯兌差額	(14,787)	(11,980)
		<b>301,229</b>	315,324

逾期但並未減值之應收賬款賬齡如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
0 to 90 days overdue	逾期零至九十日	—	—
91 days to 180 days overdue	逾期九十一日至一百八十日	—	—
181 days to 365 days overdue	逾期一百八十一日至 三百六十五日	—	71,490
Over 1 year overdue	逾期一年以上	35,081	34,455
		<b>35,081</b>	105,945

逾期但並未減值之應收款項與本集團存有良好交易記錄之多名獨立客戶有關。根據過往經驗，本公司董事認為毋須就該等結餘作出減值撥備，因該等客戶之信貸質素並無重大轉變，而結餘依然被認為可以全數收回。本集團並無就該等結餘持有任何抵押品或其他改善信貸項目。



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### 28. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

### 28. 預付款項、按金及其他應收款項

		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		千港元	千港元
Advance to suppliers	向供應商墊款	838	8,641
Other deposits	其他按金	1,271	1,166
Other receivables	其他應收款項	951	2,157
Prepayments	預付款項	—	50,464
		<b>3,060</b>	62,428

### 29. CASH AND CASH EQUIVALENTS

### 29. 現金及現金等價物

		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		千港元	千港元
Cash and bank balances	現金及銀行結餘	<b>84,411</b>	88,864

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### 30. TRADE PAYABLES

The aging analysis of trade payables, based on the date of receipt of goods, is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
0 to 30 days	零至三十日	3,213	5,958
31 days to 60 days	三十一日至六十日	1,383	824
61 days to 90 days	六十一日至九十日	58	6,348
Over 90 days	九十日以上	16,894	27,936
		<b>21,548</b>	41,066

### 30. 應付賬款

應付賬款按收取貨品日期之賬齡分析如下：

### 31. OTHER PAYABLES AND ACCRUALS

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Accrued salaries, wages and benefits	應計薪金、工資及福利	1,396	5,952
Temporary receipts from shares subscription	自股份認購收取之臨時款項 (i)	—	160,050
Other payables and accruals	其他應付款項及應計費用	20,319	74,670
		<b>21,715</b>	240,672

### 31. 其他應付款項及應計費用

Note:

- (i) On 8 December 2015, the Company entered into two subscription agreements with two independent subscribers. Pursuant to the subscription agreements, the subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue an aggregate of 1,740,000,000 subscription shares at the subscription price of HK\$0.115 per subscription share. At 31 December 2015, temporary receipts from this shares subscription were HK\$160,050,000. The subscriptions were completed on 5 February 2016.

附註：

- (i) 於二零一五年十二月八日，本公司與兩名獨立認購人訂立兩份認購協議。根據認購協議，認購人已有條件同意認購而本公司已有條件同意按每股認購股份0.115港元的認購價配發及發行合共1,740,000,000股認購股份。於二零一五年十二月三十一日，自股份認購收取之臨時款項為160,050,000港元。認購事項已於二零一六年二月五日完成。

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## 綜合財務報表附註

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### 32. RECEIPTS IN ADVANCE

### 32. 預收賬款

	Note	2016	2015
	附註	二零一六年	二零一五年
		HK\$'000	HK\$'000
		千港元	千港元
Cooperation development fee	(i)	—	66,077
Other receipts in advance		8,684	37,857
		<b>8,684</b>	103,934
Analysed for reporting purpose as:	就呈報作出分析：		
Current liabilities	流動負債	8,684	47,297
Non-current liabilities	非流動負債	—	56,637
		<b>8,684</b>	103,934

Note:

- (i) On 24 August 2011, the Group has entered into a cooperation agreement (the "Cooperation Agreement") with Beijing Qian Tai Bao Xiang Capital Investment Services Co., Ltd. ("Beijing Qian Tai") (formerly known as Beijing Huaxia Innomedia Technology Co., Ltd), pursuant to which the parties agreed to jointly operate and develop the advertising business and value-added services of the digital mobile television project and 60,000 electronic displays in Hebei province for 11 years ("Hebei Mobile Advertising Business").

Under the Cooperation Agreement, Beijing Qian Tai shall contribute to the Hebei Mobile Advertising Business a cooperation development fee of RMB200,000,000 (equivalent to HK\$245,440,000). The Group has already received RMB100,000,000 (equivalent to HK\$122,720,000) as cooperation development fee as at 31 December 2013. On 3 December 2012, pursuant to a supplemental agreement, both parties agreed that the remaining RMB100,000,000 (equivalent to HK\$122,720,000) shall be contributed by Beijing Qian Tai in terms of equivalent amount of intangible assets and equipment. As the Cooperation Agreement with Beijing Qian Tai is for 11 years, the cooperation development fee will be amortised over the years.

附註：

- (i) 於二零一一年八月二十四日，本集團與北京謙泰寶象資本投資服務有限公司（「北京謙泰」）（原名稱為北京華夏力通傳媒科技有限公司）訂立合作協議（「合作協議」），據此，訂約方同意於十一年內共同營運及發展於河北省之移動數位電視項目以及60,000塊電子顯示屏之廣告業務及增值服務（「河北移動廣告業務」）。

根據合作協議，北京謙泰須就河北移動廣告業務支付合作開發費用人民幣200,000,000元（相當於245,440,000港元）。於二零一三年十二月三十一日，本集團已收取人民幣100,000,000元（相當於122,720,000港元）作為合作開發費用。於二零一二年十二月三日，根據補充協議，雙方同意餘額人民幣100,000,000元（相當於122,720,000港元）應由北京謙泰按無形資產及設備之等額出資。由於與北京謙泰合作協議為期十一年，故合作開發費用將於十一年內攤銷。

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### 32. RECEIPTS IN ADVANCE (continued)

Note: (continued)

(i) (continued)

During year 2016, the Group entered into a termination agreement (the "Termination Agreement") with Beijing Qian Tai, pursuant to which both parties agreed to terminate the Hebei Mobile Advertising Business. Beijing Qian Tai will no longer contribute the remaining RMB100,000,000 (equivalent to HK\$122,720,000) in terms of equivalent amount of intangible assets and equipment. For the cooperation development fee of RMB100,000,000 (equivalent to HK\$122,720,000) already received, Beijing Qian Tai will not demand the refund of that. As a result, the remaining cooperation development fee of RMB52,315,000 (equivalent to HK\$61,547,000) has been recognised as revenue in the consolidated profit and loss for the year ended 31 December 2016.

### 32. 預收賬款 (續)

附註：(續)

(i) (續)

於二零一六年度，本集團與北京謙泰訂立終止協議（「終止協議」），據此，雙方同意終止河北移動廣告業務。北京謙泰將不再按無形資產及設備之等額出資餘額人民幣100,000,000元（相當於122,720,000港元）。就已收取之合作開發費用人民幣100,000,000元（相當於122,720,000港元）而言，北京謙泰將不會要求退還。因此，剩餘合作開發費用人民幣52,315,000元（相當於61,547,000港元）已於截至二零一六年十二月三十一日止年度之綜合損益中確認為收益。

### 33. SHORT TERM LOANS

### 33. 短期貸款

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Interest-bearing unsecured other loans	3,371	12,571
計息無抵押其他貸款		

The interest rates at 31 December 2016 were 24% per annum (2015: 12%-24% per annum).

As at 31 December 2016, all the short term loans and related interests were overdue due to a temporary shortage of funds. The directors consider that such matter would not have any material impact on the consolidated financial statements. No provision has therefore been made.

According to the loan agreements, the Group and the lender agreed to pledge property, plant and equipment amounted to HK\$8,341,000 as at 31 December 2016 for overdue short term loans amounted to HK\$3,371,000.

於二零一六年十二月三十一日之利率為每年24%（二零一五年：每年12%至24%）。

於二零一六年十二月三十一日，所有短期貸款及有關利息已逾期，此乃由於資金臨時短缺所致。董事認為有關事項不會對綜合財務報表產生任何重大影響。概無就此作出撥備。

根據貸款協議，本集團及貸款人同意以於二零一六年十二月三十一日金額為8,341,000港元之物業、廠房及設備作為金額為3,371,000港元之逾期短期貸款之抵押。

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### 34. CONVERTIBLE BONDS

#### *First CB*

On 8 December 2015, the Company and National United Resources Holdings Limited (“NUR”) entered into a conditional convertible bonds subscription agreement, pursuant to which NUR has conditionally agreed to subscribe for and the Company has conditionally agreed to issue to NUR the 5% coupon convertible bonds in the principal amount of HK\$100,000,000 (“First CB”). The First CB have been issued on 5 February 2016 and will mature on the first business day after the date falling twelve months from the date of issue (i.e. 6 February 2017).

The Company will on the First CB subscription completion date, exercise the early redemption right under the 11% coupon bond in the principal amount of HK\$70,000,000 issued by the Company to NUR on 2 April 2015 maturing on 1 April 2016 (the “Bond”) in full. The subscription price of the First CB payable by the NUR which is equal to the principal amount of the convertible bonds of HK\$100,000,000 will be partly settled by offsetting the Bond to be repaid by the Company under the early redemption notice and the remaining balance will be settled by NUR in cash.

During the year, an aggregate principal amount of HK\$100,000,000 of the First CB was converted into 869,565,214 Shares at the conversion price of HK\$0.115 per conversion share.

#### *Second CB*

On 8 December 2015, the Company and Sino King Trading (HK) Co., Limited (“Sino King”) entered into a conditional subscription agreement, pursuant to which Sino King has conditionally agreed to subscribe for and the Company has conditionally agreed to issue to Sino King the 5% coupon convertible bonds in the principal amount of HK\$50,000,000 (“Second CB”). The Second CB have been issued on 19 February 2016. The Second CB has been converted in full and a total of 434,782,608 Shares have been issued and allotted on 1 March 2016.

### 34. 可換股債券

#### *第一批可換股債券*

於二零一五年十二月八日，本公司與國家聯合資源控股有限公司（「國家聯合資源」）訂立有條件可換股債券認購協議，據此，國家聯合資源已有條件同意認購而本公司已有條件同意向國家聯合資源發行本金額為100,000,000港元票息為5%之可換股債券（「第一批可換股債券」）。第一批可換股債券已於二零一六年二月五日發行，並將於發行日期起計十二個月屆滿當日後的首個營業日（即二零一七年二月六日）到期。

本公司將於第一批可換股債券認購事項完成日期悉數行使本公司於二零一五年四月二日向國家聯合資源發行本金額為70,000,000港元票息11%於二零一六年四月一日到期之債券（「債券」）項下之提早贖回權利。將由國家聯合資源認購之第一批可換股債券之認購價，相等於可換股債券之本金額100,000,000港元，部份將提早贖回通知下本公司將償還之債券抵銷，而餘額將由國家聯合資源以現金方式支付。

年內，本金總額為100,000,000港元之第一批可換股債券已按每股換股股份0.115港元之換股價轉換為869,565,214股股份。

#### *第二批可換股債券*

於二零一五年十二月八日，本公司與Sino King Trading (HK) Co., Limited（「Sino King」）訂立有條件認購協議，據此，Sino King已有條件同意認購而本公司已有條件同意向Sino King發行本金額為50,000,000港元票息為5%之可換股債券（「第二批可換股債券」）。第二批可換股債券已於二零一六年二月十九日發行。第二批可換股債券已全部轉換，合共434,782,608股股份已於二零一六年三月一日發行及配發。

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### 34. CONVERTIBLE BONDS (continued)

The proceeds received from the issue of the convertible bonds have been split between the liability and derivative components as follows:

		<b>First CB</b>	<b>Second CB</b>	<b>Total</b>
		第一批	第二批	
		可換股債券	可換股債券	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Fair value of convertible bonds issued	已發行可換股債券之公平值	110,000	55,000	165,000
Derivative component	衍生工具部份			
— Conversion components	— 轉換部份	(153,987)	(85,341)	(239,328)
— Early redemption of Company	— 本公司提早贖回	132,115	73,970	206,085
Liability component at date of issue	於發行日期之負債部份	88,128	43,629	131,757
Interest charged	已收取利息	4,608	270	4,878
Converted into ordinary shares	轉換為普通股	(92,736)	(43,899)	(136,635)
Liability component at 31 December 2016	於二零一六年十二月三十一日之負債部份	—	—	—
Derivative component at date of issue-conversion component	於發行日期之衍生工具部份 — 轉換部份	153,987	85,341	239,328
Fair value loss for the year	年內公平值虧損	(65,160)	(8,062)	(73,222)
Converted into ordinary shares	轉換為普通股	(88,827)	(77,279)	(166,106)
Derivative component at 31 December 2016	於二零一六年十二月三十一日之衍生工具部份	—	—	—
Derivative component at date of issue-early redemption of Company	於發行日期之衍生工具部份 — 本公司提早贖回	(132,115)	(73,970)	(206,085)
Fair value loss for the year	年內公平值虧損	59,644	8,127	67,771
Converted into ordinary shares	轉換為普通股	72,471	65,843	138,314
Derivative component at 31 December 2016	於二零一六年十二月三十一日之衍生工具部份	—	—	—

The interest charged for the year is calculated by applying an effective interest rate of 19.14 per cent to the liability component.

發行可換股債券收取之所得款項可分為以下負債及衍生工具部份：

年內已收取利息乃根據負債部份之實際利率 19.14% 計算。

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## 綜合財務報表附註

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### 35. DEFERRED TAX

The following are the major deferred tax liabilities recognised by the Group.

### 35. 遞延稅項

本集團確認之主要遞延稅項負債如下：

		Fair value adjustments arising from acquisition of a subsidiary 收購一間附屬公司產生的公平值調整	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At 1 January	於一月一日	7,111	7,361
Acquisition of a subsidiary	收購一間附屬公司	—	1,222
Deconsolidation of a subsidiary	取消綜合入賬一間附屬公司	(1,222)	—
Charge to profit and loss	自損益中扣除	(4,121)	(1,472)
At 31 December	於十二月三十一日	1,768	7,111

At the end of the reporting period the Group has unused tax losses of HK\$201,730,000 (2015: HK\$245,166,000) available for offsetting against future profits. No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future profit streams.

Temporary differences arising in connection with interests in subsidiaries and associates are insignificant.

於報告期末，本集團可用以抵銷日後盈利之未使用稅項虧損為201,730,000港元（二零一五年：245,166,000港元）。由於難以預測未來盈利趨勢，故此本集團並無就未動用稅項虧損確認遞延稅項資產。

源於附屬公司及聯營公司權益之暫時性差異屬微不足道。

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## 綜合財務報表附註

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### 36. SHARE CAPITAL

### 36. 股本

		Number of shares			
		股份數目			
		2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年
Notes		'000	'000	HK\$'000	HK\$'000
附註		千股	千股	千港元	千港元
<b>Authorised:</b>	<b>法定：</b>				
Ordinary shares of	每股面值0.01 港元				
HK\$0.01 each	之普通股	<b>10,000,000</b>	10,000,000	<b>100,000</b>	100,000
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>				
Ordinary shares of	每股面值0.01 港元				
HK\$0.01 each	之普通股				
At 1 January	於一月一日	<b>5,260,190</b>	3,458,590	<b>52,602</b>	34,586
Issue of shares upon	因股份認購而發行				
share subscription	之股份	<b>1,740,000</b>	1,801,600	<b>17,400</b>	18,016
Conversion of	兌換可換股債券				
convertible bonds		<b>1,304,348</b>	—	<b>13,043</b>	—
At 31 December	於十二月三十一日	<b>8,304,538</b>	5,260,190	<b>83,045</b>	52,602

Notes:

(i) On 8 December 2015, the Company entered into two share subscription agreements (the “First Share Subscription Agreement” and the “Second Share Subscription Agreement”) with two subscribers (the “First Share Subscriber” and the “Second Share Subscriber”). Pursuant to the First Share Subscription Agreement, the First Share Subscriber has conditionally agreed to subscribe, in cash, for and the Company has conditionally agreed to allot and issue 870,000,000 new shares at the subscription price of HK\$0.115 per subscription share in an aggregate amount of HK\$100,050,000. Pursuant to the Second Share Subscription Agreement, the Second Share Subscriber has conditionally agreed to subscribe, in cash, for and the Company has conditionally agreed to allot and issue 870,000,000 new shares at the subscription price of HK\$0.115 per subscription share in an aggregate amount of HK\$100,050,000. The First Share Subscription and Second Share Subscription were completed on 5 February 2016 and accordingly 1,740,000,000 subscription shares were issued at the subscription price of HK\$0.115 per subscription share.

附註：

(i) 於二零一五年十二月八日，本公司與兩名認購人（「第一股份認購人」及「第二股份認購人」）簽訂兩份股份認購協議（「第一份股份認購協議」及「第二份股份認購協議」）。根據第一份股份認購協議，第一股份認購人已有條件同意以現金認購，而本公司已有條件同意配發及發行870,000,000股新股份。認購價為每股認購股份0.115港元，總額為100,500,000港元。根據第二份股份認購協議，第二股份認購人已有條件同意以現金認購，而本公司已有條件同意配發及發行870,000,000股新股份。認購價為每股認購股份0.115港元，總額為100,500,000港元。第一股份認購事項及第二股份認購事項已於二零一六年二月五日完成，因此，1,740,000,000股認購股份已按認購價每股認購股份0.115港元發行。



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### 36. SHARE CAPITAL (continued)

Notes: (continued)

- (ii) The First CB was converted into 173,912,000, 130,434,781, 43,478,260, 173,912,000, 43,480,000, 43,480,000, 130,440,000 and 130,428,173 shares of the Company on 3 March 2016, 8 March 2016, 14 March 2016, 18 May 2016, 17 June 2016, 10 August 2016, 19 August 2016 and 7 September 2016, respectively.

The Second CB was converted into 434,782,608 shares of the Company on 1 March 2016.

- (iii) All shares issued during the year rank pari passu with the then existing shares in all respects.

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt, which includes short-term loans and notes payable, and equity attributable to equity holders of the Company, comprising issued share capital and reserves.

The management of the Group reviews the capital structure on a continuous basis taking into account the cost of capital and the risk associated with the capital. The Group will balance its overall capital structure through new share issues, repurchase of shares and the issue of new debt or the redemption of the existing debt.

### 36. 股本(續)

附註：(續)

- (ii) 第一批可換股債券已分別於二零一六年三月三日、二零一六年三月八日、二零一六年三月十四日、二零一六年五月十八日、二零一六年六月十七日、二零一六年八月十日、二零一六年八月十九日及二零一六年九月七日轉換為173,912,000股、130,434,781股、43,478,260股、173,912,000股、43,480,000股、43,480,000股、130,440,000股及130,428,173股本公司股份。

第二批可換股債券已於二零一六年三月一日轉換為434,782,608股本公司股份。

- (iii) 年內已發行之所有股份在各方面與當時之現有股份具有同等地位。

本集團管理其資金，以確保本集團內的實體將能夠以持續經營方式營運，同時亦透過達致債務與權益之間最佳的平衡而為持份者爭取最大回報。本集團之整體策略自去年以來維持不變。

本集團之資本結構為債務，其中包括短期貸款及應付票據以及本公司股權持有人應佔權益(包括已發行股本及儲備)。

本集團管理層持續檢討資本結構，包括考慮資本之成本及與資本相關之風險。本集團將透過發行新股份、購回股份及發行新債務或贖回現有債務以使其整體資本結構保持平衡。

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## 綜合財務報表附註

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### 37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 37. 本公司財務狀況表

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	606	—
Investments in subsidiaries	於附屬公司之投資	1,000	1,000
Deposits for acquisition of non-current assets	收購非流動資產之按金	19,300	36,000
		<b>20,906</b>	37,000
<b>CURRENT ASSETS</b>	<b>流動資產</b>		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	2,079	9,932
Amounts due from subsidiaries	應收附屬公司款項	282,667	181,532
Cash and cash equivalents	現金及現金等價物	68,723	87,050
		<b>353,469</b>	278,514
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>		
Other payables and accruals	其他應付款項及應計費用	1,246	169,943
Notes payables	應付票據	—	70,000
Short term loans	短期貸款	—	9,000
		<b>1,246</b>	248,943
<b>Net current assets</b>	<b>流動資產淨值</b>	<b>352,223</b>	29,571
<b>NET ASSETS</b>	<b>資產淨值</b>	<b>373,129</b>	66,571
<b>EQUITY</b>	<b>權益</b>		
Share capital	股本	83,045	52,602
Reserves	儲備	290,084	13,969
<b>TOTAL EQUITY</b>	<b>權益總額</b>	<b>373,129</b>	66,571

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

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### 38. RESERVES

#### (a) Group

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

#### (b) Company

### 38. 儲備

#### (a) 本集團

本集團之儲備及變動金額於綜合損益及其他全面收入表及綜合權益變動表中呈列。

#### (b) 本公司

		Share premium	Share option reserve	Accumulated losses	Total
		股份溢價	購股權儲備	累計虧損	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 January 2015	於二零一五年一月一日	1,478,350	4,236	(1,182,308)	300,278
Total comprehensive loss for the year	年內全面虧損總額	—	—	(475,235)	(475,235)
Issue of new shares	發行新股份	188,926	—	—	188,926
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	1,667,276	4,236	(1,657,543)	13,969
Total comprehensive loss for the year	年內全面虧損總額	—	—	(57,969)	(57,969)
Issue of new shares	發行新股份	182,700	—	—	182,700
Issue of shares upon conversion of convertible bonds	因轉換可換股債券而發行之股份	151,384	—	—	151,384
Share options lapsed during the year	年內已失效之購股權	—	(4,236)	4,236	—
At 31 December 2016	於二零一六年十二月三十一日	2,001,360	—	(1,711,276)	290,084

#### (c) Nature and purpose of reserves

##### (i) Share premium

The application of the share premium is governed by the Company's Bye-Law and the Companies Act 1981 of Bermuda (as amended).

#### (c) 儲備性質及用途

##### (i) 股份溢價

股份溢價之應用受到本公司之公司細則及百慕達一九八一年公司法(經修訂)所規限。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 38. RESERVES (continued)

#### (c) Nature and purpose of reserves (continued)

##### (ii) Capital reserve

The capital reserve comprises the difference between the additional registered capital invested by a former non-controlling shareholder of a subsidiary, over the fair value of the intangible assets injected by the former non-controlling shareholder.

##### (iii) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

##### (iv) Share option reserve

The share option reserve comprises the fair value of the actual or estimated number of unexercised share options granted to directors, employees and advisors of the Company recognised in accordance with the accounting policy adopted for share-based payments in note 4.

##### (v) Other reserve

During the year ended 30 June 2011, the Group acquired additional interests in Beijing Jinqiao Hengtai Technology Co., Ltd and Shenzhen Zhongzesaien Technology Co., Ltd. As a result of the acquisitions, the difference of HK\$79,992,000 between the consideration paid of HK\$115,194,000 and the amount of non-controlling interests adjusted of HK\$35,202,000 was directly recognised in equity.

### 38. 儲備(續)

#### (c) 儲備性質及用途(續)

##### (ii) 資本儲備

資本儲備包括一間附屬公司之一名前非控股股東投入之額外註冊資本超出該名前非控股股東注入無形資產之公平值之差額。

##### (iii) 外幣換算儲備

外幣換算儲備包括換算海外業務財務報表之所有匯兌差額。

##### (iv) 購股權儲備

購股權儲備包括根據附註4有關以股份為基礎付款所採用會計政策確認之授予本公司董事、僱員及顧問之實際或估計未行使購股權數目之公平值。

##### (v) 其他儲備

截至二零一一年六月三十日止年度，本集團已收購北京金橋恒泰科技有限公司及深圳中澤賽恩科技有限公司之額外權益。受該等收購事項之影響，已付代價115,194,000港元與經調整非控股股東權益款項35,202,000港元之間之差額79,992,000港元乃於權益中直接確認。

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## 綜合財務報表附註

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### 39. SHARE-BASED PAYMENTS

#### *Equity-settled share option scheme*

The share option scheme (the “Scheme”) of the Company was approved by the shareholders of the Company in the Company’s annual general meeting held on 30 December 2011. Details of which are set out in the Company’s circular dated 28 November 2011. The purpose of the Scheme is to enable the Group to grant options to selected participants, which include any person who is a full time or part time employee or director of the Group, a consultant or agent of the Group, as incentives or rewards for their contributions to the Group.

Details of the share options granted under the Scheme are as follows:

Participants 參與者類別	Date of grant 授出日期	Vesting date 歸屬日期	Exercise period 行使期	Exercise price 行使價
Employees 僱員	29 February 2012 二零一二年二月二十九日	1 March 2013 二零一三年三月一日	1 March 2013 to 29 February 2016 二零一三年三月一日至二零一六年二月二十九日	HK\$0.84 0.84港元

### 39. 以股份為基礎付款

#### *以權益結算之購股權計劃*

本公司購股權計劃(「該計劃」)已於二零一一年十二月三十日舉行之本公司股東週年大會上獲本公司股東批准，詳情載於本公司日期為二零一一年十一月二十八日之通函內。該計劃旨在令本集團可向指定參與者(包括本集團全職或兼職僱員或董事、本集團之顧問或代理等任何人士)授出購股權，作為彼等對本集團所作貢獻之獎勵或回報。

根據該計劃授出購股權之詳情如下：

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### 39. SHARE-BASED PAYMENTS (continued)

### 39. 以股份為基礎付款(續)

#### Equity-settled share option scheme (continued)

#### 以權益結算之購股權計劃(續)

Details of the share options outstanding during the year are as follows:

於年內未行使股權詳情如下：

		2016		2015	
		二零一六年		二零一五年	
		Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
		購股權數目	加權平均 行使價	購股權數目	加權平均 行使價
		'000	HK\$	'000	HK\$
		千份	港元	千份	港元
Outstanding at the beginning of the year	於年初未行使購股權	3,000	0.84	3,000	0.84
Expired during the year	於年內已到期購股權	(3,000)		—	
Outstanding at the end of the year	於年末未行使購股權	—	N/A 不適用	3,000	0.84
Exercisable at the end of the year	於年末可行使購股權	—	N/A 不適用	3,000	0.84

The options outstanding at 31 December 2015 have a weighted average remaining contractual life of 0.17 years and the exercise price is HK\$0.84. There was no share option outstanding at 31 December 2016.

於二零一五年十二月三十一日尚未行使購股權之行使價為0.84港元，加權平均餘下合約年期為0.17年。於二零一六年十二月三十一日概無尚未行使購股權。

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## 綜合財務報表附註

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### 40. WARRANTS

On 17 February 2011, the Company issued a total of 95,000,000 warrants at nil consideration at an exercise price of HK\$2 per warrant share.

The movement of the warrants during the year is set out below:

Date of grant 授出日期	Exercise period 行使期	Exercise price 行使價	Number of warrants outstanding 未行使認股權證數目	
			2016 二零一六年 '000 千份	2015 二零一五年 '000 千份
17 February 2011 二零一一年二月十七日	17 February 2012 to 16 February 2016 二零一二年二月十七日至 二零一六年二月十六日	HK\$2 2港元	—	95,000

In 2016 and 2015, no warrant was utilised to subscribe for the shares of the Company. The warrants were expired during the year ended 31 December 2016.

### 41. CAPITAL COMMITMENTS

The Group's capital commitments at the end of the reporting period are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Capital expenditure contracted but not provided for in the consolidated financial statements in respect of:	以下各項之已簽署但未於綜合財務報表作出撥備之資本開支：		
— acquisition of subsidiary	— 收購附屬公司	21,500	107,048

### 40. 認股權證

於二零一一年二月十七日，本公司以每股認股權證股份2港元之行使價無償發行合共95,000,000份認股權證。

年內認股權證變動載列如下：

於二零一六年及二零一五年，概無任何認股權證獲動用以認購本公司股份。認股權證已於截至二零一六年十二月三十一日止年度到期。

### 41. 資本承擔

於報告期末，本集團資本承擔如下：

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## 綜合財務報表附註

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### 42. LEASE COMMITMENTS

#### As lessee

At 31 December 2016 the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	3,643	15,653
In the second to fifth years, inclusive	第二至第五年 (首尾兩年包括在內)	3,624	37,608
		<b>7,267</b>	53,261

Operating lease payments represent rentals payable by the Group for its offices and staff quarters. Leases are negotiated for terms ranging from half to three years (2015: one to four years) and rentals are fixed over the lease terms and do not include contingent rentals.

#### As lessor

The Group leases out certain of its transmission and other network equipment. At the end of reporting period, the future minimum lease payments under non-cancellable leases are receivables as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	111	—
In the second to fifth years, inclusive	第二年至第五年 (首尾兩年包括在內)	120	—
		<b>231</b>	—

### 42. 租約承擔

#### 作為承租人

於二零一六年十二月三十一日，本集團根據不可撤銷經營租約應付之未來最低租金總額如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	3,643	15,653
In the second to fifth years, inclusive	第二至第五年 (首尾兩年包括在內)	3,624	37,608
		<b>7,267</b>	53,261

經營租約付款指本集團應付之若干辦公室物業及員工住房。租期乃經磋商訂立為半年至三年(二零一五年：一至四年)，而租賃期間租金固定，不包括或有租金。

#### 作為出租人

本集團出租其若干傳輸及其他網諾設備。於報告期末，根據不可撤銷租約應收之未來最低租金如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	111	—
In the second to fifth years, inclusive	第二年至第五年 (首尾兩年包括在內)	120	—
		<b>231</b>	—



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 42. LEASE COMMITMENTS (continued)

#### *As lessor (continued)*

Operating lease income represent rentals receivables by the Group for its transmission and network equipment. Leases are negotiated for terms of three years and rentals are fixed over the lease terms and do not include contingent rentals.

### 43. RELATED PARTY TRANSACTIONS

#### (a) Key management compensation

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Short term employee benefits	短期僱員福利	8,478	7,926
Post-employment benefits	退休後福利		
— defined contribution plans	— 界定供款計劃	58	85
		<b>8,536</b>	8,011

Further details of directors' emoluments are included in note 14 to the consolidated financial statements.

有關董事酬金之進一步詳情載於綜合財務報表附註 14。

### 42. 租約承擔 (續)

#### *作為出租人 (續)*

經營租約收入指本集團應收之傳輸及網絡設備租金。租期乃經磋商訂立為三年，而租賃期間租金固定，不包括或有租金。

### 43. 關連人士交易

#### (a) 主要管理人員之薪酬：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 44. EVENTS AFTER THE END OF THE REPORTING PERIOD

As detailed in note 25(i) to the consolidated financial statements, On 7 June 2016, the Group has entered into a sale and purchase agreement to acquire 100% equity interest in JTI Securities Limited. The acquisition was completed on 23 March 2017 at a consideration of approximately HK\$22,800,000.

Upon completion of the acquisition, JTI Securities Limited become an indirect wholly-owned subsidiary of the Group and the financial statements of JTI Securities Limited will be consolidated into the consolidated financial statements of the Group upon completion of the acquisition.

### 45. APPROVAL OF FINANCIAL STATEMENTS

These consolidated financial statements were approved and authorised for issue by the Board of Directors on 24 March 2017.

### 44. 報告期後事項

如綜合財務報表附註25(i)所詳述，於二零一六年六月七日，本集團已訂立一項買賣協議以收購金唐國際證券有限公司之100%股本權益。收購事項於二零一七年三月二十三日完成，代價約為22,800,000港元。

於收購事項完成後，金唐國際證券有限公司已成為本集團之間接全資附屬公司，且金唐國際證券有限公司之財務報表將於收購事項完成後綜合計入本集團之綜合財務報表內。

### 45. 財務報表批准

綜合財務報表於二零一七年三月二十四日經董事會批准及授權刊發。

# SUMMARY OF FINANCIAL INFORMATION

## 財務資料概要

A summary of the results and assets and liabilities of the Group for each of the five financial periods is as follows:

本集團五個財政期間各期間之業績以及資產及負債概要如下：

### RESULTS

### 業績

		Period from 1 July 2012 to 31 December 2012 二零一二年 七月一日至 二零一二年 十二月 三十一日 期間 HK\$'000 千港元 (Restated) (經重列)	Year ended 31 December 2013 截至 二零一三年 十二月 三十一日 止年度 HK\$'000 千港元 (Restated) (經重列)	Year ended 31 December 2014 截至 二零一四年 十二月 三十一日 止年度 HK\$'000 千港元 (Restated) (經重列)	Year ended 31 December 2015 截至 二零一五年 十二月 三十一日 止年度 HK\$'000 千港元	Year ended 31 December 2016 截至 二零一六年 十二月 三十一日 止年度 HK\$'000 千港元
<b>CONTINUING OPERATIONS</b> 持續經營業務						
Revenue	收益	297,441	227,539	47,338	34,679	<b>81,218</b>
Profit/(loss) before taxation	除稅前溢利/(虧損)	(27,336)	(1,013,928)	(640,227)	(313,964)	<b>(108,978)</b>
Income tax expense/(credit)	所得稅開支/(抵免)	(8,716)	(16,698)	(400)	1,391	<b>59,551</b>
Profit/(loss) for the period/year from continuing operations	來自持續經營業務之期/年內溢利/(虧損)	(36,052)	(1,030,626)	(640,627)	(312,573)	<b>(49,427)</b>
<b>DISCONTINUED OPERATIONS</b> 終止經營業務						
Loss for the period/year from discontinued operations	來自終止經營業務之期/年內虧損	37,214	(10,933)	(132,348)	(148,286)	<b>(8,653)</b>
Profit/(loss) for the period/year	期/年內溢利/(虧損)	1,162	(1,041,559)	(772,975)	(460,859)	<b>(58,080)</b>
Attributed to:	應佔：					
Owners of the Company	本公司擁有人	1,162	(1,039,559)	(768,322)	(452,094)	<b>(53,840)</b>
Non-controlling interests	非控股股東權益	—	(2,000)	(4,653)	(8,765)	<b>(4,240)</b>
		1,162	(1,041,559)	(772,975)	(460,859)	<b>(58,080)</b>
Basic earnings/(loss) per share (HK cents)	每股基本盈利/(虧損) (港仙)	0.04	(32.15)	(22.33)	(10.17)	<b>(0.70)</b>
Diluted earnings/(loss) per share (HK cents)	每股攤薄盈利/(虧損) (港仙)	0.04	(32.15)	(22.33)	(10.17)	<b>(0.70)</b>

# SUMMARY OF FINANCIAL INFORMATION

## 財務資料概要

### ASSETS AND LIABILITIES

### 資產及負債

		As at 31 December 2012 於二零一二年 十二月 三十一日 HK\$'000 千港元	As at 31 December 2013 於二零一三年 十二月 三十一日 HK\$'000 千港元	As at 31 December 2014 於二零一四年 十二月 三十一日 HK\$'000 千港元	As at 31 December 2015 於二零一五年 十二月 三十一日 HK\$'000 千港元	As at 31 December 2016 於二零一六年 十二月 三十一日 HK\$'000 千港元
Non-current assets	非流動資產	1,273,729	564,847	242,862	159,646	<b>109,500</b>
Current assets	流動資產	639,108	1,182,368	689,166	308,948	<b>123,372</b>
Disposal group classified as held for sale	分類為持作出售之出售集團	581,152	171,678	—	254,362	<b>245,268</b>
Current liabilities	流動負債	(180,358)	(705,992)	(497,881)	(467,893)	<b>(55,328)</b>
Liabilities directly associated with the disposal group	與出售集團直接相關之負債	(48,048)	—	—	(64,246)	<b>(43,650)</b>
Non-current liabilities	非流動負債	(225,679)	(76,098)	(76,406)	(63,748)	<b>(1,768)</b>
<b>Net assets</b>	<b>資產淨值</b>	<b>2,039,904</b>	<b>1,136,803</b>	<b>357,741</b>	<b>127,069</b>	<b>377,394</b>
Equity attributable to owners of the Company	本公司擁有人應佔權益	2,039,904	1,111,111	336,702	67,382	<b>366,943</b>
Non-controlling interests	非控股股東權益	—	25,692	21,039	59,687	<b>10,451</b>
<b>Total equity</b>	<b>權益總額</b>	<b>2,039,904</b>	<b>1,136,803</b>	<b>357,741</b>	<b>127,069</b>	<b>377,394</b>



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**HENGXIN**  
恒芯中國

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## 末期股息

董事會不建議派付截至二零一六年十二月三十一日止年度之末期股息(二零一五年：無)。

## 購買、出售或贖回本公司上市證券

截至二零一六年十二月三十一日止年度，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

## 審核委員會

本公司審核委員會(「審核委員會」)現時由三位獨立非執行董事組成，即黃之強先生(主席)、陳焯女士及許海鷗\*先生，並遵照創業板上市規則以書面列明職權範圍。

審核委員會已審閱本集團截至二零一六年十二月三十一日止年度之經審核綜合財務報表。

## 獨立核數師報告摘要

以下為來自本公司之外部核數師之獨立核數師報告摘要：

### 保留意見

我們認為，除本報告保留意見之基礎一節所述事項之可能影響外，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零一六年十二月三十一日之綜合財務狀況，及其截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港公司條例之披露規定妥為編製。

### 保留意見之基礎

#### 1. 比較數字

截至二零一五年十二月三十一日止年度之減值虧損中包括應收賬款約人民幣111,695,000元(相等於141,386,000港元)，乃自二零一四年十二月三十一日結轉。吾等並未獲提供充份合適之審核憑證，以證明減值虧損應於二零一五年或過往年度入賬。

## **2. 分類為持作出售之出售集團及相關負債**

我們尚未能取得充份合適之審核憑證，使我們信納分類為持作出售之出售集團及與之相關的負債之賬面值約245,268,000港元(二零一五年：254,362,000港元)及約43,650,000港元(二零一五年：64,246,000港元)。並無其他可採納之令人滿意審核程序，以使我們信納此等款項是否已於綜合財務狀況表中公平地呈列。

## **3. 取消綜合入賬一間附屬公司之虧損**

如綜合財務報表附註2所闡述，由於山西中澤恒遠生物科技有限公司(「山西中澤」，貴公司擁有51%權益之附屬公司)涉嫌挪用資金，現有董事認為已失去對山西中澤之控制權。自此，董事不再對山西中澤之營運及財務活動擁有控制權，亦無法獲得其相關會計賬目及記錄。由於自二零一六年一月一日開始之期間失去對山西中澤之控制權並無法獲得該等財務記錄，董事認為自二零一六年一月一日起綜合入賬山西中澤之業績、資產、負債及現金流量並不可行。

我們並無獲提供充份證據，令我們信納 貴集團是否已自二零一六年一月一日起失去對山西中澤之控制權。此外，我們並無獲提供充份證據，令我們信納取消綜合入賬該附屬公司之資產及負債金額。因此，我們未能信納截至二零一六年十二月三十一日止年度取消綜合入賬該附屬公司之虧損約65,403,000港元乃已公平地呈列。

## **4. 收購非流動資產之按金**

如綜合財務報表附註25所述，本集團已就收購非流動資產支付按金36,000,000港元，其中18,000,000港元之減值虧損已於截至二零一六年十二月三十一日止年度確認。我們尚未能取得充份合適之審核憑證，使我們信納本年度已確認之減值虧損金額及收購非流動資產之剩餘按金18,000,000港元之可收回性。我們並無其他可予採納之令人滿意審核程序，以釐定本年度作出之減值虧損18,000,000港元及餘下按金結餘18,000,000港元乃已公平地呈列。



## 5. 其他投資

我們尚未取得充份合適之審核憑證令我們信納其他投資61,750,000港元之減值測試。我們並無其他可予採納之令人滿意審核程序，以釐定該款項之任何減值是否應計入綜合財務報表。

承董事會命  
恒芯中國控股有限公司  
主席  
林東洋\*

香港，二零一七年三月二十四日

於本公告日期，董事會由執行董事丹斯里拿督林東洋\*(主席)、陳榮斌先生(副主席及行政總裁)、仇斌先生、高揚先生、胡其賢先生及陳希先生；及獨立非執行董事黃之強先生、陳焯女士、許海鷗\*先生及周晨仲先生組成。

本公告將由刊登日期起計最少一連七天載於創業板網站 [www.hkgem.com](http://www.hkgem.com) 之「最新公司公告」一頁內及本公司網站 [www.hengxinchina.com.hk](http://www.hengxinchina.com.hk)。