



HENGDELI HOLDINGS LIMITED

亨得利控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 3389

年報  
Annual Report  
2016



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# CORPORATE PROFILE

## 公司簡介



# CORPORATE PROFILE

## 公司簡介

Hengdeli Holdings Limited (the “Company” or “Hengdeli”) and its subsidiaries (collectively as the “Group”) are the world’s prestigious retailers of internationally renowned watch brands and manufacturers of watch accessories. Its shareholders primarily include the Zhang family, SWATCH Group, the watch manufacturer and distributor with international repute, LVMH Group, the internationally recognized luxury goods conglomerate and China Reinsurance (Group) Corporation.

The Group owns a retail network comprising: Elegant (top-end internationally renowned watch brands), Prime Time/Hengdeli (mid-end and mid-to-high-end internationally renowned watch brands), and single-brand boutiques. As at 31 December 2016, the Group had 446 retail outlets, selling watches from more than 50 internationally renowned brands in Mainland China, Hong Kong, Macau and Taiwan. The Group has about 400 wholesale customers in over 100 major cities. Meanwhile, the Group provides integrated after-sales warranty maintenance for internationally renowned brand watches.

The Group owns a number of watch accessories manufacturing enterprises, of which the business covers manufacturing of furniture and items used for watch sales and watch packaging products, commercial space design, production and decoration, serving customers throughout the Greater China Region, Asia Pacific and other countries and regions including Switzerland and the United States etc.

The Group has maintained sound and in-depth collaboration with many world-renowned premier brand suppliers including SWATCH Group, LVMH Group, RICHEMONT Group, ROLEX Group and KERING Group. The Group serves as the distributor and exclusive distributor, maintenance agent and exclusive maintenance agent for world-renowned brand watches.

The Company has been listed on the Main Board of the Hong Kong Stock Exchange since 2005 with stock code 3389. The stock name is Hengdeli in short.

亨得利控股有限公司（「本公司」或「亨得利」）及其子公司（「本集團」或「集團」）為全球負有盛名的國際名錶銷售及手錶配套產品製造集團，股東主要包括：張氏家族、享有國際聲譽的手錶製造及分銷商斯沃琪集團、享有國際聲譽的奢侈品集團路威酩軒集團及中國再保險（集團）股份有限公司等。

本集團銷售體系主要包括：三寶名錶（頂級國際名錶）、盛時錶行／亨得利（中檔及中高檔國際名錶）、以及單一品牌專門店；截至二零一六年十二月三十一日止，集團於中國內地、港澳地區及台灣地區擁有446間零售門店，經銷逾50個國際知名品牌手錶；在逾百個主要城市中，擁有約400家批發客戶。同時，集團為客戶提供全方位的國際名錶售後服務。

本集團擁有多間手錶配套產品製造企業，業務涵蓋手錶銷售家具、道具及錶盒製作、商業空間設計及製作與裝修等；客戶覆蓋大中華區、亞太區及瑞士、美國等多個國家和地區。

本集團與國際頂級品牌供貨商有著良好而深入的合作，其中包括斯沃琪集團、路威酩軒集團、歷峰集團、勞力士集團及開雲集團等；分銷及獨家分銷、維修代理及獨家維修代理多個國際知名品牌手錶。

本公司於二零零五年在香港聯合交易所主板上市，股份代號：3389，簡稱：亨得利。

Highlights of Brands

## SOLD AT HENGDELI GROUP

### 亨得利集團部份經銷品牌



#### SWATCH Group 斯沃琪集團

- BALMAIN 寶曼
- BLANCPAIN 寶珀
- CALVIN KLEIN
- CERTINA 雪鐵納
- GLASHÜTTE ORIGINAL 格拉蘇蒂
- HAMILTON 漢米爾頓
- JAQUET DROZ 雅克德羅
- RADO 雷達



OMEGA  
歐米茄



HAMILTON  
漢米爾頓



LONGINES  
浪琴



BREGUET  
寶璣



MIDO  
美度



#### RICHEMONT Group 歷峰集團

- A. LANGE & SÖHNE 朗格
- BAUME & MERCIER 名士
- PIAGET 伯爵
- PANERAI 沛納海
- JAEGER-LECOULTRE 積家
- VACHERON CONSTANTIN 江詩丹頓



IWC  
萬國



MONTBLANC  
萬寶龍



CARTIER  
卡地亞



## ROLEX Group 勞力士集團

- TUDOR  
帝舵



ROLEX  
勞力士



## KERING Group 開雲集團

- GIRARD-PERREGAUX  
芝柏
- JEANRICHARD  
尚維沙



GUCCI  
古馳



## LVMH Group 路威酩軒集團

- HUBLOT  
宇舶
- TAG HEUER  
豪雅



ZENITH  
真力時



## Independent Brands 獨立品牌

- BALL  
波爾
- BEDAT & CO.  
貝達
- BREITLING  
百年靈
- CHOPARD  
蕭邦
- ERNEST BOREL  
依波路
- FRANCK MULLER  
法穆蘭
- MAURICE LACROIX  
艾美
- MOVADO  
摩凡陀
- ORIS  
豪利時
- PARMIGIANI  
帕瑪強尼
- TITONI  
梅花



FREDERIQUE  
CONSTANT  
康斯登



ULYSSE NARDIN  
雅典

CHAIRMAN'S STATEMENT  
主席報告書



Zhang Yuping  
張瑜平  
Chairman 主席





Practical yet innovative, explore and practice new development models for the Group elaborately. To optimize structure, secure soundness and maintain sustainability in order to create greater value for both shareholders and the society.

求實創新，深入探索與實踐集團新的發展模式；調結構、保健康、求持續，為股東和社會創造更高的價值。

### Dear Shareholders,

On behalf of the board of directors (the "Board"), I am pleased to present the annual report of Hengdeli Holdings Limited (the "Company") and its subsidiaries (the "Group"), for the year ended 31 December 2016 (the "year" or the "year under review"), for your review.

In 2016, amidst volatile political situation, the global economy has plunged into deep adjustment. China's economy also encountered some development resistance with persistent downward pressure. Meanwhile, as consumption patterns and concepts of consumers are constantly changing, coupled with the foreign exchange fluctuations, the Group was facing a tougher operating environment full of risks and challenges. As such, the Group has adhered to a policy of steady and healthy growth, seeking long-term new development based on existing businesses so as to safeguard shareholders' interests.

As at 31 December 2016, the Group had recorded revenue of RMB12,334,151,000, a decrease of 7.3% year-on-year. Retail sales amounted to RMB8,557,615,000, a decrease of 8.7% year-on-year. Due to allowance for impairment of goodwill and other items, payment of withholding tax on cash dividends as well as decline of sales, the Group recorded a loss of approximately RMB275,538,000 for the year (profit last year: RMB190,164,000), while the loss attributable to shareholders was approximately RMB321,378,000 (profit attributable to shareholders last year: RMB144,868,000).

### 各位股東：

本人謹代表董事會（「董事會」），欣然提呈亨得利控股有限公司（「本公司」）及其子公司（「本集團」或「集團」）截至二零一六年十二月三十一日止年度（「本年度」、「年度」或「回顧年度」）之年度報告，敬請各位股東審閱。

二零一六年，全球政治局勢動蕩，經濟仍處在深度調整期。中國經濟亦面臨著一定的發展阻力，下行壓力猶存；同時，消費者的消費模式及消費觀念不斷轉變，再加上貨幣匯率的波動等，令本集團經營環境較為嚴峻，充滿各種風險與挑戰。對此，本集團謹遵平穩、健康之原則，經營現時，旨在長遠，力圖新的發展，從而確保股東的利益。

截至二零一六年十二月三十一日止，本集團銷售額錄得12,334,151,000元（人民幣，下同），較去年同期下降7.3%；零售銷售額錄得8,557,615,000元，較去年同期下降8.7%；因商譽等減值撥備、支付現金股息預扣稅及銷售下降等影響，集團本年度錄得虧損約為275,538,000元（去年同期利潤為190,164,000元），而股東應佔虧損約為321,378,000元（去年同期股東應佔溢利為144,868,000元）。

# CHAIRMAN'S STATEMENT

## 主席報告書

For the sales of watches, during the year under review, given the continued unstable operating environment, and the impact on the traditional consumer market by the change in consumption concepts and diversified consumption patterns, consumers' demand for watches continued to decline. With healthy and steady development as an objective, and adherence to the market-oriented principle, the Group actively implemented various marketing strategies, tried new sales methods, accelerated the integration of retail outlets, and optimised the management system. After effective adjustment and optimization, the Group operated a total of 446 retail outlets in Mainland China, Hong Kong, Macau and Taiwan as at 31 December 2016, while the overall sales continued to slow down during the year.

Despite those headwinds, the Group's industrial sector engaging in manufacturing of watch accessories has achieved its business objectives set in early 2016. Leveraging on production automation, information management system, product innovation, our deeper and broader cooperation with brand suppliers, and the increasing domestic and foreign customers resources, the overall sales of this sector achieved a better result of an increase by 8.7% year-on-year, which was the highlight of the Group's business growth.

The Group's core value of "respect, commitment, cooperation and innovation" has enabled us to build a solid foundation for corporate governance and fulfilment of social responsibilities. Believing that business exists as a part of the society and prospers along with it, the Group, apart from its efforts in achieving business results and creating brand value, has been improving its social values by protecting the environment, managing environmental quality, conserving resources and developing talents. The Group also actively participated in public welfare activities with an aim to achieve common development and share with the community.

Looking forward to 2017, the global economy will remain complicated and fluctuate, and China's economy will also face many problems during structural adjustment period. In addition to insufficient internal impetus to drive economic growth, financial risks are building up. Considering the

於手錶銷售方面，回顧年度內，經營形勢的持續不穩，消費者消費觀念的變化和消費模式的多樣化等對傳統消費市場不斷形成衝擊，令手錶購買需求繼續下降。本集團以健康、穩定為目標，以市場為導向，積極推行各種營銷手段，努力嘗試新的銷售方法，並加快零售網點的整合，優化管理體系。經有效調整及優化，截至二零一六年十二月三十一日止，本集團在中國內地、港澳地區及台灣地區合共經營446間零售門店，年度內整體銷售繼續放緩。

儘管形勢諸多不利，但集團所屬生產手錶配套產品的工業集團則較好地完成了二零一六年初制定的經營目標。生產自動化、管理信息化、產品項目不斷創新、與品牌供應商良好合作之深度和廣度持續加深、境內外客戶資源日趨豐富，令配套生產整體銷售再上新的台階，較去年同期上升了8.7%，成為集團業務成長之亮點。

本集團以「尊重、承擔、合作、創新」為核心價值，並以此作為企業管理和履行社會責任的堅實基礎。本集團始終堅持企業與社會共存及共榮之價值理念，堅持在創造企業利益、實現品牌價值的同時不斷提升在環境保護、環境質素建造、資源使用、人才培養等各方面的社會價值；本集團亦積極參與社會公益活動，與社會共同發展，共同分享。

二零一七年，全球經濟仍將錯綜複雜，中國經濟運行也仍將面臨結構調整期相應的諸多問題，除經濟增長內生動力仍有不足外，金融風險也有所積聚。本集團審時度勢，充分認識到：平穩健康為本，創新引領未來。面對宏觀

## CHAIRMAN'S STATEMENT 主席報告書

situation, the Group believes that to stay stable and healthy is the foundation to develop, and innovation is the key to the future. Given the uncertainty over macro environment, the only way to ensure long-term stability of the Group is to make decisions in line with market conditions. The Company published an announcement on 30 December 2016 for a proposed substantial business disposal. As stated in the announcement, the disposal will effectively reduce the Group's financial burden and currency risk as well as achieving a healthier financing model with a purpose to ensure the safety of the Company and lay a new foundation for future development. If the disposal is approved at the extraordinary general meeting, the Group will start a new journey.

In the coming year, standing on a new historical starting point, the Group will adhere to the operating principle of "moving forward steadily for sustainable growth with solid foundation and continuous innovation", focusing on the long-term stability and sustainable development of the overall business. With an open mind, innovative thinking and a craftsman spirit, the Group will explore and implement a new development model, making structural adjustment, keeping healthy growth and seeking sustainability. Specifically, on the one hand, the Group will continue to strengthen the network of watch retail outlets and watch accessories manufacturing, and on the other hand, we will strive to expand into other markets in a variety of innovative ways so as to make breakthroughs in the development of the Group and create greater value for both our shareholders and society at large.

On behalf of the Group, I would like to express my sincere gratitude to our shareholders, suppliers, customers and other business partners for their ongoing trust and support, as well as to all our staff members for their dedication and wholehearted contributions over the past year.

By order of the Board  
Zhang Yuping  
Chairman

Hong Kong, 29 March 2017

環境的不確定性，只有做出順應市場的對策，才能確保集團長治久安。本公司已於二零一六年十二月三十日發佈公告，擬進行一項重大的業務出售。誠如公告所述，此舉能有效降低集團財務負擔及貨幣風險，實現更為健康的融資模式，其目的在於保證公司的安全，並為未來的發展奠定新的基礎。該出售如於股東特別大會獲得批准，本集團將重新上路，開始新的征程。

新的一年，本集團將在新的歷史起點上，堅持「行穩致遠、固本鼎新」之經營原則，立足於整體業務的恒久穩定及可持續發展；以開放的心態、創新的思維、工匠的精神深入探索與實踐集團新的發展模式；調結構、保健康、求持續。具體來說就是，一方面繼續加強手錶零售網點的建設，手錶配套產品的生產，另一方面則以多種創新的形式努力拓展其他市場，實現集團發展的新突破，為股東和社會創造更高的價值。

本人謹代表集團向廣大股東、供應商、客戶及其他合作夥伴對本集團長期以來的信任與支持，及全體同仁在過去一年中的積極努力與貢獻，致以最衷心的感謝！

承董事會命  
主席  
張瑜平

香港，二零一七年三月二十九日



亨得利  
HENGDELI  
PRIME TIME



# REPORT OF DIRECTORS

## 董事會報告書

The directors of the Company are pleased to present to you this report and the audited accounts of the Company for the year ended 31 December 2016.

### BUSINESS REVIEW

For the year under review, the Group's business was primarily focused on the retail and distribution of internationally renowned branded watches, comprehensive related customer services and maintenance, watch accessories manufacturing and e-commerce in the Greater China region with a major presence in Mainland China and Hong Kong.

#### Retail Network

The Group's retail network spanned across the Greater China region where retail stores mainly included "Prime Time"/"Hengdeli", "Elegant", and certain single-brand boutiques. "Prime Time"/"Hengdeli" stores are mainly located in Mainland China and Taiwan, selling mid-end and mid-to-high-end internationally renowned branded watches, while "Elegant" stores are mainly located in Hong Kong, selling high-end internationally renowned branded watches. Following adjustments and optimization, the Group operated a total of 446 retail outlets in Mainland China, Hong Kong, Macau and Taiwan as at 31 December 2016, details of which are set out below:

本公司董事欣然提呈本報告，連同本公司截至二零一六年十二月三十一日止年度經審核之賬目。

### 業務回顧

回顧年度內，本集團之業務主要專注於以中國內地及香港為主的大中華區國際名錶零售與分銷及全面的相關客戶服務暨維修、手錶配套產品製造、電子商務等。

#### 零售網絡

本集團零售網絡遍及大中華地區，其零售店類型主要包括「盛時錶行」／「亨得利」、「三寶名錶」以及單一品牌專賣店。「盛時錶行」／「亨得利」主要設於中國內地和台灣地區，銷售中檔和中高檔國際名錶；「三寶名錶」則基本設於香港等地區，主要銷售高檔國際名錶。經調整及優化，於二零一六年十二月三十一日，本集團在中國內地、港澳地區及台灣地區合共經營446間零售門店，其佈局詳情基本如下：

		As at 31 December 2016 於二零一六年十二月三十一日			
		Mainland China 中國內地	Hong Kong and Macau 港澳	Taiwan 台灣	Total 總計
Prime Time/Hengdeli	盛時錶行／亨得利	334	4	33	371
Elegant	三寶名錶	13	5	1	19
Brand boutiques	品牌專賣店	28	7	21	56
<b>Total</b>	<b>總計</b>	<b>375</b>	<b>16</b>	<b>55</b>	<b>446</b>

The Group has maintained sound business relationships with many world-renowned brand watch suppliers over the years, including SWATCH Group, LVMH Group, RICHEMONT Group, ROLEX Group and KERING Group, etc. As at 31 December 2016, the Group was engaged in the distribution of over 50 international brands from the above five major brand suppliers and other independent watchmakers, including Breguet, Bulgari, Cartier, Girard-Perregaux, Harry Winston, IWC, Jaeger-LeCoultre, Longines, Mido, Omega, Rolex, Vacheron-Constantin, Zenith, Tissot, and Van Cleef & Arpels, etc. During the year under review, the Group continued to step up its efforts in aligning mid-end and mid-to-high-end brands in both Mainland China and Hong Kong to enhance its brand portfolio, paving the way for long-term business development and stabilizing overall sales performance.

In 2016, amidst volatile political situation, the global economy has plunged into deep adjustment. China's economy also encountered some development resistance with persistent downward pressure. Meanwhile, the constant change in consumption patterns and concepts, coupled with the foreign exchange fluctuations, the Group has faced a tougher operating environment full of risks and challenges. Aiming to develop healthily and steadily, and adhering to market-oriented principle, the Group has actively adopted various marketing strategies, tried new sales methods, accelerated the integration of retail outlets, and optimised the management system. However, these efforts could not stem the decline in sales as affected by the adverse macro environment and subdued consumer demand. Overall retail sales decreased by 8.7% as compared to the same period last year.

多年來，本集團與眾多國際著名手錶品牌供應商一直保持良好的合作關係，其中包括斯沃琪集團、路威酩軒集團、歷峰集團、勞力士集團及開雲集團等。於二零一六年十二月三十一日，本集團共經銷含上述五大品牌供應商所屬及其他獨立製錶人所屬之超過50個國際知名品牌，包括：寶璣、寶格麗、卡地亞、芝柏、海瑞溫斯頓、萬國、積家、浪琴、美度、歐米茄、勞力士、江詩丹頓、真力時、天梭、梵克雅寶等。回顧年度內，本集團仍致力在中國內地及香港等地分別加強中檔和中高檔品牌的調整，不斷優化品牌組合，以有利於業務的長遠發展和整體業績的穩定。

二零一六年，全球政治局勢動蕩，經濟仍處在深度調整期。中國經濟亦面臨一定的發展阻力，下行壓力猶存；同時消費者的消費模式及消費觀念不斷轉變，再加上貨幣匯率的波動等，令本集團經營環境較為嚴峻，充滿各種風險與挑戰。本集團以健康穩定為目標，以市場為導向，積極推行各種營銷手段，努力嘗試新的銷售方法，並加快零售店的整合，優化管理體系。儘管做出諸多努力，仍無法改變宏觀環境和需求低迷等原因所帶來的銷售下滑，與去年同期相比，整體零售額下降了8.7%。

## REPORT OF DIRECTORS 董事會報告書

### Mainland China

The Group has developed a network of retail outlets in Mainland China, with a presence in key regions including Beijing, Shanghai, Zhejiang, Jiangsu, Henan, Shanxi, Hubei, Northeastern and Southwestern China where its market share has been concentrated and stable.

The retail outlet “Prime Time” has been positioned to sell mid-end and mid-to-high-end internationally renowned branded watches in Mainland China. This marketing strategy is mainly designed to cater for the actual demand of Mainland consumption level. In recent years, affected by the adverse macro condition and evolution of consumption patterns and habits, the shops are undergoing a state of adjustment, without any net increase. As at 31 December 2016, the Group had 375 retail outlets in Mainland China, of which 334 were “Prime Time” shops. The Group’s “Elegant” shops, which are mainly image stores in Mainland China and sell high-end watches, have a relatively small geographic coverage. Most of “Elegant” shops are located in first-tier developed cities such as Shanghai, Beijing, Hangzhou, Nanjing, Shenyang and Chengdu, with one shop being closed during the year, reducing the number of “Elegant” shops to 13.

During the year under review, the Group’s operating strategy for retail in Mainland China did not have much change from that of the previous year. The focus was on mid-end watches in second, third and fourth-tier cities and enhancing the realignment and network layout of mid-end stores within each region and major city. The strategy involved a core operational principle of “maintaining steady sales, and promoting inventory structure enhancement”, and the retail region management structure adjustment was expedited. The Group kept pace with the market adjustment opportunities to integrate retail outlets and furthered its refined management for better performance of individual outlets; continued to step up its efforts in streamlining outlets in the first-tier market and high-end watch retail market, and reasonably adjusted its brand portfolio in response to the changing market conditions in a timely manner. The Group also enhanced the sales skills of frontline staff and improved customer relationship management at retail outlets.

### 中國內地

本集團於中國內地零售門店主要分佈在北京、上海、浙江、江蘇、河南、山西、湖北、東北三省、西南諸地等重點區域，市場份額控制集中而穩定。

銷售中檔和中高檔國際名錶的「盛時錶行」是本集團在中國內地的零售門店品牌。以中檔和中高檔品牌為主之銷售策略，主要是考慮到中國內地消費水平的實際需求。近年來，由於受到宏觀環境及消費者消費模式和消費習慣等變化的影響，實體店舖一直處於調整狀態，基本未有淨增。於二零一六年十二月三十一日，本集團在中國內地共經營375間零售門店，其中「盛時錶行」為334間。本集團旗下從事高端名錶銷售的「三寶名錶」店在中國內地主要為形象店，覆蓋區域相對較少，主要集中於發達的一線城市，如上海、北京、杭州、南京、瀋陽、成都等地，年度內關閉1間，現共有13間。

回顧年度內，中國內地零售主要的運作策略較去年未有較大改變，主要關注點仍在二、三和四線城市的中檔錶層面。在各區域及各主要城市集中力量抓好中檔店舖的調整與佈局；以「保持銷售的相對平穩，推進庫存結構優化」為核心經營思路，加速調整零售區域管理架構；利用市場調整時機整合零售店舖，深入精細化管理，努力提升單店質素；不斷加大力度對一線市場和高端手錶終端進行梳理，根據市場實際情況及時合理地調整經銷品牌組合；強化一線人員銷售能力及優化門店客戶關係管理。



As the shopping locations and consumption patterns of consumers have been constantly changing, consumption motivation has shifted from business related purpose to personal use and consumers have become more price sensitive than ever. The pressure on prices due to the availability of overseas surrogate shopping, electronic platform and other channels has led to exceptionally fierce market competition. Hence, the overall consumption situation of Mainland China remained lackluster for the year. Despite the Group's various efforts, we were unable to stem the decline in sales as affected by the adverse macro condition and subdued consumer demand. Retail sales from Mainland China decreased by 3.1% as compared to the same period last year. However, the Group's inventory turnover and account receivables in Mainland China were better than the industry average as a result of effective operation strategies and optimised management system.

The network platform of "censh.com" inherits the values of "passion, innovation, mutual trust, self-actualization". Unlike traditional e-commerce operators who chase after "speed" and "low price", "censh.com" is not only a website for interactive online and offline sales of watches, but also a personal assistant for consumers to buy watches. Meanwhile, it is also a platform for communication among customers and a culture carrier for the dissemination of the watch culture. It emphasizes on "experience" and "authenticity" and its missions are to provide the most accurate and most thoughtful services to consumers and to exhort the ideas of buying watches as gifts, tokens, and a symbol of stylish life. During the year under review, "censh.com" continued to guide the flows of consumers in real stores to shop online, promote booking for try-on service and improve the interaction between sales and customer services segments.

In 2017, China is expected to remain in a digestive period for transformation of development model and economic structure adjustment. Although there is slight trend of stabilization, we still face challenges with the uncertainty over the development of economy and consumer market in Mainland China under the background of globalization. The sales strategy of targeting at mid-end and mid-to-high-end internationally renowned branded watches will still be the major direction of the Group in Mainland China in the short and mid-run in the year ahead.

由於消費者的消費地點和消費模式的不斷變化，消費特徵從商務需求向自用需求轉變，消費者對價格敏感性比以往更高。海外代購、電子平台等渠道帶來的價格衝擊，使得市場競爭異常激烈，因此，年度內中國內地總體消費形勢依然比較低迷。儘管做出諸多努力，本集團仍無法改變宏觀環境和需求低迷等帶來的銷售下滑，與去年同期相比，中國內地的零售銷售額下降了3.1%。但因經營策略得當及管理制度的不斷優化，本集團於中國內地的零售在存貨週轉及應收賬款等方面仍優於行業平均水平。

網絡平台－「盛時網」秉承「激情、創新、互相信賴、成就自我」的價值觀，有別於追求「快」和「便宜」的傳統電商，它既是一個線上線下手錶銷售互動的網站，又是消費者購買手錶的私人助理，同時還是客戶間的溝通平台和手錶文化傳播的文化載體。它強調「體驗」、「保真」，旨在為消費者提供最準確、最周到的服務，並向消費者傳遞購買手錶作為禮物、信物及時尚生活標誌的人文理念。於回顧年度內，「盛時網」繼續將消費者從實體商店向線上購物引流、推廣試戴預約服務並提升銷售與客戶服務分部之間的互動。

於二零一七年，預計中國仍將處於發展模式轉型和經濟結構調整的消化期，微現平穩的趨勢與全球化背景下中國內地經濟與消費市場發展的不確定性交織在一起，我們所面臨的挑戰仍不可小覷。新的一年，以中檔和中高檔國際名錶為目標的銷售策略仍將是本集團短、中期在中國內地的主要方向。



 亨得利  
HENGDELI

ELEGANT 三寶



## REPORT OF DIRECTORS 董事會報告書

### Hong Kong and Macau

The Group's retail business in Hong Kong mainly focuses on high-end brands, including Blancpain, Breguet, Cartier, Chopard, Dewitt, Franck Muller, Girard-Perregaux, IWC, Jaeger-LeCoultre, Omega, Panerai, Piaget, Vacheron-Constantin, Zenith, Bulgari, Harry Winston as well as independent watchmakers namely Christophe Claret, MB&F, HYT, Greubel Forsey, etc. To adapt to the changes in the mix and consumption patterns of visitors to Hong Kong in recent years, the Group also started to deploy multi-layer brand positioning in Hong Kong, introducing certain mid-end brands in order to expand market share and maintain its leading position in the region.

As at 31 December 2016, Elegant operated a total of 12 retail outlets in Hong Kong, of which 5 were multi-brand "Elegant" shops and 7 were single-brand boutiques or image stores, mainly located in prime commercial districts such as Tsim Sha Tsui, Central and Causeway Bay.

Amidst the objective economic constraints, Hong Kong's retail sector as a whole was still lackluster during the year and Elegant was also affected. However, the last month of the year saw the first growth of sales in the past 26 months since October 2014 in Hong Kong's jewelry and timepieces market, with signs of stabilization in sales. Elegant also recorded a double-digit increase in sales.

Elegant strengthened operation management while spending efforts on sales during the year under review, including the merge of single-brand boutiques to lower cost on one hand and strengthening the staff training at different levels and enhancing the knowledge in watches and the service standards of the frontline staff on the other hand. Efforts were also made to upgrade the management model and build up a talent pool to foster a world-class professional sales force for expanding market share.

### 港澳地區

本集團在香港的零售業務主要專注於高端品牌，包括寶珀、寶璣、卡地亞、蕭邦、Dewitt、法穆蘭、芝柏、萬國、積家、歐米茄、沛納海、伯爵、江詩丹頓、真力時、寶格麗、海瑞·溫斯頓，及獨立製錶商Christophe Claret、MB&F、HYT、Greubel Forsey等。為適應近年來訪港遊客結構及消費模式的變化，本集團亦開始在香港進行多層面的品牌佈局，引進了部份中檔品牌，以擴大市場份額，保持其在該地區的領先地位。

於二零一六年十二月三十一日，三寶公司合共在香港經營12間零售門店，其中5間為多品牌「三寶名錶」店，7間為單品牌專賣店或形象店，主要位於尖沙咀、中環及銅鑼灣等一線商業地段。

在客觀經濟的約束下，整體來看，年度內香港零售行業仍然處於低迷狀態，三寶公司也深受影響。但本年度的最後一個月，香港的珠寶及鐘錶市場出現自二零一四年十月以來26個月內的首次增長，銷售開始轉穩。三寶公司的銷售額亦錄得雙位數增長。

於回顧年度內，在致力銷售的同時，三寶亦不斷加強營運管理，一方面通過合併單品牌專賣店舖以降低成本，另一方面不斷加強各層面的員工培訓以提高一線員工的鐘錶知識及服務標準，努力升級管理模式，建立人才庫，培養一支世界級的專業銷售團隊，以擴大市場份額。

Elegant continued to strengthen its marketing campaigns. Resources were committed to collaborate more closely with a broadened portfolio of international brands in advertising, VIP events and other promotional activities. Social networking platforms such as FACEBOOK, Weibo and WeChat were developed to establish and maintain sound interaction with consumers, aiming to enhance their awareness and loyalty to Elegant and hence uplift the international reputation of the “Elegant” brand.

While enhancing the ability to sell renowned watches, Elegant kept improving the level of VIP services, and enhanced the after-sales service for timepieces in an effort to maintain and expand the high-end customer base. During the year, Elegant engaged top international watch technicians to provide international standard services so as to meet the increasingly diverse needs of customers.

According to the retail statistics released by the Census and Statistics Department of Hong Kong in February 2017, the retail market in Hong Kong has bottomed out currently. After nearly two years of adjustment, Hong Kong is expected to adapt to changes in consumption patterns, with an increasing flow of people to shopping malls and improved consumer sentiments. An “Elegant” multi-brand shop at Yun Ping Road, Causeway Bay will open soon. The shop will greatly improve the Group’s sales in Causeway Bay area.

In the year ahead, the Group will work closely with brand suppliers to open more “Elegant” multi-brand retail shops. With years of credibility and experience and leveraging on the extensive and profound loyal customer base in Hong Kong, our sound business relationships with brand suppliers, comprehensive after-sales service and other advantages, Elegant will keep pace with and lead the market, seize opportunities in the macro environment and the new start of the Company to explore for more market share and profits.

The Company is actively engaged in the opening of multi-brand retail shops in Macau. With the positive changes in business environment, we believe that sales in Macau will grow together with the expansion of Elegant.

香港三寶亦不斷加強市場營銷。在市場推廣上積極投入資源，與更多國際品牌商在廣告、貴賓活動及其他宣傳活動中更緊密合作；通過FACEBOOK、微博、微信等社交網絡平台，廣泛與消費者建立並保持良好的互動，以提升其對香港三寶的認知度，加強客戶的忠誠度，從而提高「三寶名錶」品牌的國際知名度。

在致力提升名錶銷售能力的同時，為更好地維護及擴大高端客戶群，香港三寶不斷提升和完善VIP服務水平，並加強鐘錶售後服務。年度內，香港三寶新聘請了國際頂尖手錶技師，為客戶提供國際標準服務，以更好地滿足其日益豐富的各種需求。

根據香港政府統計處二零一七年二月發表的零售業統計，從目前來看，香港零售市場已開始築底。經過近兩年的調整，香港料已適應消費模式的轉變，商場人流回升，消費氣氛回暖。當前，位於銅鑼灣恩平道的一間綜合品牌「三寶名錶」店即將開業，該店舖對本集團銅鑼灣地區的銷售將會有較大的促進。

新的一年，本集團將與品牌供應商通力合作，全面加強「三寶名錶」零售綜合店舖的開設。憑藉多年的信譽與經驗，在香港地區廣泛及深厚的忠實客戶基礎、與品牌供應商良好的業務關係、全方位的售後服務等有利條件，香港三寶將跟隨並引領市場步伐，把握宏觀環境及公司新的歷史起點之商機，努力開拓，爭取更多的市場份額，提升利潤空間。

於澳門，公司正積極著手綜合品牌零售店舖的開設。隨著經營環境的積極變化，相信澳門銷售將會與香港三寶一道獲得新的發展。

## REPORT OF DIRECTORS 董事會報告書

### Taiwan

During the year under review, the Group's retail business in Taiwan was in the process of network building and nurturing. Sharing a similar sales strategy as in Mainland China, the Group focused on the sales of mid-end and mid-to-high-end watches in Taiwan. The Group operated a total of 55 retail outlets in Taiwan as at 31 December 2016, mainly located in prime districts including Taipei, Taichung, Kaohsiung, Hsinchu and Chiayi. Except for one "Elegant" shop which sells top-end watches and certain single-brand boutiques, all other retail outlets are "Hengdeli" shops which sell mid-end and mid-to-high-end watch brands like Certina, Hamilton, Longines, Rado, TAG Heuer and Tissot, etc.

Sales in Taiwan have been stable for the year and have not deviated much from that of previous year. Currently, the target consumers in Taiwan are mainly local customers. During the year, the Group purchased a property in the downtown area of Taipei for the purpose of opening an "Elegant" flagship store in Taiwan, which is expected to open in 2017. As the cross-strait business relations and the economic ties between Mainland China and Taiwan become closer, it is expected that an increasing number of Mainland tourists will travel to Taiwan, creating new opportunities for Taiwan's retail industry.

### Industrial Sector

The Group is devoted to the development of the watch accessories industrial chain. After two years of integration and overall strategic adjustments, the Group has currently established a new business model comprising upstream and downstream operations of the watch accessories industrial chain, mainly spanning from manufacturing of furniture and items used for watch sales and watch packaging products, to commercial space design, production and decoration. Our branches and subsidiaries have earned a solid reputation in their respective fields. A wide customer base covering China, Switzerland, the United States and other nations in the Asia Pacific region has been established. Forming tight relationships, mutual trust and interest sharing with brand suppliers.

### 台灣地區

回顧年度內，本集團於台灣的零售仍處於佈局及培養時期，其銷售策略與中國內地相同，主要以於台灣銷售中端和中高端手錶為主。於二零一六年十二月三十一日，本集團在台灣總共經營55間零售門店，主要分佈於台北、台中、高雄、新竹及嘉義等主要地區。除一間銷售頂級手錶的「三寶名錶」及部份專賣店外，其他店舖均為銷售中端和中高端手錶的「亨得利」錶店，品牌主要包括雪鐵納、漢米爾頓、浪琴、雷達、豪雅、天梭等。

本年度，台灣銷售情況平穩，較去年未有太大的變化，現主要銷售對象仍為當地顧客。年度內，本集團在台北繁華商業區購買了一處物業，將作為台灣「三寶名錶」的旗艦店，預計於二零一七年內開業。相信隨著兩岸經貿關係更趨緊密，中國內地及台灣經濟的進一步融合，更多的中國內地遊客將會赴台旅遊，此將為台灣的零售帶來新的契機。

### 工業集團

本集團致力於手錶配套產業鏈之發展。經過約兩年時間的整合與佈局，目前本集團已基本形成了集手錶配套產業鏈上下游為一體的新型業務模式，主要涵蓋手錶銷售家具、道具和錶盒的製作、商業空間設計及製作與裝修等，所屬多間公司均在各自的領域建立了良好的口碑；客戶覆蓋全國及至瑞士、美國及亞太區其他各國；與品牌商合作極為緊密，建立了互信、共享的良好合作關係。

During the year under review, the Group has increased its investment in the watch accessories business to expand its production bases of watch packaging products and furniture and items used for watch sales. At the same time, a breakthrough was made in the Group's export business which involved completion of sample manufacturing of the items used for watch sales for several world-famous watch brands and the exportation of such items has commenced. The construction of information management system was further enhanced. Modernized office automation systems have been launched in branches and subsidiaries. Production automation has been updated timely and a corporate management system developed jointly with an ERP management company has been adopted gradually by branches and subsidiaries. During the year under review, although the sales of renowned watches were stagnant, the production and sales of the Group's watch accessories business increased as compared with the corresponding period last year thanks to its tireless efforts, which further improved the overall market competitiveness of the Group.

In the coming year, the Group will further strengthen its industrial management, technical research and innovation capabilities. In particular, opportunities in technological advancement concerning Industry 4.0 will be sought in order to promote the use of production automation and semi automation to raise labor productivity. The Group will seek to develop new techniques and new products to satisfy market demand; on the other hand, it will deepen co-operation with brand suppliers. The Group's production base for furniture and items used in watch sales, located in Suzhou China, is about to be put into operation, which will greatly increase the production and sales of the Group as compared with current level. The Group is confident that the watch accessories industrial chain will turn into an important business part of the Company and bring increasingly strong driving forces to the development of the Company.

回顧年度內，本集團加大對手錶配套業務方面的投資，以擴充錶盒及手錶銷售家具、道具等生產基地。與此同時，其出口業務也再有新的突破，業已完成多個國際知名品牌在手錶銷售道具等方面的打樣，並開始實現出口。信息管理系統建設進一步加強，現代化辦公自動化系統在各分子公司全面鋪開、生產自動化適時更新、與ERP管理公司合作開發的企業管理系統已在各分子公司逐步導入。經過不懈努力，回顧年度內，在名錶銷售整體不景氣的情況下，本集團手錶配套業務的產銷額較去年同期比較仍有所上升，其整體市場爭力再上台階。

新的一年，本集團仍將進一步加強產業管理及技術方面的研發與創新。尤其要緊跟工業4.0技術發展帶來的機會，推廣使用自動化及半自動化的生產技術以提高勞動生產率；不斷開發新的工藝和新的產品來滿足市場的需求；更進一步加強與品牌間的深度合作。本集團位於中國蘇州市的手錶銷售家具及道具生產基地即將啟用，較之於當前，其產銷額將會有較大幅度的提升。本集團相信，手錶配套產品產業鏈必將成為公司業務重要之一翼，為公司的發展注入越來越強大的推動力。







### Customer Service and Maintenance

“Cutting-edge technology, joint warranty network, efficient management, and considerate services” have always been the aspirations of the customer services of the Group. The customer service network of the Group has been integrated and is comprehensive. Coupled with the continuing training provided by brand suppliers to the Group’s technical personnel, the human resources policy of recruiting talents worldwide has ensured the Group to stay at the cutting edge of maintenance expertise internationally. The warranty covering the Greater China region including Mainland China, Hong Kong, Macau and Taiwan, as well as the interactive customer service network consisting of “repairs and maintenance service centres”, “repair service stations” and “repair service points”, ensure the delivery of a wide range and all-round services to customers. The service hotline 4008 acts as the Group’s centralised service channel for the general public, offering timely advice and providing customers with assurance and confidence.

During the year under review, the integration of customer services of the Group was further deepened. The focus of management was gradually transferred from headquarters management to regional management, which linked retail sales to customer service more closely so as to maximise the profit margins. During the customer services integration period, the regional improvement and expansion of our service network has been speeded up and become more efficient. As a result, regional sales increased soundly as compared with last year.

High-calibre maintenance technicians have been the foundation of the Group’s customer services. During the year under review, the Group designated maintenance technicians to attend overseas training courses for a number of times, and maintained good partnerships with brand suppliers in Switzerland and watch maintenance technical schools in foreign countries like Sweden and Japan, so as to secure consistent supply of high-calibre maintenance technicians. Meanwhile, overseas senior technicians took charge of course planning and teaching, so as to provide stringent training for the front-line maintenance technicians from different regions in a timely and phased manner. As a result, the Group’s high level customer services on par with the international standards are guaranteed.

### 客戶服務暨維修

「技術先進、網絡聯保、管理高效和服務貼心」一直是本集團客戶服務努力的方向。本集團之客戶服務體系全面完整。品牌供應商給予本集團技術人員的持續培訓以及國際範圍人才招聘的人力資源政策等確保本集團能夠始終保持國際最先進的維修技術；以中國內地、港澳及台灣等大中華區域聯保方式以及「維修及維護服務中心」、「維修服務站」及「維修服務點」三個層面的交互式客戶服務網絡確保為客戶提供廣泛的全方位服務；4008服務熱線，作為本集團服務統一對外的窗口，以及時快捷的諮詢確保給予客戶最貼心的信心保障。

回顧年度內，本集團客戶服務整合工作繼續推進，管理的重心由總部管理逐步轉移到區域管理，令零售與客戶服務更加緊密，以使利潤率最大化。而在客戶服務整合工作進行的同時，服務網點區域性的改進與拓展也更加迅猛而高效，隨之，各區域性營銷較去年均有較好的提升。

高素質的維修技術人員一直是本集團客戶服務之根本。回顧年度內，本集團多次選派維修服務人員赴國外接受培訓；始終保持與瑞士品牌供應商及瑞典、日本等國的鐘錶維修技術學校之間的良好合作，以持續提供高素質的維修技工；同時，由外籍資深技術人員主管策劃與教學，對區域前線維修技術人員進行及時和分段式的嚴格訓練。此等確保了本集團客戶服務高水平的國際標準。

For both brand suppliers and consumers, more emphasis is being put on the integration of the global services of internationally renowned watch brands. As the linking bridge between brand suppliers and consumers, the Group has continued to win their confidence with comprehensive service coverage. Capitalising on its sound services standards and high-tech service quality, the Group continues to broaden and deepen the cooperation with these brands. During the year under review, the Group also entered into watch maintenance agent agreements with six brands under MGI, namely Coach, Hugo Boss, Juicy Couture, Lacoste, Scuderia Ferrari and Tommy Hilfiger. As at 31 December 2016, the Group has become the maintenance agent for 73 international brands, of which the Group is the exclusive maintenance agent for 52 brands.

### **Brand Distribution**

The Group has about 400 wholesale customers in over one hundred cities across China, distributing and exclusively distributing world-famous branded watches including Hamilton, Certina, Tissot, Mido and CK.

In the brand distribution business, the Group has always adjusted the brands distributed timely and sought cooperation with brand suppliers and retailers by adopting the most market-oriented approach, leveraging each other's strengths to strive for a coordinated division of labour in the integration of sales and supply. During the year under review, the total value of brand distribution by the Group continued to slow down in light of the difficult market environment. Nonetheless, the Group worked closely with brand suppliers to respond to the changing market by actively adjusting brand distribution strategies and streamlining and improving inventory mix for a healthy and sustainable development of the brands. At the same time, based on joint market research, a number of incentive policies more closely aligned with market needs and sales plans tailor-made based on regional characteristics were developed, to provide retailers with more comprehensive and caring services to stimulate their enthusiasm in the retail end.

The Group has maintained strong partnerships with brand suppliers as well as numerous retailers. Backed by their extensive and tremendous support, the Group has achieved harmonious and mutually beneficial development.

無論是對於品牌供應商，還是對於消費者而言，國際名錶全球一體化的服務都日趨重要。作為品牌供應商和消費者之間的紐帶，本集團強大的服務體系不斷贏得品牌供應商和消費者的信心。基於本集團的良好服務和高技術的服務水平，本集團與品牌間廣度與深度的密切合作不斷深入。回顧年度內，本集團又與MGI旗下的6個品牌：蔻馳(Coach)、雨果·博斯(Hugo Boss)、橘滋(Juicy Couture)、拉科斯特(Lacoste)、法拉利(Scuderia Ferrari)和湯米·希爾費格(Tommy Hilfiger)等簽署了維修代理協議。於二零一六年十二月三十一日，本集團已成為73個國際品牌的維修代理，其中獨家維修代理52個。

### **品牌分銷**

本集團在遍佈中國的逾百個城市中擁有約400家批發客戶，分銷及獨家分銷多個國際知名品牌手錶，包括漢米爾頓、雪鐵納、天梭、美度及CK等。

在品牌分銷業務中，本集團始終以最貼近市場的方式適時調整分銷品牌、積極尋求與品牌供應商和零售商的合作，利用各方優勢努力達至供銷一體化的分工協作。回顧年度內，在較為嚴峻的市場環境下，本集團整體分銷額繼續放緩，但本集團與品牌供應商共同面對市場的變化，通力協作，積極調整品牌分銷策略、梳理和改善品牌庫存結構，力求各品牌的健康及長遠發展。同時，雙方還共同研究市場，制定出更加切合市場需要的多項激勵政策、更加貼近區域特點的多種銷售方案等，為零售商提供更加全面而貼心的服務，以提高其終端銷售的積極性。

本集團始終保持著與品牌供應商以及眾多零售商之良好的合作關係，得到了其廣泛及大力的支持，從而得以取得和諧共贏。

## REPORT OF DIRECTORS 董事會報告書

### MAJOR RISKS AND UNCERTAINTIES

The Group's operations, financial condition, business directions and prospects may be affected by various risk factors and uncertainties. The major risks and uncertainties for the Group are identified below. Except as stated below, there may exist other significant risks and uncertainties which are unknown to the Group or are not material at present but could become material in the future.

#### Strategy Risk

The business environment in the market keeps changing over time. Setbacks in economic activities pose particularly adverse effect on the sale of high-end products. If our strategies are unable to avert the impact and be revised according to the situation, the Group may suffer from uncertainty risk. In this regard, the Group will closely monitor the market and revise our strategic approach from time to time in order to put us on the track for healthy growth.

#### Commodity Risk

Currently, the Group's business and operating results are to some extent rely on brand suppliers. If brand suppliers no longer appoint the Group as their distributors, dealers, or repairs and maintenance agent, or there arise quality issues regarding their products, there will be a risk that the Group's operating results may fluctuate vigorously. The Group has maintained good cooperative relationships with many international brand suppliers, so that the risk of reliance on any single brand can be reduced, which attributes to the continuous health of the Group's business.

#### Operation Risk

Operation risk refers to the risk that losses will be incurred because of the shortcoming or failure of an internal business process, staffing or system, or attributable to an external event. Managing the operating risk is the duty of each functional department. The Group is of the opinion that operating risk cannot be eliminated entirely and will have an impact on our operating results and profits.

### 主要風險及不明朗因素

本集團之運營、財務狀況、業務方向及展望可能受多種風險及不確定因素影響。下文為本集團所識別的主要風險和不確定因素。除下文所述外，或會存在集團尚未知或現時並不重大但可能會在未來變得重大之其他風險和不明朗因素。

#### 策略風險

市場經營環境不斷發生變化，經濟下滑對高檔產品的銷售影響尤甚，倘若所制定的策略未能適時預防及跟進，集團將會陷入不穩定風險。據此，集團會緊貼市場，不時檢討策略方向，以令集團健康發展。

#### 商品風險

現時，集團的業務及經營業績在某種程度上來說對品牌供應商依賴度較高。倘若品牌供應商不再委任本集團為其分銷商、經銷商或維修代理商，及或所提供的品牌出現質量問題等，將會給本集團帶來無法保障穩定業績之風險。本集團與眾多國際品牌供應商均保持良好的合作關係，以期降低對單一品牌依賴所帶來的風險，而令集團持續健康。

#### 營運風險

營運風險指因內部業務程序、人員配備或制度不足及缺失，及或因外部事件導致損失的風險。管理運營風險之責任基本上由各個功能的部門負責。本集團認為運營風險不能完全消除，並會影響業績和盈利。

The Group has issued guidance about internal standard operating procedures, authorities and reporting hierarchy. Internal audit department will identify and assess major operating risks and report any such risk to senior management for appropriate responsive measures. Take inventory control as an example, besides scientific management and stringent controls on its operating process, the Group will also make provisions so as to control risk to the greatest extent.

### **Financial Risk**

Under the terms of the bank loans of the Group, the Group is required to comply with certain restrictive financial covenants. The Group would be under tremendous pressure to maintain the interest coverage covenants once the business environment changes adversely. The expected gradual rise in interest rate in the United States and the possible continuous depreciation in Renminbi would further increase the interest burden and the currency risk of the Group. Therefore, the Group has taken a countermeasure as detailed in the announcement published by the Company on 30 December 2016 for a proposed substantial business disposal of the Group. As stated in the announcement, if the disposal is approved by the extraordinary general meeting, it will effectively reduce the Group's financial burden and currency risk and achieve a healthier financed business model with a purpose to ensure the safety and health of the Company and lay a new foundation for future development.

### **Talent Pool Risk**

Getting the right people is an essential factor for the development of an enterprise. Competition is intense in the industry and regions in which the Group operates its business. The shortage or loss of personnel with appropriate skills or experience could pose a potential risk impacting the Group's ability to achieve its goals. The Group provides competitive salaries and benefits and various incentives to attract the right talent so as to satisfy the needs of corporate development.

本集團對內部標準運營程序、權限及匯報框架做出指引。內部審核部門會識別及評估主要運營風險，並盡早將該等風險問題向高層管理人員匯報，以便採取適當應對措施。例如集團的存貨管控，除了運營流程上的科學管理和嚴格控制，也會做出撥備，最大程度控制風險。

### **財務風險**

根據本集團銀行貸款的條款，本集團須遵守若干限制性財務契約。一旦業務環境有不利變動，本集團維持利息保障契約將面臨巨大壓力。預期美國利率將會逐步上升及人民幣可能維持貶值，此等將會進一步增加本集團利息負擔和貨幣風險。為此，本集團已做出相應對策，詳見於本公司於二零一六年十二月三十日發佈之公告，本集團擬進行一項重大的業務出售。誠如公告所述，該項出售如能獲得股東特別大會批准得以完成，將有效降低集團財務負擔及貨幣風險，實現更為健康的融資模式，其目的在於保證公司的安全與健康，並為未來的發展奠定新的基礎。

### **人才儲備風險**

合適的人才才是企業發展的根本之一。本集團所處的行業和地區競爭較為激烈，具備適當技能、經驗的人才的不足或流失，也將成為影響集團達成目標的潛在風險。本集團提供具有競爭力的薪酬福利及各種激勵機制吸引合適人才以順應企業發展需求。

## **OUTLOOK**

Looking forward to 2017, the global economy will remain complicated and fluctuated, and China's economy will also face many problems during structural adjustment period. In addition to insufficient internal impetus to drive economic growth, financial risks are building up. Considering the situation, the Group believes that to stay stable and healthy is the foundation to develop, and innovation is the key to sustainability. Given the uncertainty over macro environment, the only way to ensure long-term stability of the Group is to make decisions in line with market conditions. The Group published an announcement on 30 December 2016 for a proposed substantial business disposal. As stated in the announcement, the disposal will effectively reduce the Group's financial burden and currency risk and achieve a healthier financed business model with a purpose to ensure the safety and stability of the Company and lay a new foundation for future development, with focus on operating a retail network using the Group's own registered trademarks of "Hengdeli" and "Elegant" in Hong Kong, Taiwan and overseas markets. If the disposal is approved at the extraordinary general meeting, the Group will start a new journey.

In the coming year, standing on a new historical starting point, the Group will adhere to the operating principle of "moving forward steadily for sustainable growth with solid foundation and continuous innovation", focusing on the long-term stability and sustainable development of the overall business. With an open mind, innovative thinking and spirit of craftsman, the Group will explore and implement a new development model, making structural adjustment, keeping healthy growth and seeking sustainability. Specifically, on the one hand, the Group will continue to strengthen the network of watch retail outlets and watch accessories manufacturing, and on the other hand, we will strive to expand other markets in a variety of innovative ways so as to make breakthroughs in the development of the Group and create greater value for both our shareholders and society at large.

## **未來展望**

二零一七年，全球經濟仍將錯綜不定，中國經濟也仍將面臨結構調整期的諸多問題，除經濟增長內生動力仍有不足外，金融風險也有所積聚。本集團審時度勢，相信平穩健康為發展之本，創新乃可持續之關鍵。面對宏觀環境的不確定性，只有作出順應市場的對策，才能確保本集團長治久安。本集團已於二零一六年十二月三十日發佈公告，擬進行一項重大的業務出售。誠如公告所述，此舉能有效減輕本集團財務負擔及降低貨幣風險，實現更為健康的融資模式，其目的在於保證公司的安全與穩定，並為未來的發展奠定新的基礎，專注於在香港、台灣及海外市場使用本集團的自有註冊商標「亨得利」及「三寶」經營零售網絡。該出售如於股東特別大會獲得批准，本集團將開始新的征程。

新的一年，本集團將在新的歷史起點上，堅持「行穩致遠、固本鼎新」之經營原則，立足於整體業務的恆久穩定及可持續發展；以開放的心態、創新的思維、工匠的精神深入探索與實踐本集團新的發展模式；調結構、保健康、求持續。具體來說就是，一方面繼續加強手錶零售網點的建設，手錶配套產品的生產，另一方面則以多種創新的形式努力拓展其他市場，實現本集團發展的新突破，為股東和社會創造更高的價值。

## **COMPLIANCE OF LAWS AND REGULATIONS**

To the knowledge of the Company, there was no major change to the relevant laws and regulations applicable to the business and operation of the Group for the year. Also, the Group has complied with such laws and regulations in all major respects covering sale of products, protection offered by online platforms to brand suppliers, labor codes, environment protection and anti-corruption and bribery prevention policies.

## **FINANCIAL REVIEW**

The Group maintained a sound and stable financial position.

### **Revenue**

As at 31 December 2016, the Group recorded revenue of RMB12,334,151,000 (2015: RMB13,302,724,000), representing a year-on-year decrease of 7.3%. Retail sales amounted to RMB8,557,615,000 (2015: RMB9,373,354,000), representing a year-on-year decrease of 8.7%. Revenue from industrial sector and others amounted to RMB582,885,000 (2015: RMB539,991,000), representing a year-on-year increase of 7.9%.

In 2016, amidst volatile political situation, the global economy has plunged into deep adjustment. China's economy also faced some development resistance with persistent downward pressure. Meanwhile, consumption patterns and concepts of consumers were undergoing constant evolution. Coupled with the foreign exchange fluctuations, the Group's operating environment was rigorous, full of risks and challenges. Despite the weak sales in the watch market, the industrial sector which is engaged in the manufacture of watch accessories achieved relatively good results due to a series of reform and innovation.

## **遵守法律法規**

就本公司所知，對本集團業務及營運有重大影響之相關法律及規例於本年度並無重大變更且本集團於各重大方面已經遵守，包括在商品售賣、網絡平台對品牌供應商的維護、勞工準則、環境保護及貪污和反賄賂政策等方面。

## **財務回顧**

本公司維持穩健的財務狀況。

### **收入**

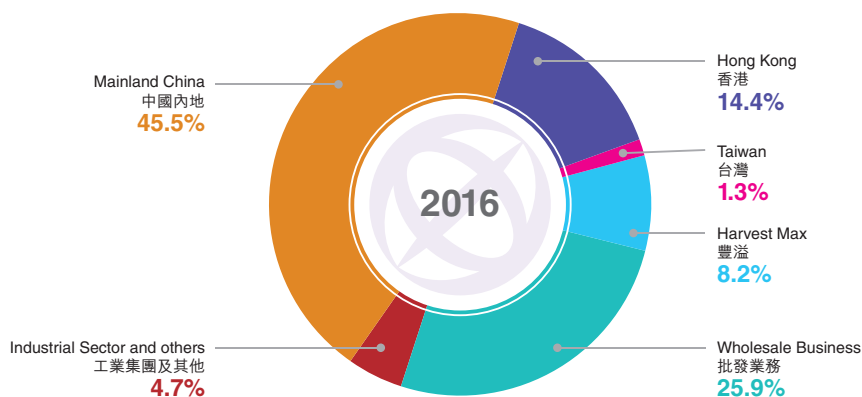
於二零一六年十二月三十一日，本集團收入錄得人民幣12,334,151,000元（二零一五年：人民幣13,302,724,000元），較去年同期下降7.3%；零售銷售額為人民幣8,557,615,000元（二零一五年：人民幣9,373,354,000元），較去年同期下降8.7%；工業集團及其他之收入達人民幣582,885,000元（二零一五年：人民幣539,991,000元），同比上升了7.9%。

二零一六年，全球政治局勢動盪，經濟仍處在深度調整期，中國經濟亦面臨著一定的發展阻力，下行壓力猶存。同時，消費者的消費模式及消費觀念不斷轉變，再加上貨幣匯率的波動等，令本集團經營環境較為嚴峻，充滿各種風險與挑戰。手錶市場銷售乏力，但生產配套產品的工業集團則因循一系列的變革與創新，取得了較好的成績。

## REPORT OF DIRECTORS 董事會報告書

Sales breakdown (for the year ended 31 December 2016): 銷售額分佈 (截至二零一六年十二月三十一日止年度) :

		2016 二零一六年		2015 二零一五年	
		RMB'000	%	RMB'000	%
		人民幣	%	人民幣	%
		(千元)	%	(千元)	%
Retail Business	零售業務				
Mainland China	中國內地	5,608,866	45.5	5,786,672	43.5
Hong Kong	香港	1,770,824	14.4	1,898,540	14.3
Taiwan	台灣	167,152	1.3	178,279	1.3
Harvest Max	豐溢	1,010,773	8.2	1,509,863	11.4
Wholesale Business	批發業務	3,193,651	25.9	3,389,379	25.5
Industrial Sector and Others	工業集團及其他	582,885	4.7	539,991	4.0
<b>Total</b>	<b>總計</b>	<b>12,334,151</b>	<b>100</b>	<b>13,302,724</b>	<b>100</b>



### Gross Profit and Gross Profit Margin

As at 31 December 2016, the Group's gross profit showed a 15.6% year-on-year decrease and reached approximately RMB3,291,603,000 (2015: RMB3,900,547,000). Gross profit margin was approximately 26.7% (2015: 29.3%), representing a year-on-year decrease of 2.6 percentage points. This was mainly due to the impact of macroeconomic environment.

### 毛利及毛利率

於二零一六年十二月三十一日，本集團之毛利約為人民幣3,291,603,000元(二零一五年：人民幣3,900,547,000元)，較去年同期下降15.6%；毛利率約26.7% (二零一五年：29.3%)，較去年同期下降了2.6個百分點。主要因經濟大環境影響所致。



### Profit for the Year

The Group recorded loss of approximately RMB275,538,000 (2015: net profit of RMB190,164,000). Loss attributable to equity shareholders amounted to approximately RMB321,378,000 (2015: net profit of approximately RMB144,868,000). Decrease in the profit was mainly due to the allowance made for impairment of goodwill in which the Group has interests, withholding tax in respect of cash dividends of RMB1.6 billion to be paid by the subsidiaries of the Company in Mainland China, and drop in sales of the Group amidst the adverse economic environment.

### Financial Status and Net Debt to Equity Ratio

As at 31 December 2016, the Group had total equity of RMB6,366,449,000 (2015: RMB6,540,357,000) and net current assets of RMB4,999,574,000 (2015: RMB6,928,455,000), with cash and cash equivalents of RMB2,942,229,000 (2015: RMB1,910,351,000) and total bank loans of RMB2,885,336,000 (2015: RMB1,256,842,000).

As at 31 December 2016, bank loans amounted to RMB1,251,000,000 (2015: RMB140,607,000) bore interests at fixed rates ranging from 3.90% to 5.00% (2015: 2.10% to 6.44%), and the remaining bank loans bore interests at floating rates ranging from 1.66% to 2.56% (2015: HIBOR+1.25% to 2.52%). As at 31 December 2016, approximately 43% (2015: 8%), 20% (2015: 86%), 32% (2015: 2%) and 5% (2015: 4%) of bank loans were denominated in RMB, HKD, USD and NTD, respectively. The maturity profile of bank loans is set out in note 21 to the financial statements.

### 年度溢利

本集團本年度錄得虧損，虧損額約為人民幣275,538,000元（二零一五年淨利人民幣190,164,000元），股東應佔虧損約為人民幣321,378,000元（二零一五年淨利約為人民幣144,868,000元）。溢利下降的主要因為：本集團擁有權益的商譽減值撥備；本公司中國內地之附屬公司計劃支付之人民幣16億現金股息所涉及的預扣稅；經濟環境影響導致本集團銷售額下降。

### 財務狀況及淨負債權益率

於二零一六年十二月三十一日，本集團之權益總額達人民幣6,366,449,000元（二零一五年：人民幣6,540,357,000元），流動資產淨值為人民幣4,999,574,000元（二零一五年：人民幣6,928,455,000元），其中現金及現金等價物為人民幣2,942,229,000元（二零一五年：人民幣1,910,351,000元）；而銀行貸款則合共為人民幣2,885,336,000元（二零一五年：人民幣1,256,842,000元）。

於二零一六年十二月三十一日，按固定利率計息的銀行貸款合共為人民幣1,251,000,000元（二零一五年：人民幣140,607,000元），其利率為3.90%至5.00%（二零一五年：2.10%至6.44%），其餘銀行貸款按浮動利率計息，其利率為1.66%至2.56%（二零一五年：HIBOR+1.25%至2.52%）。於二零一六年十二月三十一日，銀行貸款中約43%（二零一五年：8%）以人民幣計值，20%（二零一五年：86%）以港元計值，32%（二零一五年：2%）以美元計值，5%（二零一五年：4%）以新台幣計值。銀行貸款到期償還概況載於隨附之財務報表附註21。

## REPORT OF DIRECTORS 董事會報告書

As at 31 December 2016, the aggregate principal amount of the USD-settled senior notes due in 2018 was USD211,428,000 (2015: USD350 million).

Combining the net amount of these senior notes with bank loans, the Group's total debt amounted to RMB4,384,535,000 (2015: RMB3,545,278,000). The net debt to equity ratio of the Group was approximately 22.7% (2015: 25.0%).

The Group adopts prudent treasury policies in financial and cash management, manages bank credit availability and monitors risks of credit cost centrally in various ways, and also reviews the funding liquidity and financing requirements regularly.

### Foreign Exchange Risk

The Group's transactions are mainly denominated in RMB, HKD and USD. During the year under review, given the large fluctuations of exchange rates, with an aim to ensure financial safety, the Company properly managed the currency risk by arranging a disposal of one of its business. The Group has not entered into foreign exchange hedging arrangements to manage foreign exchange risk but has been actively monitoring its foreign exchange risk.

### Pledge of Assets

As at 31 December 2016, the Group had land and buildings equivalent to RMB113,839,000 (2015: RMB10,253,000) pledged as securities for mortgage.

### Contingent Liabilities

As at 31 December 2016, the Group had no material contingent liabilities (2015: nil).

於二零一六年十二月三十一日，本公司有以美元結算二零一八年到期本金總額為211,428,000美元之優先票據（二零一五年：3.5億美元）。

此等優先票據連同銀行貸款，本集團合共負債為人民幣4,384,535,000元（二零一五年：人民幣3,545,278,000元），其淨負債權益比率約為22.7%（二零一五年：25.0%）。

本集團對財務及現金採取審慎管理的庫務政策，以多種方式管理銀行可用信貸額度及監察信貸成本風險，並對資金流動性及融資要求做出定期檢討。

### 外匯風險

本集團之交易主要以人民幣、港元及美元為單位。於回顧年度內，考慮到該等貨幣之間的匯率變動較大，為確保財務安全，本公司安排了一項業務出售，就有關貨幣風險等問題已做出較為妥善的處理。本集團並無訂立外匯對沖安排管理外匯風險，而是一直積極關注及監察匯率風險。

### 資產質押

於二零一六年十二月三十一日，本集團有等值於人民幣113,839,000元（二零一五年：人民幣10,253,000元）的土地和樓宇作為按揭抵押。

### 或然負債

於二零一六年十二月三十一日，本集團無任何重大或然負債（二零一五年：無）。

### **Current Assets**

During the year under review, the current assets of the Group amounted to approximately RMB10,038,700,000 (2015: RMB9,615,876,000), comprising inventories of approximately RMB5,689,925,000 (2015: RMB6,376,350,000), trade and other receivables of approximately RMB1,397,482,000 (2015: RMB1,329,175,000), cash and cash equivalents of approximately RMB2,942,229,000 (2015: RMB1,910,351,000). Included in the current assets, RMB273,494,000 was assets classified as held for sale.

As at 31 December 2016, cash and cash equivalents of approximately 51% (2015: 80%), 48% (2015: 19%) and 1% (2015: 1%) were denominated in RMB, HKD and other currencies, respectively.

### **Current Liabilities**

During the year under review, the current liabilities of the Group amounted to approximately RMB5,039,126,000 (2015: RMB2,687,421,000), comprising bank loans of approximately RMB2,641,387,000 (2015: RMB704,374,000), senior notes of approximately RMB709,083,000 (2015: nil), trade and other payables of approximately RMB1,656,371,000 (2015: RMB1,962,269,000), and current tax payable of approximately RMB28,710,000 (2015: RMB20,778,000). Included in the current liabilities, RMB32,570,000 was liabilities classified as held for sale.

### **Capital Structure**

The Company's capital structure is composed of issued share capital, reserves and accumulated profits. As at 31 December 2016, the number of issued share of the Company was 4,779,810,959 (2015: 4,779,810,959) shares, with reserves and accumulated profits of RMB5,723,456,000 (2015: RMB5,907,946,000) in total.

### **流動資產**

於回顧年度內，本集團之流動資產約為人民幣10,038,700,000元（二零一五年：人民幣9,615,876,000元），其中包括存貨約為人民幣5,689,925,000元（二零一五年：人民幣6,376,350,000元）、應收貿易賬款及其它應收賬款約人民幣1,397,482,000元（二零一五年：人民幣1,329,175,000元）、現金及現金等價物約人民幣2,942,229,000元（二零一五年：人民幣1,910,351,000元）。在流動資產之中，人民幣273,494,000元為分類為持作出售的資產。

於二零一六年十二月三十一日，現金及現金等價物約51%（二零一五年：80%）以人民幣計值，48%（二零一五年：19%）以港元計值，1%（二零一五年：1%）以其他貨幣計值。

### **流動負債**

於回顧年度內，本集團之流動負債約人民幣5,039,126,000元（二零一五年：人民幣2,687,421,000元），其中包括銀行貸款約人民幣2,641,387,000元（二零一五年：人民幣704,374,000元）、優先票據約人民幣709,083,000元（二零一五年：無）、應付貿易賬款及其它應付賬款約人民幣1,656,371,000元（二零一五年：人民幣1,962,269,000元）、本期應繳稅項約人民幣28,710,000元（二零一五年：人民幣20,778,000元）。在流動負債之中，人民幣32,570,000元為分類為持作出售的負債。

### **資本結構**

本公司的資本結構包括已發行股本、儲備及累計溢利。於二零一六年十二月三十一日，本公司已發行股本為4,779,810,959股（二零一五年：4,779,810,959股）；儲備及累計溢利總額人民幣5,723,456,000元（二零一五年：人民幣5,907,946,000元）。

## REPORT OF DIRECTORS 董事會報告書

### Material Investment, Acquisition and Disposal

There was no material acquisition or investment of subsidiaries, associates and joint ventures during the year under review.

During the year under review, the Group arranged a substantial disposal, details of which are set out in note 28 to the consolidated financial statements and as follows:

As stated in the announcement of the Company dated 30 December 2016, Xinyu Hengdeli China Limited and Hengdeli Giant Dragon Limited (both are direct wholly-owned subsidiaries of the Company, as vendors) and Mr. Zhang Yuping, the chairman and executive Director of the Company, entered into a sale and purchase agreement in respect of sale and purchase of 100% shares of 上海新宇鐘錶服務有限公司 (translated as Xinyu Fine Watch Service Co., Ltd. (“Xinyu”) for illustration only), an indirect wholly-owned subsidiary of the Company, and 75.54% shares of Harvest Max, a 75.54%-owned subsidiary of the Company, at an aggregate cash consideration of approximately RMB3.5 billion (subject to adjustment). Following the disposal, Xinyu and its subsidiaries will operate its retail network under its own registered trademark of “Prime Time” or other new brandnames that do not bear the name of “Hengdeli” or “Elegant”.

An extraordinary general meeting of the Company will be held on 25 April 2017 for independent shareholders of the Company to consider approving the said disposal.

As disclosed in note 3(b) to the consolidated financial statement as at and for the year ended 31 December 2016, the Group has determined, in the fourth quarter of 2016, to dispose of the Harvest Max segment. Hence, the assets and liabilities of Harvest Max were classified as held for sale as at 31 December 2016 and a single amount in the statements of profit or loss was presented in respect of Harvest Max's net loss for the year ended 31 December 2016 with the comparative figures re-presented. In addition to what disclosed above, the Group is currently seeking a sale of Harvest Max together with a number of its PRC subsidiaries to its major shareholder and it is expected that, even if the sale is not approved by shareholders, the Group will continue to actively look for buyers and expects to dispose of Harvest Max within 2017.

### 重大投資、收購及出售

本公司於回顧年度內概無附屬公司、聯營公司及合營企業重大收購及投資。

於回顧年度，本集團已安排了一項非常重大出售，有關交易詳情載於綜合財務報表附註28及如下：

誠如本公司於日期為二零一六年十二月三十日公佈，本公司之直接全資附屬公司新宇亨得利中國有限公司及亨得利巨龍有限公司作為賣方，與本公司主席兼執行董事張瑜平先生就買賣本公司間接全資附屬公司上海新宇鐘錶服務有限公司（「新宇」）100%股份及本公司擁有75.54%權益之附屬公司豐溢的75.54%股份訂立買賣協議，總現金代價約為人民幣35億元（可予調整）。出售後，新宇及其附屬公司將以其自有註冊商標「盛時錶行」或不含有「亨得利」或「三寶名錶」名稱的其他新品牌經營其零售網絡。

本公司將於二零一七年四月二十五日舉行股東特別大會以供本公司獨立股東考慮批准該項出售。

誠如於二零一六年十二月三十一日及截至該日止年度的綜合財務報附註3(b)所披露，本集團於二零一六年第四季度決定出售豐溢業務。因此，於二零一六年十二月三十一日，豐溢的資產及負債被歸類為持作出售，且已在損益表中列示豐溢截至二零一六年十二月三十一日止年度淨虧損的單項金額，用比較數字重新提交。除上述披露外，本集團目前正在尋求向其大股東出售豐溢及其若干中國附屬公司。預計即使該項出售未能獲股東批准，本集團亦將繼續積極尋找買家，並期望在二零一七年內出售豐溢。

## **THE COMPANY**

The Group is engaged in the retail and distribution of mid-to-high-end consumer goods including internationally renowned branded watch, related customer services and manufacturing of related accessory products.

The principal activities of the subsidiaries of the Company which materially affect the results, assets and liabilities of the Group are set out in note 14 to the enclosed financial statements.

## **DISTRIBUTABLE RESERVES**

As at 31 December 2016, the aggregate amount of distributable reserves of the Company was RMB1,388,745,000 (2015: RMB1,760,046,000), which is set out in note 26 to the financial statements in this annual report.

## **FINAL DIVIDEND**

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

## **PRE-EMPTIVE RIGHTS**

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

## **FINANCIAL SUMMARY**

The summary of the Group's results and assets and liabilities in the last five financial years (for the year ended 31 December) are set out on page 86 of this annual report.

## **本公司**

本集團專注於零售及分銷國際知名品牌手錶等其他中、高端消費品，以及與此相關的客戶服務及配套延伸產品製造等。

本公司各附屬公司對本集團業績、資產及負債有主要影響之主要業務活動等載於隨附之財務報表附註14。

## **可供分派儲備**

本公司於二零一六年十二月三十一日止可供分派儲備總額為人民幣1,388,745,000元（二零一五年：人民幣1,760,046,000元），載於本年報財務報表附註26。

## **末期股息**

董事會不建議派發截至二零一六年十二月三十一日之末期股息（二零一五年：無）。

## **優先購買權**

本公司組織章程及開曼群島法例並無載有優先購買權之條文，規定本公司須按比例向現有股東提呈發售新股。

## **財務概要**

本集團於過去五個財政年度（截至十二月三十一日止年度）之業績及資產負債之概要載於本年報第86頁。

**PURCHASE, SALE OR REPURCHASE OF SECURITIES**

During the year under review, the Company repurchased senior notes with an aggregate principal amount of USD127,372,000 by way of offer at a purchase price of USD1,012.50 per USD1,000 principal amount of the notes, for a total consideration of USD132,619,000. The repurchased notes had been cancelled in full. Senior notes with an aggregate principal amount of USD7,200,000 were repurchased by the Company on the Stock Exchange and cancelled during the year under review. In addition, senior notes of USD4,000,000 which were repurchased but had not been cancelled in 2015 were cancelled during the year.

The senior notes, settled in USD, were issued in 2013 and shall become due in 2018 with an interest rate of 6.25% per annum. As at 31 December 2016, the Company still held the senior notes with a principal amount of USD211,428,000 and was subject to the terms of the indenture governing these notes.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2016.

As at 31 December 2016, the number of issued shares of the Company was 4,779,810,959 (2015: 4,779,810,959) shares. The Company held USD-settled USD211,428,000 (2015: USD350 million) 6.25% senior notes due in 2018, which were listed on the Stock Exchange on 30 January 2013.

**購買、出售或購回證券**

於回顧年度內，本公司以要約形式，按每本金額1,000美元票據1,012.50美元的購買價（總價132,619,000美元），購回本金額總數為127,372,000美元之優先票據。所購回票據已全部註銷。於回顧年度內，本公司於聯交所購回並註銷了本金總額7,200,000美元之優先票據。此外，二零一五年度購回但未完成註銷的4,000,000美元之優先票據也於本年度內完成註銷。

以美元結算的優先票據於二零一三年發行，二零一八年到期，年利息6.25%。於二零一六年十二月三十一日，本公司仍持有該等優先票據計本金額211,428,000美元，並受限於規管票據的契約條款。

除上述披露外，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、出售或贖回任何本公司上市證券。

於二零一六年十二月三十一日，本公司已發行股本為4,779,810,959股（二零一五年：4,779,810,959股）；持有以美元結算二零一八年到期本金總額為211,428,000美元之優先票據（二零一五年：3.5億美元），年利息為6.25%，該優先票據於二零一三年一月三十日在聯交所上市。

## **EQUITY-LINKED AGREEMENTS**

### **Share Award Scheme**

On 25 March 2015, a share award scheme (the “Share Award Scheme”) was adopted by the Company to recognize the contributions of certain participants to the Company and to attract suitable personnel for the growth and further development of the Company.

Subject to any early termination as may be determined by the Board, the Share Award Scheme shall be valid for a term of ten (10) years commencing on the adoption date. The Board may select any participants, other than any excluded participant, for participation in the Share Award Scheme and determine the award amount for the purchase of the awarded shares to be awarded to the selected participants. The Board is entitled to impose any conditions (including a period of continued service within the Group), as it deems appropriate in its absolute discretion with respect to the entitlement of the selected participants to the awarded shares. No consideration for the award shares is needed to be paid by the selected participants to the Company. The Board shall not make any further award of awarded shares which will result in the nominal value of the shares awarded by the Board under the Share Award Scheme exceeding 10% of the issued share capital of the Company as at the adoption date. The maximum number of shares which may be awarded to a selected participant under the Share Award Scheme in a 12-month period shall not exceed 0.5% of the total issued share capital of the Company as at the adoption date or such number of shares as determined by the Board from time to time. The Share Award Scheme shall terminate on the earlier of the 10th anniversary date of the adoption date or such date of early termination as determined by the Board.

## **股份掛鈎協議**

### **股份獎勵計劃**

本公司於二零一五年三月二十五日採納股份獎勵計劃（「股份獎勵計劃」），以表揚若干參與人為公司所做出的貢獻，並吸引合適的人員以進一步推動本公司的發展。

除在董事會可能決定提前終止的規限下，股份獎勵計劃的有效期為採納日期起計十(10)年。董事會可挑選任何參與人（不包括被排除參與人）參與股份獎勵計劃及釐定授予入選參與人的購買獎勵股份的獎勵金額。董事會可全權酌情在其認為合適的情況下就入選參與人所享有的獎勵股份權利施加任何條件（包括於繼續為本集團服務的期限）。入選參與人不需要就獎勵股份支付任何代價予本公司。倘若進一步授予獎勵股份將致使董事會根據股份獎勵計劃所授予的股份面值超過本公司於採納日期已發行股本的10%，則不會做出進一步授予。根據股份獎勵計劃，授予選定參與人的股份數目於每12個月內最高不得超過本公司於採納日期已發行股本的0.5%，或董事會不時決定之股份數目。股份獎勵計劃須於採納日期第十週年之日或董事會決定提早終止之日期（以較早者為準）終止。

## REPORT OF DIRECTORS 董事會報告書

During the year under review, the Company granted 6,252,000 awarded shares to the employees of the Group (3 of them being the executive Directors) on 22 April 2016. The closing price of the awarded shares of the Company on the reference date was HKD0.8. The vesting date of the awarded shares was 29 April 2016. Details of the grant of awarded shares are as follows:

回顧年度內，本公司於二零一六年四月二十二日向本集團員工（其中三人為執行董事）授出獎勵股份6,252,000股，其參考日期收市價為港幣0.8元，歸屬日期為二零一六年四月二十九日。有關授出獎勵股份的具體情況如下：

		Number of awarded shares (share) 獎勵股份 數目（股）
Independent third parties	獨立第三方	3,612,000
Connected persons	關連人士	
– Mr. Zhang Yuping	– 張瑜平先生	1,000,000
– Mr. Huang Yonghua	– 黃永華先生	820,000
– Mr. Lee Shu Chung, Stan	– 李樹忠先生	820,000
<b>Total</b>	<b>總計</b>	<b>6,252,000</b>

Details of the Share Award Scheme are set out in the announcements of the Company dated 25 March 2015 and 22 April 2016.

股份獎勵計劃之詳情載列於本公司日期為二零一五年三月二十五日及二零一六年四月二十二日之公告。

### Share Option Scheme

The share option scheme (the “Old Share Option Scheme”) adopted by the Company on 27 August 2005 was terminated during the year under review. As at 31 December 2016, all options granted under the Old Share Option Scheme had been exercised or lapsed.

### 購股權計劃

本公司於二零零五年八月二十七日採納之購股權計劃（「舊股權計劃」）已於回顧年度內完結，截至二零一六年十二月三十一日止，所有根據舊股權計劃的購股權已行使或失效。

At the annual general meeting held on 15 May 2015, the new share option scheme of the Company (the “New Share Option Scheme”) was adopted conditionally to grant options to selected participants including but not limited to directors and employees of the Group as incentives or rewards for their contributions to the Group. Subject to any early termination as may be determined by the Board, the New Share Option Scheme shall be valid and effective for a term of ten (10) years commencing on the adoption date. As at 31 December 2016, the total number of shares available for issue under the share option scheme was 478,437,095, representing 10% of the issued shares of the Company as at the date of this annual report.

本公司於二零一五年五月十五日召開之股東週年大會，有條件採納新購股權計劃（「新購股權計劃」），可向選定之參與者（包括但不限於本集團董事及僱員）授出購股權，作為彼等為本集團所作貢獻之獎勵或報酬。除在董事會可能決定提前終止的規限下，新購股權計劃的有效期為採納日期起計十（10）年。於二零一六年十二月三十一日，購股權計劃下可供發行之股份總數為478,437,095股，佔本年報日期本公司已發行股份之10%。



Under the New Share Option Scheme, subject to the discretion of the Directors, there is no minimum period for which an option must be held before it can be exercised. Each option has a validity of maximum 10 years after which the option shall lapse. The total number of shares issued and to be issued upon exercise of the options granted to the eligible participants in any 12-month period must not exceed 1% of the shares in issue. The exercise price shall not be less than the higher of: (i) the closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange on the date of offer of that option; (ii) the average of the closing prices per shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of offer of that option; and (iii) the nominal value of the shares.

Under the New Share Option Scheme, the grantee shall accept the option within ten days from the date of the offer to grant the share option and pay HKD1.00 to the Company as consideration for the grant upon acceptance of the option.

As at 31 December 2016, the issued share capital of the Company was 4,779,810,959 shares, and there is no option outstanding (2015: 385,000 shares).

## **DIRECTORS**

The names of Directors during year 2016 are as follows:

Zhang Yuping, Huang Yonghua, Lee Shu Chung Stan, Shi Zhongyang, Cai Jianmin, Wong Kam Fai William, Liu Xueling, Chen Jun.

## **DIRECTORS' INTERESTS IN COMPETING BUSINESS**

Save as disclosed in this annual report, during the year under review and as at the date of this report, none of the Directors were considered to have any interests in any business which competed or may compete, either directly or indirectly, with the business of the Group required to be disclosed under the Listing Rules.

在新購股權計劃下，受限於董事的酌情權，於購股權可行使前並無最短持有期的限制。各購股權之有效期最長為十年，其後將告失效。在任何為期12個月的時間內，行使已向每名合資格參與者授出之購股權時已發行及將予發行之股份總數不得超逾已發行股份之1%。行使價不得低於以下較高者：(i)於該購股權授出日期在聯交所刊發之每日報價表所列之股份收市價；(ii)緊接該購股權授出日期前五個營業日在聯交所刊發之每日報價表所列之股份平均收市價；及(iii)股份面值。

根據新購股權計劃，承授人需於本公司授出購股權建議的日期起計十日內接納，於接納購股權時，承授人須支付港幣1.00元予本公司作為有關購股權的授予之代價。

截至二零一六年十二月三十一日止，本公司已發行股本為4,779,810,959股，概無未行使的購股權（二零一五年：385,000股）。

## **董事**

二零一六年度本公司董事名單如下：

張瑜平、黃永華、李樹忠、史仲陽、蔡建民、黃錦輝、劉學靈、陳軍。

## **董事於競爭業務之權益**

除本年報披露外，有關回顧年度內及截至本報告日期止，概無董事被認為於任何直接或間接與本集團之業務造成競爭或可能構成競爭之業務中擁有根據上市規則須予披露之權益。

## REPORT OF DIRECTORS 董事會報告書

### DIRECTORS' SERVICE CONTRACTS

The Company has entered into service contracts with each of the executive Directors, non-executive Directors and independent non-executive Directors for a term of three years.

The Company did not enter into service contracts that cannot be terminated without payment of compensation (other than statutory compensation) within one year.

Save as disclosed in this annual report, no Director has entered into any service agreement with any member of the Group.

### DIRECTORS' LIABILITY INSURANCE

A directors' and officers' liability insurance is in place to protect the Directors and officers of the Group against any potential liability arising from the Group's activities which such Directors and officers may be held liable.

### DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS AND THE CONTROLLING SHAREHOLDER'S MATERIAL INTERESTS IN CONTRACTS

During the year, save as disclosed under the section headed "Connected Transactions" in this annual report and material related party transactions disclosed in note 29 to the consolidated financial statements, there was no transactions, arrangements or contracts of significance in relation to the Group's business which the Group, the controlling shareholder of the Company or any of its subsidiaries was involved in or was a party to and in which a Director or the Director's connected entity had a material interests, whether directly or indirectly, subsisted during the year under review.

### 董事之服務合約

本公司與各執行董事、非執行董事及獨立非執行董事均訂有服務合約，為期三年。

本公司沒有訂立不可於一年內不予賠償（除法定賠償外）而終止的服務合約。

除本年報披露外，董事概無與本集團任何成員公司訂立任何服務協定。

### 董事之責任保險

本公司已投保董事及高級職員責任保險，以就本集團董事及高級職員可能需要承擔任何因本集團業務而產生之潛在責任而向彼等提供保障。

### 董事於交易、安排或合約中及控股股東於合約中之重大權益

於本年度，除本年報「關連交易」一節所披露者及綜合財務報表附註29所披露重要關連方交易外，概無董事或與該董事有關連的實體於回顧年度內存在的任何對本集團業務而言屬重大之交易、安排或合約（且本集團、本公司控股股東或其附屬公司參與在其中或屬合作方）中擁有重大權益（不論直接或間接）。

Save as described in this annual report, during the year under review, there was no contract of significance between the Company or its subsidiaries and the controlling shareholder of the Company or any of its subsidiaries.

## **REMUNERATION OF THE DIRECTORS AND THE FIVE HIGHEST PAID DIRECTORS/EMPLOYEES**

Details of remuneration of the Directors made in accordance with specific basis during the year under review are set out in note 7 to the financial statements.

Details of remuneration of the five highest paid individuals during the year under review are set out in Note 8 to the financial statements.

Details of remuneration of the senior management during the year under review are set out in note 29(a) to the financial statements.

The remuneration policies of the Group are as follows:

- The amount of remuneration for the Directors or the employees is determined according to their relevant experience, responsibilities, workload and years of service in the Group;
- The non-monetary benefits are determined by the Board and are provided in the remuneration package of the Directors or the employees;
- The Directors and the eligible employees shall be granted with options of the Company as determined by the Board to be part of their remuneration package.

## **EMPLOYEE RETIREMENT BENEFIT SCHEME**

Details of the Group's employee retirement benefit scheme are set out in note 23 to the financial statements.

除本年報所述外，於回顧年度內，本公司或其任何附屬公司與本公司控股股東或其任何附屬公司概無訂立重大合約。

## **董事及五位最高薪之董事／僱員之酬金**

有關回顧年度內，根據指定基準呈列之董事酬金詳情載於隨附之財務報表附註7。

有關回顧年度內之五位最高薪人士之詳情載於隨附之財務報表附註8。

有關回顧年度內之高級管理人士薪酬之詳情載於隨附之財務報表附註29(a)。

本集團之薪酬政策如下：

- 薪酬數額根據董事或僱員的相關經驗、職責、工作量及在集團服務年限等而確定；
- 非現金福利由董事會決定，於董事或僱員的薪酬待遇中提供；
- 董事及合資格僱員，將由董事會決定可能獲授本公司期權作為其部份薪酬待遇。

## **僱員退休福利計劃**

本集團退休福利計劃之詳情載於隨附之財務報表附註23。

## REPORT OF DIRECTORS 董事會報告書

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

As at 31 December 2016, the interests or short positions of each of the Directors and chief executives in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")) which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or 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 or short positions which they are deemed or taken to have under such provisions of the SFO); and were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange were as follows:

### 董事及行政總裁持有本公司或任何相聯法團股份、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，董事及行政總裁於本公司及其相關法團（定義見《證券及期貨條例》（香港法例第571章）「證券及期貨條例」第15部）股份、相關股份及債權證中，擁有根據證券及期貨條例第352條紀錄於本公司須予存置之登記冊內之權益或淡倉；或根據「證券及期貨條例」第15部第7及第8部份，須通知本公司及聯交所之權益或淡倉（包括根據證券及期貨條例的該等條文、彼被當作或視作擁有的權益或淡倉）；及根據上市規則所載上市公司董事進行證券交易的標準守則規定，須通知本公司及聯交所之權益及淡倉如下：

Name of Director	Nature of Interest	Number of Shares	Approximate Percentage (Note 2) 約百分比 (附註2)
董事姓名	權益性質	股份數目	
Mr. Zhang Yuping 張瑜平先生	Interest of Controlled Corporation and Beneficial Owner (Note 1) 受控制法團權益及實益擁有人(附註1)	1,581,340,501 (L) 1,581,340,501 (L)	33.08% 33.08%
Mr. Huang Yonghua 黃永華先生	Beneficial Owner 實益擁有人	51,308,800 (L) 51,308,800 (L)	1.07% 1.07%
Mr. Lee Shu Chung, Stan 李樹忠先生	Beneficial Owner 實益擁有人	820,000 (L) 820,000 (L)	0.02% 0.02%

The letter "L" denotes the person's long positions in the Shares.

「L」代表有關人士於股份持有之好倉。

*Note 1:* Mr. Zhang Yuping owned 100% of the issued share capital of Best Growth International Limited (“Best Growth”), which in turn held 1,501,616,901 shares of the Company as at 31 December 2016. During the year under review, Mr. Zhang Yuping held 79,723,600 shares of the Company under his name. Accordingly, Mr. Zhang Yuping held 1,581,340,501 shares of the Company in aggregate, representing 33.08% of the issued share capital.

*Note 2:* Shareholding percentage is based on 4,779,810,959 issued shares of the Company as at 31 December 2016.

Save as disclosed above, as far as the Directors and chief executives of the Company were aware, as at 31 December 2016, none of the Directors and chief executives had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or 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 or short positions which they are deemed or taken to have under such provisions of the SFO); and were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange.

### **SUBSTANTIAL SHAREHOLDERS’ INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY**

As far as the Directors were aware, as at 31 December 2016, the interests or short positions of the persons, other than Directors of the Company, in the shares, underlying shares and debentures of the Company which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

*附註1:* 張瑜平先生擁有佳增國際有限公司(「佳增」)100%的已發行股本，而該公司於二零一六年十二月三十一日持有本公司1,501,616,901股份；張瑜平先生於回顧年度內以個人名義持有本公司股份79,723,600股。故，張瑜平先生合共持有本公司股份1,581,340,501股，佔已發行股本的33.08%。

*附註2:* 持股百分比乃根據二零一六年十二月三十一日本公司有4,779,810,959股已發行股份計算。

除上文所披露者外，於二零一六年十二月三十一日，據本公司任何董事及主要行政人員所知，董事及主要行政人員概無於本公司或其任何相聯法團的任何股份、相關股份或債權證中擁有根據證券及期貨條例第352條紀錄於本公司須予存置之登記冊內之權益及淡倉；或根據證券及期貨條例第XV部第7及第8部份，須通知本公司及聯交所之權益及淡倉（包括根據證券及期貨條例的該等條文、彼被當作或視作擁有的權益或淡倉）；及根據上市規則所載上市公司董事進行證券交易的標準守則規定，須通知本公司及聯交所之權益及淡倉。

### **主要股東持有本公司股份、相關股份及債權證之權益及淡倉**

就董事所知悉，於二零一六年十二月三十一日，於本公司股份、相關股份及債權證中擁有根據證券及期貨條例第336條記錄，於本公司須予存置之登記冊內之權益或淡倉的人士（惟本公司之董事除外）如下：

## REPORT OF DIRECTORS 董事會報告書

Name of Shareholder 股東姓名	Number of Shares 股份數目	Approximate Percentage (Note 6) 約百分比 (附註6)
Best Growth (Note 1) 佳增 (附註1)	1,501,616,901 (L)	31.42%
Mr. Zhang Yuping (Note 1) 張瑜平先生 (附註1)	1,581,340,501 (L)	33.08%
The Swatch Group (Hong Kong) Limited (Note 2) (附註2)	437,800,000 (L)	9.16%
The Swatch Group Limited (Note 2) (附註2)	437,800,000 (L)	9.16%
China Life Reinsurance Company Ltd. (Note 3) (附註3)	167,650,000 (L)	3.51%
China Property&Casualty Reinsurance Company Ltd. (Note 3) (附註3)	168,951,000 (L)	3.53%
China Reinsurance (Group) Corporation (Note 3) (附註3)	336,601,000 (L)	7.04%
Central Huijin Investment Ltd. (Note 3) (附註3)	336,601,000 (L)	7.04%
LVMH Watches & Jewelry Hong Kong Limited (Note 4) (附註4)	20,354,400 (L)	0.43%
TAG Heuer SA (Note 4) (附註4)	20,354,400 (L)	0.43%
TAG Heuer International SA (Note 4) (附註4)	20,354,400 (L)	0.43%
LVMH Asia Pacific Limited (Note 4) (附註4)	285,582,000 (L)	5.97%
Sofidiv SAS (Note 4) (附註4)	305,936,400 (L)	6.40%
LVMH SA (Note 4) (附註4)	305,936,400 (L)	6.40%
Harris Associates L.P. (Note 5) (附註5)	242,342,500 (L)	5.07%

The letter “L” denotes the person’s long positions in the Shares.

「L」代表有關人士於股份持有之好倉。

*Note 1:* Mr. Zhang Yuping owned 100% of the issued share capital of Best Growth International Limited (“Best Growth”), which in turn held 1,501,616,901 shares of the Company as at 31 December 2016. During the period under review, Mr. Zhang Yuping held 79,723,600 shares of the Company under his name. Accordingly, Mr. Zhang Yuping held 1,581,340,501 shares of the Company in aggregate, representing 33.08% of the issued share capital.

*附註1:* 張瑜平先生擁有佳增國際有限公司(「佳增」) 100%的已發行股本，而該公司於二零一六年十二月三十一日持有本公司1,501,616,901股份；張瑜平先生於回顧期內以個人名義持有本公司股份79,723,600股。故，張瑜平先生合共持有本公司股份1,581,340,501股，佔已發行股本的33.08%。

*Note 2:* These 437,800,000 shares were held in the name of and registered in the capacity of The Swatch Group (Hong Kong) Limited as a beneficial owner. The entire issued share capital of The Swatch Group (Hong Kong) Limited was beneficially owned by The Swatch Group Limited. The Swatch Group Limited was taken to be interested in all the shares held by The Swatch Group (Hong Kong) Limited under the SFO.

*附註2:* 該等437,800,000股股份為The Swatch Group (Hong Kong) Limited以實益擁有人名義登記且由其持有；The Swatch Group (Hong Kong) Limited之全部已發行股本由The Swatch Group Limited實益擁有；根據證券及期貨條例，The Swatch Group Limited視作於The Swatch Group (Hong Kong) Limited持有之所有股份中擁有權益。

*Note 3:* According to the relevant information, among these 336,601,000 shares, 167,650,000 shares were held and registered in the name of China Life Reinsurance Company Ltd., and 168,951,000 shares were held and registered in the name of China Property & Casualty Reinsurance Company Ltd. Central Huijin Investment Ltd. held 71.56% interest in China Reinsurance (Group) Corporation, and China Reinsurance (Group) Corporation held 100% interest in each of China Life Reinsurance Company Ltd. and China Property & Casualty Reinsurance Company Ltd.

*附註3:* 根據有關資料，該等336,601,000股股份分別由China Life Reinsurance Company Ltd.以其名義登記及持有當中167,650,000股及China Property & Casualty Reinsurance Company Ltd.以其名義登記及持有當中168,951,000股。Central Huijin Investment Ltd.持有China Reinsurance (Group) Corporation之71.56%權益，而China Reinsurance (Group) Corporation持有China Life Reinsurance Company Ltd.及China Property & Casualty Reinsurance Company Ltd.所有權益。

## REPORT OF DIRECTORS 董事會報告書

Note 4: Among these 305,936,400 shares, 20,354,400 shares were held and registered in the name of LVMH Watches & Jewelry Hong Kong Limited and 285,582,000 shares were held and registered in the name of LVMH Asia Pacific Limited. The entire interest of LVMH Watches & Jewelry Hong Kong Limited was owned by TAG Heuer SA, and TAG Heuer International SA beneficially owned 100% interest in TAG Heuer SA. Sofidiv SAS beneficially owned 100% interest in each of TAG Heuer International SA and LVMH Asia Pacific Limited. LVMH SA owned 100% interest in Sofidiv SAS.

Note 5: According to the relevant information, Harris Associates L.P. held 242,342,500 shares of the Company in the capacity of investment manager.

Note 6: Shareholding percentage is based on 4,779,810,959 issued shares of the Company as at 31 December 2016.

Save as disclosed above, as at 31 December 2016, the Company had not been notified by any persons, other than Directors or chief executives of the Company, who had any interests or short positions in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

### ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

Save as disclosed under the section headed "Equity-Linked Agreements" above, at no time during the 12 months ended 31 December 2016 was the Group, holding company of the Company or its subsidiaries a party to any arrangements which enabled the Directors (including their respective spouses or children under 18 years of age) to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

附註4：該等305,936,400股股份分別由LVMH Watches & Jewelry Hong Kong Limited以其名義登記及持有當中20,354,400股及LVMH Asia Pacific Limited以其名義登記及持有當中285,582,000股。TAG Heuer SA持有LVMH Watches & Jewelry Hong Kong Limited之100%權益，而TAG Heuer International SA全資實益擁有TAG Heuer SA，Sofidiv SAS實益擁有TAG Heuer International SA及LVMH Asia Pacific Limited之100%權益；而LVMH SA則全資擁有Sofidiv SAS。

附註5：根據有關資料，Harris Associates L.P.以投資經理身份持有本公司242,342,500股股份。

附註6：持股百分比乃根據二零一六年十二月三十一日本公司有4,779,810,959股已發行股份計算。

除上文披露者外，於二零一六年十二月三十一日，本公司並無獲任何人士（本公司董事或主要行政人員除外）知會，其於本公司股份或相關股份中擁有任何須記錄於根據證券及期貨條例第336條存置的登記冊的權益或淡倉。

### 購買股份或債權證之安排

除上述「股票掛鈎協議」一節披露者外，截至二零一六年十二月三十一日止十二個月內，本集團、本公司控股公司或其附屬公司概無安排董事（包括其配偶或未滿十八歲之子女）以透過收購本公司或任何其他法人團體之股份或債權證之方法獲得利益。



## **MANAGEMENT CONTRACTS**

No contract concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or subsisting during the year under review.

## **SIGNIFICANT CONTRACTS WITH CONTROLLING SHAREHOLDERS OR ITS SUBSIDIARIES**

Save as disclosed in this annual report, there had been no contract or service contract of significance between the Company or any of its subsidiaries and controlling shareholders of the Company or any of its subsidiaries during the year.

## **ENVIRONMENT, SOCIAL AND GOVERNANCE**

The environment is the foundation for corporate presence and development. For many years, the Company has made environmental protection one of its top corporate governance priorities. The Group implements a series of mechanisms and measures relating to environmental management and energy conservation in its daily operations to protect the environment and conserve energy, with a view to promote harmonious development in terms of economic, social and ecological benefits, which has achieved significant results. Environment, social and governance report of the Company is set out on pages 68 to 85 of this annual report.

## **CORPORATE GOVERNANCE**

The Company is committed to ensuring high standards of corporate governance practices. Corporate governance report of the Company is set out on pages 56 to 67 of this annual report.

## **RELATIONSHIPS WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS**

Committed to the belief that people will always be the most precious assets of a successful business, the Group strives to practice an entrepreneurial spirit of “mutual respect, shouldering responsibility, close collaboration and ongoing innovations”. As our business moves forward, we will continue to utilise this philosophy as the cornerstone of both our corporate management and corporate social responsibility (CSR) policies.

## **管理層合約**

於回顧年度內，概無訂立或存在任何與本公司整體或重要業務有關之管理及行政工作合約。

## **與控股股東或其附屬公司之重要合同**

除本年報披露者外，本年度，概無本公司、或其任何附屬公司與本公司之控股股東或其任何附屬公司訂立重要合同或訂立提供服務之重大合同。

## **環境、社會及管治**

環境是企業賴以生存和發展的基礎。多年來，本公司一直將環境保護作為企業管理的重點之一，在日常營運中採取一系列環境管理及節約資源的機制和措施，以保護環境及節約資源，致力保證經濟效益、社會效益和生態效益的和諧發展，並取得顯著的成效。本公司之環境、社會及管治報告載於本年報第68頁至第85頁。

## **企業管治**

本公司承諾奉行高質素之企業管治常規。本公司之企業管治報告載於本年報第56頁至第67頁。

## **與僱員、供應商及客戶之關係**

本集團堅信，員工是我們賴以取得業務成功的最寶貴資產，努力踐行「相互尊重、勇於承擔、緊密協作、不斷創新」的企業精神，並以此作為企業管理和履行社會責任的堅實基礎。

## REPORT OF DIRECTORS 董事會報告書

As at 31 December 2016, the Group had a total of 8,413 (2015: 9,187) employees in Mainland China, Hong Kong, Macau and Taiwan.

The Group has always been committed to developing and adding value to human resources. The Group implements a standard recruitment system and allocates resources to various kinds of training for our managers, front-line service staff and maintenance technicians, which covers, among others, the art of management, sales skills, brand knowledge and service awareness, with an aim to enhance knowledge, marketing skills and service capabilities of our staff. The Group also works with our brand suppliers to provide front-line service staff and maintenance technicians with regular training in brand knowledge and maintenance expertise.

The Group offers a competitive remuneration package and various incentives to all employees, as well as regularly reviews the structure of relevant mechanisms to cope with corporate development needs. Options and awarded shares are granted to the general management staff and associates of the Company in recognition of their contributions to the Group and as an incentive for their greater future commitment. The Group also offers other benefits to its employees, including pension plans, mandatory provident fund scheme, insurance scheme, housing and meal allowances.

Under a solid human resource assurance system, the Group is enabled to create a high level of harmony between employees of different nationalities and cultural backgrounds under one shared vision. Several staff members were awarded the “Capital Labour Medal” and the “May 1st Labour Medal”. The Group has a number of senior salespersons and senior repair technicians.

The Group has maintained good and well-coordinated partnerships with key brand suppliers and retailers. Backed by our partners’ unwavering support, our operations have been able to achieve truly harmonious and mutually beneficial development. During the year under review, there was no material and significant dispute between the Group and its suppliers and customers. For further details of relationships between the Company and its employees, suppliers and customers, please refer to the Company’s environment, social and governance report set out on pages 68 to 85 of this annual report.

於二零一六年十二月三十一日，本集團在中國內地、港澳及台灣合共聘用8,413名員工（二零一五年：9,187名）。

本集團一貫重視人力資源的開發及增值，採用規範化的招聘體系，並有計劃地為管理人員、前線服務人員及維修技術人員的各類培訓投入資源，涵蓋範疇包括管理的藝術、銷售技巧、品牌知識及服務意識等，以提升其知識水平、營銷技能及服務能力；並與品牌供貨商合作，常規性地對前線服務人員及維修技術人員進行品牌知識及維修技術之培訓。

本集團提供具有競爭力的薪酬及各種激勵機制，並定期檢討相關機制架構，以更加順應企業發展的需要。本集團向公司一般管理層及有關人士發出認股權證及獎勵股份，以表彰其對集團所作的貢獻，並激勵其今後更好的表現。同時，本集團亦為僱員提供其它多種福利，包括退休金供款計劃、強制性公積金計劃、保險計劃、房屋及膳食等。

基於良好的人力資源保障體系，本集團員工來自不同國家和地區，不同膚色與國籍的員工在同一願景下愉快工作。本集團有多名員工獲得「首都勞動獎章」及「全國五一勞動獎章」之殊榮；同時亦擁有多個高級銷售人員及高級維修技師。

本集團始終保持與品牌供應商以及眾多零售商之協調良好的合作關係，得到了各方廣泛及大力的支持，從而實現互惠互利、和諧共贏。回顧年度內，本集團與其供應商及客戶之間概無重要及重大之糾紛。就本公司與僱員、供應商及客戶之關係的進一步詳情，請參考本公司載於本年報第68頁至第85頁之環境、社會及管治報告。

## MAJOR CUSTOMERS AND SUPPLIERS

The percentages of purchases and revenue for the year under review, attributable to the Group's major suppliers' purchases and customers' sales respectively, are as follows:

Purchase	採購	
– the largest supplier	– 最大供應商	76%
– five largest suppliers combined	– 五大供應商合計	91%
Sales	銷售	
– the largest customer	– 最大客戶	3%
– five largest customers combined	– 五大客戶合計	7%

The Swatch Group Limited and LVMH Group, through their respective subsidiaries, constituted two of the five largest suppliers. Save as disclosed above, none of the Directors, their associates or any shareholders (which to the knowledge of the Directors own more than 5% of the Company's share capital) had an interest in the above major suppliers or customers.

## CONNECTED TRANSACTIONS

During the year under review, the Company entered into a connected transaction, details of which are set out in note 28 and 29 to the financial statements and as follows:

As stated in the announcement of the Company dated 30 December 2016, Xinyu Hengdeli China Limited and Hengdeli Giant Dragon Limited (both are direct wholly-owned subsidiaries of the Company, as vendors) and Mr. Zhang Yuping, the chairman and executive Director of the Company as purchaser, entered into a sale and purchase agreement at an aggregate cash consideration of approximately RMB3.5 billion (subject to adjustment) in respect of sale and purchase of 100% shares of Xinyu Fine Watch Service Co., Ltd., an indirect wholly-owned subsidiary of the Company, and 75.54% shares of Harvest Max Holdings Limited, a 75.54%-owned subsidiary of the Company.

The Company confirms that it has complied with the disclosure requirements under Chapter 14A of the Listing Rules.

## 主要客戶及供應商

於回顧年度內，來自本集團主要供應商及客戶之採購及銷售分別佔購貨額及收入百分比如下：

The Swatch Group Limited及LVMH集團透過其各自的附屬公司構成五大供應商其中兩位。除此披露者外，概無董事、其聯繫人士或任何股東（就董事知悉於本公司股本中擁有5%以上權益者）於上述之主要供應商及客戶中擁有權益。

## 關聯交易

於回顧年度，本公司已進行一宗關連交易，有關交易詳情載於財務報表附註28及29及如下：

誠如本公司於日期為二零一六年十二月三十日公佈，本公司之直接全資附屬公司新宇亨得利中國有限公司及亨得利巨龍有限公司作為賣方與本公司主席兼執行董事張瑜平先生就買賣本公司間接全資附屬公司上海新宇鐘錶服務有限公司100%股份及本公司擁有75.54%權益之附屬公司豐溢控股有限公司的75.54%股份訂立買賣協議，總現金代價約為人民幣35億元（可予調整）。

本公司確認已根據上市規則第14A章遵守披露規定。

## REPORT OF DIRECTORS 董事會報告書

### DONATIONS

During the year, the charitable and other donations made by the Group amounted to RMB1,540,000 (2015: nearly RMB2,000,000).

### PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best of the Directors' knowledge at the date of this annual report, there was a sufficient prescribed public float of the issued shares of the Company under the Listing Rules.

### AUDITORS

The financial statements of the Company for the year under review have been audited by KPMG who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting.

Since 9 July 2004, being the date of incorporation of the Company, there have been no changes in our auditors.

### CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from Monday, 15 May 2017 to Friday, 19 May 2017 (both days inclusive) to confirm the members on the register of members who are eligible to attend and vote at the annual general meeting. In order to establish entitlements to attending and voting at the annual general meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, 12 May 2017.

### 捐款

本年度內本集團之慈善及其他捐款為人民幣1,540,000元(二零一五年:接近人民幣2,000,000元)。

### 公眾持股量

根據本公司獲得之公開資料及據董事所知,於本年報刊發日期,本公司已發行股份之公眾持股量符合上市規則指定水平。

### 核數師

本公司於回顧年度內之財務報表經畢馬威會計師事務所審核,畢馬威會計師事務所將退任,並合資格於下一屆股東週年大會上獲續聘。

自二零零四年七月九日(即本公司註冊成立日期)起,本公司並無更換核數師。

### 暫停辦理股東登記手續

本公司將於二零一七年五月十五日(星期一)至二零一七年五月十九日(星期五)(首尾兩日包括在內)暫停辦理股份過戶登記,以確定參加股東大會及於會上投票之股東名冊。為符合參加股東大會及於會上投票之資格,所有股份過戶表格連同有關股票須不遲於二零一七年五月十二日(星期五)下午四時三十分前送交本公司之股份過戶登記處香港中央證券登記有限公司,地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

## **BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT**

### **Executive Directors**

**Mr. Zhang Yuping** (alias Cheung Yu ping) (張瑜平), aged 56, is the chairman of the Board and executive Director. He is the founder of the Group and is in charge of the Group's strategic development and overall management. He has over 30 years of management experience in the mid-to-high-end consumables distribution industry in the PRC. Mr. Zhang is also the director of Best Growth, the substantial shareholder of the Company.

**Mr. Huang Yonghua** (黃永華), aged 46, is an executive Director. He joined the Group in 2001 and is in charge of the Group's business co-ordination and operational supervision. Mr. Huang has over 20 years of experience in the watch distribution industry in the PRC and in management.

**Mr. Lee Shu Chung, Stan** (李樹忠), aged 57, is an executive Director. He joined the Group in 2007 and is responsible for overall coordination and management of the Group's business including retail, brand distribution and packaging and display segment. He obtained a Bachelor of Arts degree and has pursued further studies in Business Administration. He has nearly 30 years of experience in watch manufacturing and distribution.

### **Non-executive Directors**

**Mr. Shi Zhongyang** (史仲陽), aged 42, is a non-executive Director. Mr. Shi graduated from Nanjing University in the PRC and University of Goetting in Germany with a Master's Degree in Law. Mr. Shi joined The Swatch Group Limited in 2000 and joined the Group in 2006. He is currently a legal counsel of the legal department of The Swatch Group Limited.

## **董事及高級管理層簡歷**

### **執行董事**

張瑜平先生，56歲，本公司董事會主席兼執行董事。彼為本集團創始人，負責本集團策略發展及整體管理。張先生於中國中高端消費品分銷行業擁有逾30年之管理經驗。張先生亦為本公司主要股東佳增的董事。

黃永華先生，46歲，執行董事。彼於二零零一年加入本集團，負責本集團業務協調及業務監控。黃先生於中國市場手錶分銷業及管理工作经验逾20年之經驗。

李樹忠先生，57歲，執行董事，於二零零七年加入本集團，全面協調管理本集團零售、品牌分銷及配套生產等業務。李先生大學本科學歷，獲文學學士學位；參加過工商管理課程高級進修。李先生有近30年鐘錶製造及分銷經驗。

### **非執行董事**

史仲陽先生，42歲，非執行董事。史先生畢業於中國南京大學及德國Goetting大學，獲得法律碩士學位；二零零零年加入The Swatch Group Limited。彼於二零零六年加入本集團，現任The Swatch Group Limited法律部顧問。

## REPORT OF DIRECTORS 董事會報告書

**Ms. Chen Jun (陳軍)**, aged 48, is a non-executive Director. She joined the Group in 2016. Ms. Chen graduated from the Graduate School of the People's Bank of China (currently known as the PBC School of Finance, Tsinghua University), specializing in monetary banking, where she obtained a master's degree in economics. Ms. Chen is currently the chief operating officer (and the general manager of the operations management department) of China Re Asset Management Company Limited and had worked for various entities including the People's Bank of China and China Reinsurance (Group) Corporation, etc. Ms. Chen has over 20 years of extensive experience in financial investment, asset management and financial management.

### Independent Non-executive Directors

**Mr. Cai Jianmin (蔡建民)**, aged 73, is an independent non-executive Director. He graduated from the industrial accounting faculty (工業會計系) of Shanghai College of Finance and Economics (上海財經學院). Mr. Cai holds a Certificate for Professional Accountants (會計從業資格證書) in the PRC. He had held senior financial management positions for various companies including Shanghai Hualian (Group) (上海華聯(集團)). Mr. Cai joined the Group in 2005.

**Mr. Wong Kam Fai, William (黃錦輝)**, aged 57, is an independent non-executive Director. He graduated from University of Edinburgh, Scotland with a Bachelor's Degree and a Doctorate Degree in Electrical Engineering. Mr. Wong is currently a professor in the Department of Systems Engineering and Engineering Management in The Chinese University of Hong Kong. He obtained the qualification as a Chartered Engineer (CEng) in 1991, and is now a member of the Institute of Electrical Engineers and a professional member of the Association of Computing Machinery. Mr. Wong joined the Group in 2005.

**Mr. Liu Xueling (劉學靈)**, aged 59, is an independent non-executive Director. He graduated from East China Normal University in Shanghai with a Doctorate Degree in History. At present, he is a senior lawyer in Shanghai Tongyan Law Firm (上海通市研律師事務所). He joined the Group in 2007. He is currently an independent director of Shanghai Qiangsheng Holding Co., Ltd. (listed on the Shanghai Stock Exchange, stock code: 600662) and Shanghai Yimin Commercial Group Co., Ltd. (listed on the Shanghai Stock Exchange, stock code: 600824).

**陳軍女士**，48歲，非執行董事，彼於二零一六年加入本集團。陳女士畢業於中國人民銀行研究生部（現為清華大學五道口金融學院）貨幣銀行專業，獲經濟學碩士學位，現為中再資產管理股份有限公司運營總監（兼運營管理部總經理）。陳女士曾在中國人民銀行及中國再保險（集團）股份有限公司等單位工作，在金融投資、資產管理及財務管理等方面擁有逾20年之豐富經驗。

### 獨立非執行董事

**蔡建民先生**，73歲，獨立非執行董事。彼畢業於上海財經學院工業會計系。蔡先生持有中國會計從業資格證書，曾於上海華聯（集團）等多家公司擔負高級財務管理工作。蔡先生於二零零五年加入本集團。

**黃錦輝先生**，57歲，獨立非執行董事。彼畢業於蘇格蘭愛丁堡大學，取得電機工程學士及博士學位。黃先生為香港中文大學系統工程與工程管理學系教授，彼自一九九一年取得特許工程師(CEng)資格，為英國電氣工程師學會會員及美國電腦學會專業會員。黃先生於二零零五年加入本集團。

**劉學靈先生**，59歲，獨立非執行董事。彼畢業於上海華東師範大學，取得史學博士學位。劉先生現為上海市通研律師事務所主任，一級律師。彼於二零零七年加入本集團。現任上海強生控股股份有限公司（於上海證券交易所上市且股份代號為600662）及上海益民商業集團股份有限公司（於上海證券交易所上市且股份代號為600824）獨立董事。

### Senior Management

*(Hengdeli Group as mentioned below represent the Company's major holding subsidiaries – Hengdeli Group Limited)*

**Mr. Song Jianwen** (宋建文), aged 64, is the vice president of Hengdeli Group. He joined the Group in 2001 and is in charge of internal audit and control of the Group. Mr. Song graduated from Zhongnan University of Economics and Law (中南財經政法大學) with a Master's Degree in Economics. Mr. Song has more than 30 years of experience in finance and accounting.

**Mr. Chen Sheng** (陳聖), aged 52, is the vice president of Hengdeli Group. He graduated from Fudan University in Shanghai with a Master's Degree in Business Administration. Mr. Chen joined the Group in 2007 and is responsible for investment of the Group.

**Mr. Lee Wing On, Samuel** (李永安), aged 52, is the vice president of Hengdeli Group. He joined the Group in 2006 and is responsible for the Group's retail business in Hong Kong. Mr. Lee has over 20 years of management experience in the watch retail industry in Hong Kong.

**Ms. Tan Li** (談麗), aged 52, is the vice president of Hengdeli Group and secretary to the Board. Ms. Tan graduated from Nanjing Normal University (南京師範大學) with a Master of Arts degree. She joined the Group in 2001. Before joining the Group, Ms. Tan taught at the branch colleges of Peking University in China. Since Ms. Tan joined the Group, she has been engaging in work related to the secretary to the Board of the Group.

**Mr. Lin Gang** (林鋼), aged 51, is the vice president of Hengdeli Group. He joined the Group in 2013 and is responsible for human resources management and information management of the Group. Mr. Lin graduated from Beijing Foreign Studies University with a postgraduate degree, and obtained an international MBA degree from Fordham University in New York, the U.S. Before joining the Group, Mr. Lin served as the President and Managing Director of consulting business for Greater China region of Mercer, a human resources management consulting firm. He also worked in various companies including Deloitte Consulting and Motorola.

### 高級管理層

*(下文中的亨得利集團指本公司的主要控股子公司，亨得利集團有限公司)*

宋建文先生，64歲，亨得利集團副總裁。彼於二零零一年加入本集團，現負責本集團內部審計監控。宋先生畢業於中南財經政法大學，持有經濟碩士學位。宋先生於財務及會計方面擁有逾30年之經驗。

陳聖先生，52歲，亨得利集團副總裁。彼畢業於上海復旦大學，持有工商管理碩士學位。陳先生於二零零七年加入本集團，負責本集團投資工作。

李永安先生，52歲，亨得利集團副總裁，於二零零六年加入本集團，負責本集團香港零售業務。李先生於香港鐘錶零售業有逾20年之管理經驗。

談麗女士，52歲，亨得利集團副總裁及董事會秘書。談麗女士畢業於中國南京師範大學，持有文學碩士學位，於二零零一年加入本集團。加入本集團前，談麗女士在中國北京大學分校任教；於加入本集團後一直從事本集團董事會秘書等相關工作。

林鋼先生，51歲，亨得利集團副總裁，於二零一三年加入本集團，負責集團的人力資源管理和信息管理等工作。林先生於北京外國語大學研究生畢業，並獲美國紐約FORDHAM大學國際工商管理碩士。於加入本集團前，林先生曾擔任人力資源管理諮詢公司美世(Mercer)的大中華區總裁兼大中華區諮詢業務董事總經理，此前也曾於德勤諮詢、摩托羅拉等公司就職。

## REPORT OF DIRECTORS 董事會報告書

**Ms. Catherine Lin** (林樂芬), aged 58, is the vice president of Hengdeli Group. She joined the Group in 2013 and is a consultant for Mainland China retail business of the Group. Ms. Lin graduated from National Chengchi University in Taiwan with a Bachelor of Arts degree. Before joining the Group, she was the vice president for Taiwan and China region of CK Watch & Jewelry. Ms. Lin has over 20 years of extensive international management experience in distribution of international mid-to-high-end watches and other luxury goods.

**Mr. Lam Chun Kit** (林俊傑), aged 43, is the vice president of Hengdeli Group. He joined the Group in 2014 and is in charge of the Group's overall financial operation. Mr. Lam holds a Bachelor's Degree in Accounting and is a fellow of the Association of Chartered Certified Accountants (ACCA) and a member of Hong Kong Institute of Certified Public Accounts (HKICPA). He has over 12 years of experience in auditing and served the international big four accounting firms for 10 years. Before joining the Group, Mr. Lam was the executive vice-president and chief accountant of SanPower Group (三胞集團).

**Mr. Guan Qijun** (管齊軍), aged 46, is the president for retailing business in Mainland China of Hengdeli Group. He joined the Group in 2000 and is responsible for the Group's retail business of watches in Mainland China. Mr. Guan graduated from Harbin Institute of Technology (哈爾濱工業大學) with a Bachelor's Degree in Electronic Precision Machinery (電子精密機械), and has over 20 years of experience in the watch industry.

**Mr. Ng Man Wai, Peter** (吳文偉), aged 46, is the company secretary and financial controller of the Company. Mr. Ng graduated from the University of Toronto with a Bachelor's Degree in Commerce. He joined the Group in 2004. Mr. Ng is a member of the Association of Chartered Certified Accountants (ACCA) and a certified public accountant of the Hong Kong Institute of Certified Public Accountants (HKICPA).

林樂芬女士，58歲，亨得利集團副總裁，於二零一三年加入本集團，為集團中國內地零售顧問。林女士畢業於台灣國立政治大學，持有文學學士學位。於加入本集團前，林女士曾任CK鐘錶珠寶台灣及中國區副總裁。林女士於中高端國際名錶及其他奢侈品分銷方面有逾20年之豐富的國際管理經驗。

林俊傑先生，43歲，亨得利集團副總裁，於二零一四年加入本集團，負責集團整體財務工作。林先生持有會計學士學位，為英國特許公認會計師公會資深會員及香港會計師公會會員。林先生有超過12年審計工作經驗，服務於國際四大會計師事務所達十年之久。於加入本集團前，林先生為三胞集團執行副總裁和首席會計師。

管齊軍先生，46歲，亨得利集團零售事業部大陸區總裁，於二零零零年加入本集團，負責本集團大陸區鐘錶零售業務。管先生畢業於哈爾濱工業大學，持有電子精密機械學士學位，有逾二十年的鐘錶行業經驗。

吳文偉先生，46歲，本公司的公司秘書及財務總監。吳先生畢業於多倫多大學，持有商業學士學位，於二零零四年加入本集團。吳先生為英國特許公認會計師公會成員及香港會計師公會的執業會計師。



**DISCLOSURE OF INFORMATION ON THE WEBSITES OF THE COMPANY AND THE STOCK EXCHANGE**

An annual report for the year ended 31 December 2016 containing all the information required by Appendix 16 to the Listing Rules will be dispatched to the shareholders of the Company and published on the website of the Company and the website of the Stock Exchange in due course.

**ACKNOWLEDGEMENT**

The Directors would like to take this opportunity to express our sincere thanks to all the shareholders for their continuous support and to all our staff for their dedication and contribution to the Group during the year under review.

**GENERAL INFORMATION**

As at the date of this report, the executive Directors are Mr. Zhang Yuping (Chairman), Mr. Huang Yonghua and Mr. Lee Shu Chung, Stan, the non-executive Directors are Mr. Shi Zhongyang and Ms. Chen Jun, and the independent non-executive Directors are Mr. Cai Jianmin, Mr. Wong Kam Fai, William and Mr. Liu Xueling.

By order of the Board  
**Zhang Yuping**  
*Chairman*

Hong Kong, 29 March 2017

**在公司網站及香港聯交所網站披露資料**

載有上市規則附錄16所規定的一切資料，截至二零一六年十二月三十一日止年度之報告將會寄發予本公司股東，並且於適當時候刊載於本公司網站及香港聯交所網站。

**鳴謝**

董事藉此機會感謝全體股東一直以來的鼎力支持，以及感謝本集團全體員工於回顧年度內為本集團付出之努力和貢獻。

**一般事項**

於本報告日期，本公司有主席兼執行董事張瑜平先生、執行董事黃永華先生及李樹忠先生；非執行董事史仲陽先生、陳軍女士；獨立非執行董事蔡建民先生、黃錦輝先生及劉學靈先生。

承董事會命  
*主席*  
**張瑜平**

香港，二零一七年三月二十九日

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE

Since its establishment, the Company has been committed to maintaining a high standard of corporate governance practice to ensure transparency of the Group's management, so that the interests of our shareholders, customers, employees as well as the long term development of the Group can be safeguarded. The Group has established the Board, an audit committee, a remuneration committee and a nomination committee that are up to the requirements as being diligent, accountable and professional. KPMG has been appointed as the Group's external auditors.

### Compliance with the Corporate Governance Code

The Company has adopted the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. The Directors are of the opinion that the Company complied with the Corporate Governance Code except for a deviation from provision A.2.1 during the period under review. Given the existing corporate structure, the roles of chairman and chief executive officer have not been separated, and both are performed by Mr. Zhang Yuping. Although the roles and duties of the chairman and chief executive officer have been performed by the same individual, all major decisions would only be made (where applicable) after consultation with the Board. There are three independent non-executive Directors in the Board. All of them possess adequate independence and therefore the Board considers that the Company has achieved balance of power and provided sufficient assurance for scientific decision-making.

### Composition of the Board

To maintain a high level of independence and objectivity in decision making, and to exercise its power of supervising the management of the Group in a comprehensive and equitable manner, the Board comprises three executive Directors (Messrs. Zhang Yuping (Chairman of the Group), Huang Yonghua and Lee Shu Chung, Stan), two non-executive Directors (Mr. Shi Zhongyang and Ms. Chen Jun) and three independent non-executive Directors (Messrs. Cai Jianmin, Wong Kam Fai, William and Liu Xueling).

### 企業管治

本公司自成立以來，致力保持高標準的公司管治機制，確保本集團管理的透明度，以保障股東、客戶、員工的權益及本集團的長遠發展。為此，本公司已建立一個盡職、負責、且具有專業精神的董事會、審核委員會、薪酬委員會及提名委員會。本集團亦已聘請畢馬威會計師事務所為本集團的外部核數師。

### 企業管治守則遵行概況

本公司已採納上市規則附錄十四所載之企業管治守則。董事認為，本公司於回顧期內一直遵守企業管治守則，惟偏離A2.1項條文。鑑於現有企業結構，主席及行政總裁之角色並無分開，均由張瑜平先生擔任。儘管主席及行政總裁之角色責任乃歸屬一人，但所有重要決策均經諮詢董事會及經（在適用情況下）董事會做出。董事會有三名極具獨立性之獨立非執行董事。因此，董事會認為，本公司已具備充分權力平衡及保障科學決策的作出。

### 董事會組成

為保持董事會決策獨立、客觀及對本集團管理層實行全面及公正的監控，董事會由三名執行董事（張瑜平先生（本集團主席）、黃永華先生及李樹忠先生）、兩名非執行董事（史仲陽先生及陳軍女士）及三名獨立非執行董事（蔡建民先生、黃錦輝先生及劉學靈先生）組成。

To ensure the Board operates in an independent and accountable manner, the three executive Directors have been assigned with different responsibilities within our operation. Mr. Zhang Yuping, the Chairman, is in charge of the Group's overall management and strategic development, while Mr. Lee Shu Chung, Stan is in charge of the overall business operation of the Group, and Mr. Huang Yonghua is responsible for coordination and supervision.

The three independent non-executive Directors has professional expertise and extensive experience in the areas of accounting, economics, law, computing control and management, and business administration, respectively. We believe the independent non-executive Directors can adequately act for the benefits of our shareholders. Their respective terms of office are as follows:

Cai Jianmin: 26/9/2014-25/9/2017;  
Wong Kam Fai, William: 26/9/2014-25/9/2017; and  
Liu Xueling: 1/6/2016-31/5/2019.

The two non-executive Directors have professional expertise and extensive experience in the areas of law, business administration and asset management, respectively; they can offer supervision to the daily operation, and provide corresponding opinions and recommendations in a timely manner, which is beneficial to the standardised operation of the Company and the safeguarding of the interests of our shareholders. Their terms of office are as follows:

Shi Zhongyang: 15/2/2015-14/2/2018; and  
Chen Jun: 30/6/2016-31/5/2019.

### **Duties of the Board**

The Board is responsible to the general meetings and performs the following major duties: report duties to the general meetings; execute the resolutions of the general meetings; determine investment solutions and profit distribution solutions of the Company; formulate solutions as to increase or decrease of the registered capital of the Company; draft solutions in respect of the split-up, consolidation, alteration and dissolution of the Company; appoint, dismiss the general manager of the Company and determine his or her remuneration.

為確保董事會運作具獨立性及問責性，三名執行董事分別負責不同的工作範疇，主席張瑜平先生負責本集團整體管理及策略發展，李樹忠先生負責本集團整體業務的運營，而黃永華先生則負責協調與監控。

本公司三名獨立非執行董事分別在會計、經濟、法律、計算機控制與管理及工商管理範疇擁有專業知識及豐富經驗。我們相信，獨立非執行董事能充分代表公司股東的權益。其任期分別為：

蔡建民：26/9/2014-25/9/2017；  
黃錦輝：26/9/2014-25/9/2017；及  
劉學靈：1/6/2016-31/5/2019。

本公司兩名非執行董事分別於法律、工商管理、資產管理等方面擁有專業知識及豐富經驗，對本公司日常運營時時監察，並及時提出其相應意見及建議，有利於公司的規範化運作及保障股東之權益。其任期分別為：

史仲陽：15/2/2015-14/2/2018；及  
陳軍：30/6/2016-31/5/2019。

### **董事會職責**

董事會對股東會負責，行使以下主要職責：向股東會報告工作；執行股東會的決議；決定公司的投資方案及利潤分配方案；制定公司增加或減少註冊資本的方案；擬定公司分立、合併、變更、解散等方案；聘任和解聘公司總經理並決定其報酬等事項等。

## CORPORATE GOVERNANCE REPORT 企業管治報告

In respect of the corporate governance functions, during the year under review, the Board performed corporate governance duties in accordance with the terms of reference. To be specific, the Board mainly performed the following corporate governance duties during the year under review:

- To review the Company's policies and practices on corporate governance;
  - To review and monitor the training and continuous professional development of Directors and senior management;
  - To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
  - To review and monitor the code of conduct applicable to Directors and employees; and
  - To review the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report.
- 檢討企業管治政策及常規；
  - 檢討及監察董事及高級管理人員的培訓及持續專業發展；
  - 檢討及監察企業在遵守法律及監管規定等方面的政策及常規；
  - 檢討及監察董事及僱員的操守準則；及
  - 檢討企業遵守《企業管治守則》的情況及在《企業管治報告》內的披露。

Members of the Board are provided with appropriate and sufficient information in a timely manner for their understanding of the latest developments of the Group, which in turn supports the discharge of their duties.

The management of the Company is responsible to the Board and performs the following major duties: report duties to the Board; execute the resolutions of the Board; and complete all the tasks assigned by the Board.

企業管治職能方面，董事會於回顧年度內按照職權範圍所載履行了企業管治職責。具體而言，董事會於回顧年度內主要履行了下列企業管治職責：

董事會成員會適時取得適當及充足之資料，以便彼等了解本集團之最新發展，從而有助彼等履行其職責。

本公司管理層對董事會負責，行使以下主要職責：向董事會報告工作、執行董事會決議、完成董事會下達的各項任務。

### **Risk Management and Internal Control**

The Group has established effective risk management and internal control systems to provide reasonable (though not absolute) assurance against material misstatement or loss and to manage (rather than eliminate) risks of failing to achieve business objectives. The Board shall be responsible for the risk management and internal control systems and reviewing their effectiveness.

In order to ensure the interests of our shareholders, the Group established an enterprise risk management framework to provide top-down and bottom-up approaches to identify, assess, mitigate and monitor key risks in a proactive and structured manner. The Group established departments dedicated to the supervision and risk control of finance and business operation including an internal audit department. Such departments set up annual internal audit plan and are responsible for performing daily and special internal audit procedures in aspects relating to business operation, financial reporting and compliance control and in accordance with the targets set by the senior management, which includes conducting audits and examination of all aspects and at all departments once or twice a year, so as to enhance internal control and ensure the sound development of the enterprise. Such departments will report the audits and examinations results to the audit committee and the Board for them to assess control of the Company and the effectiveness of risk management, any significant failing or weaknesses in internal control, and to take necessary actions promptly to remedy any significant failings or weaknesses. If necessary, such departments will follow up regularly on remedial actions in response to significant failings or weaknesses.

The Company has established disclosure mechanism regarding the procedures of proper information disclosure to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made.

### **風險管理及內部控制**

本集團已設立有效的風險管理及內部控制系統，提供合理但非絕對的保證，以防止重大錯誤陳述或損失，以及管理（而非消除）未達業務目標的風險。董事會負責風險管理及內部控制系統以及檢討其效用。

為確保股東利益，本集團設有一套企業風險管理架構，提供由上而下及由下而上之風險管理方法，以積極有序的方式識別、評估、減低和監察主要風險。本集團專門成立財務與業務風控及監督部門（包括一個內部審計部門），該等部門訂立年度內部審計計劃，負責就業務營運、財務報告、合規監控方面及根據高級管理層所訂立的目標履行日常及特別內部監控程序，包括每年1-2次對本集團所屬各層面、各部門進行審計及稽查，以加強內部監控，確保企業健康發展。該等部門向審核委員會及董事會報告審計及稽查結果，以供審核委員會及董事會評核本公司的監控情況及風險管理的成效、重大內部監控失誤或弱項，並迅速採取必要行動以糾正任何重大失誤或弱項。如需要，該等部門對重大內部監控失誤的糾正行動作出定期跟進。

本公司亦已採納有關進行適當的信息披露程序的披露機制，以確保內幕消息在獲適當批准披露前一直保密，並確保有效及一致地發佈有關消息。

## CORPORATE GOVERNANCE REPORT 企業管治報告

Based on the reviews made by independent review organisation and the Group's self-assessment of the risk management and internal control systems of the Group, the audit committee and the Board has reviewed the effectiveness of our risk management and internal control systems and completed its annual review on the risk management and internal control systems (including their effectiveness) for the year ended 31 December 2016. The Group considers that for the year ended 31 December 2016, these systems are effective and adequate, and will continue to review the effectiveness of these systems as well as improve the internal administration and control systems of the Company if required.

根據獨立審核機構及本集團通過自我評估對本集團風險管理及內部控制體系所作出的檢討，審核委員會及董事會已審視本集團風險管理及內部監控系統於截至2016年12月31日止年度的有效性，並完成對本集團風險管理及內部監控系統（包括其有效性）的年度檢討。本集團認為於截至2016年12月31日止年度，該等系統有效及足夠，但本集團將繼續審視該等系統的有效性並會在需要時進一步完善本公司的內部管理以及監控制度。

### ATTENDANCE OF THE DIRECTORS AT THE MEETINGS

In 2016, a total of nine meetings were held by the Board. Further, an annual general meeting was held. The attendance of the Directors at the meetings was as follows:

### 董事的會議出席情況

於二零一六年，董事會共召開九次會議；另，召開了一次股東週年大會，各董事出席詳情如下：

Name	姓名	Frequency of attendance at the Board meetings 董事會會議出席次數	Rate of Attendance 出席率	Remarks 備註	Frequency of attendance at the general meeting 股東大會出席次數	Rate of Attendance 出席率	Remarks 備註
Zhang Yuping	張瑜平	9	100%		1	100%	
Huang Yonghua	黃永華	9	100%		1	100%	
Lee Shu Chung, Stan	李樹忠	9	100%		1	100%	
Shi Zhongyang	史仲陽	9	100%		1	100%	
Chen Jun	陳軍	4	100%	Appointed on 30 June 2016 二零一六年六月三十日獲委任	-	-	
Cai Jianmin	蔡建民	9	100%		1	100%	
Wong Kam Fai, William	黃錦輝	9	100%		1	100%	
Liu Xueling	劉學靈	9	100%		1	100%	

Members of the Board will be provided with appropriate and sufficient information in a timely manner for their understanding in the latest developments of the Group, which in turn supports the discharge of their duties.

董事會成員會適時取得適當及充足資料，以便彼等了解本集團之最新發展，從而有助彼等履行其職責。

## CONTINUOUS PROFESSIONAL DEVELOPMENT

Every newly appointed Director will be given an introductory session so as to ensure that he/she will gain appropriate understanding of the Group's business and of his/her duties and responsibilities under the Listing Rules and the relevant statutory and regulatory requirements. The Company provides regular updates on the business development of the Group. The Directors are continually updated on the latest development regarding the Listing Rules and other applicable statutory requirements to ensure compliance with and upkeep of good corporate governance practices.

The Directors are committed to complying with provision A.6.5 of the Corporate Governance Code on Directors' training so as to ensure that their contribution to the Board remains informed and relevant. During the year under review, the Directors attended relevant training in accordance with the Listing Rules and provided the relevant records of training to the Company. According to the records, details of directors' attendance at the training sessions during the year under review are as follows:

## 持續專業發展

每名新委任之董事將獲安排簡介，以確保彼能根據上市規則以及相關法定及監管規定適當掌握本集團之業務及彼之職責及責任。本公司定期更新本集團之業務發展，董事定期獲得有關上市規則及其他適用法定規定之最新發展，以確保符合及維持良好企業管治常規。

董事致力遵守於企業管治守則條文A.6.5之董事培訓，以確保彼等向董事會作出知情及相關的貢獻。回顧年度內，董事已按上市規則要求進行了相關培訓，並已向本公司提供相關培訓記錄。根據紀錄，以下為各董事於回顧年度內所進行的培訓概況：

Name	姓名	Updates on corporate governance, laws and regulations 企業管治、法例法規更新		Accounting/financial/management and other professional expertise 會計／財務／管理及其他專業技能	
		Material reading 資料閱讀	Seminar/training attending 參與講座／培訓	Material reading 資料閱讀	Seminar/training attending 參與講座／培訓
Zhang Yuping	張瑜平	✓	✓	✓	✓
Huang Yonghua	黃永華	✓	✓	✓	✓
Lee Shu Chung, Stan	李樹忠	✓	✓	✓	✓
Shi Zhongyang	史仲陽	✓	✓	✓	✓
Cai Jianmin	蔡建民	✓	✓	✓	✓
Wong Kam Fai, William	黃錦輝	✓	✓	✓	✓
Liu Xueling	劉學靈	✓	✓	✓	✓
Chen Jun	陳軍	✓	✓	✓	✓

## CORPORATE GOVERNANCE REPORT 企業管治報告

### INDEPENDENCE OF THE BOARD

The Board has received confirmation from all independent Directors regarding their independence made in accordance with Rule 3.13 of the Listing Rules. The Board considers that all current independent Directors have met the requirements of the guidelines set out in Rule 3.13 of the Listing Rules and remained independent.

### SECURITIES TRANSACTIONS BY THE BOARD

The Board had adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules as the Company's code for securities transactions by its Directors. Following specific enquiry made by the Company with all Directors, the Company has confirmed that during the year under review, all Directors had complied with the standard as required by the above code.

### ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for preparing the financial reports of the Group in accordance with the Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards.

The statement of the auditors of the Company on their reporting responsibilities on the financial statements of the Group is set out on pages 87 to 96 of this annual report.

### AUDITORS' REMUNERATION

The audit fee to be received by the auditors of the Company for the year ended 31 December 2016 will be approximately RMB4,100,000 (2015: approximately RMB3,980,000). During the year under review, in addition to auditing services, the Company's auditors also provided the Group with services such as taxation planning and due diligence. The non-auditing service fees were RMB347,552 (2015: RMB168,880) in total.

### 董事會獨立性

董事會已收到所有獨立董事按照上市規則第3.13條就其獨立性而提交的確認函，認為現任獨立董事均符合上市規則第3.13條所載的相關指引，仍然屬於獨立。

### 董事會的證券交易

本公司董事會採納上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》，作為本公司董事進行證券交易的守則。本公司在向所有董事做出特定查詢後，本公司確定，本公司董事於回顧年度內均有遵守上述守則所規定的有關標準。

### 問責及審核

董事了解彼等有責任根據香港財務報告準則及香港會計準則編撰本集團的財務報告。

本公司核數師就彼等於本集團財務報表申報責任的聲明，載於本年報第87頁至96頁。

### 核數師酬金

本公司截至二零一六年十二月三十一日止年度的（將由本公司核數師收取的）審計費用約為人民幣4,100,000元（二零一五年：約人民幣3,980,000元）。回顧年度內，除核數外，本公司核數師亦向集團提供稅務安排及盡職調查等服務，收取該等非核數服務費合共人民幣347,552元（二零一五年：人民幣168,880元）。



## AUDIT COMMITTEE

The Company has established an audit committee in compliance with the Listing Rules. The audit committee comprises three independent non-executive Directors, namely, Messrs. Cai Jianmin (Chairman), Wong Kam Fai, William and Liu Xueling, with the primary duties of reviewing the accounting principles and practices adopted by the Company as well as material extraordinary items, internal controls, financial reporting, risk management and control matters, which included a review on the audited annual results for the year ended 31 December 2015 and the 2016 interim report. According to the terms of reference of the audit committee adopted and implemented by the Company, the audit committee is responsible for reviewing the accounting principles and practices adopted by the Company as well as material extraordinary items, internal controls and financial reporting matters, and the duties of risk management and control.

During the year, the audit committee of the Company held meetings on 17 March 2016 and 18 August 2016 to review the annual and interim financial reports of the Group respectively. All members of the committee namely, Messrs. Cai Jianmin, Wong Kam Fai, William and Liu Xueling, attended the meetings.

The audit opinions from the audit committee in respect of the Group's financial report, risk management and control for the year are summarised as follows:

The 2016 financial report of the Company is objective in material aspects, and gives a fair view of the financial position of the Company as at 31 December 2016 and the operating results and cash flow in 2016.

Under the complex and ever-changing circumstances of the objective economic environment, the Company was affected by several factors such as systemic risks and exchange rate risks, which led to the decline in the Company's performance. The management did a better job in the Company's business by dealing well with the operational and financial risks of the Company. Meanwhile, the Company's internal audit and control have been promoted and implemented steadily, and the internal management has also been improved increasingly.

## 審核委員會

本公司已遵循上市規則成立審核委員會。審核委員會由三位獨立非執行董事蔡建民先生(主席)、黃錦輝先生及劉學靈先生組成，主要負責審閱本公司採納的會計原則及慣例、重大不尋常項目、內部監控、財務報告、風險管理及監控等事宜，其中包括審閱截至二零一五年十二月三十一日止年度經審核的全年業績及二零一六年度中期報告。根據本公司已採納及執行的審核委員會職權範圍，審核委員會負責審閱本公司採納的會計原則及慣例、重大不尋常項目、內部監控以及財務報告等事宜以及風險管理及監控制等職責。

本年度，本公司審核委員會分別於二零一六年三月十七日和八月十八日召開會議，分別審議本集團年度、半年度財務報告等，均為全體成員(蔡建民先生、黃錦輝先生及劉學靈先生)出席。

本年度，審核委員會就集團財務報告、風險管理及監控的審核意見基本內容如下：

公司二零一六年度財務報告在重大方面客觀、公允反映了公司二零一六年十二月三十一日的財務狀況，以及二零一六年度的經營成果和現金流量狀況。

在客觀經濟環境複雜多變的情況下，公司受到系統性風險、匯率風險等因素影響，業績有所下降。管理層把握好公司的經營風險、財務風險，把公司的工作做得更好。公司的內審內控工作紮實推進、落實，內部管理也正在日趨完善。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

#### REMUNERATION COMMITTEE

The Company has established a remuneration committee in compliance with the Listing Rules. During the year under review, the remuneration committee comprises three Directors including Messrs. Liu Xueling (Chairman) and Cai Jianmin, both of whom are independent non-executive Directors, and Mr. Zhang Yuping, the Chairman and an executive Director of the Group. The primary duties of the remuneration committee are to review and determine the terms of remuneration packages, bonuses and other compensation payable to Directors and senior management.

Three meetings were held during the year to review matters related to the remuneration structure of the Directors and senior management of the Company, implementation of share award scheme and remuneration of new Director. All members, namely Messrs. Liu Xueling, Cai Jianmin and Zhang Yuping, attended the meetings.

According to the terms of reference of the remuneration committee adopted by the Company, the remuneration committee acts as a consultant regarding the remuneration matters of the Directors and senior management of the Company, while the Board retains the ultimate power to approve the remuneration of the Directors and senior management.

#### NOMINATION COMMITTEE

The Company has established a nomination committee in compliance with the Listing Rules. During the year under review, the nomination committee comprises Mr. Zhang Yuping (Chairman), the Chairman and an executive Director of the Group, and independent non-executive Directors Messrs. Cai Jianmin and Liu Xueling. The Company has adopted and implemented the terms of reference of the nomination committee. The nomination committee is mainly responsible for making recommendations to the Board on the appointment of Directors and succession planning for the Board.

Two meetings were held during the year to review the structure, size and composition of the Board of the Company as well as retirement by rotation and re-election of Directors, formulate board diversity policy and related measurable objectives, review procedures for achieving such objectives, and nominate new Directors. All members, namely Messrs. Zhang Yuping, Cai Jianmin and Liu Xueling, attended the meetings.

#### 薪酬委員會

本公司已遵循上市規則成立薪酬委員會。回顧年度內，薪酬委員會由獨立非執行董事劉學靈先生（主席）、蔡建民先生及本集團主席兼執行董事張瑜平先生三名董事組成。薪酬委員會的主要職責為審閱及釐定本集團薪酬組成條款、花紅及其他應付予董事及高級管理層的補償等。

本年度召開三次會議，審議公司董事及高級管理人員薪酬結構、股權獎勵方案實施、新董事薪酬等相關事宜。全體成員（劉學靈先生、蔡建民先生及張瑜平先生）出席。

根據本公司已採納的薪酬委員會職權範圍，薪酬委員會就公司董事及高級管理人員薪酬事宜擔當顧問角色，董事會則保留有批准董事及高級管理人員薪酬的最終權力。

#### 提名委員會

本公司已遵循上市規則成立提名委員會。回顧年度內，提名委員會由執行董事兼本集團主席張瑜平先生（主席）、獨立非執行董事蔡建民先生及劉學靈先生三位董事組成。本公司已採納及執行提名委員會職權範圍。提名委員會的主要負責為就任命董事及安排董事會的承繼向董事會提出推薦等。

本年度內召開過兩次會議，審議本公司董事會架構、人數及組成，董事輪值告退及重選，制定成員多元化政策及訂立有關可計量目標以及檢討達致該等目標的進程，提名新董事等相關事宜。全體成員（張瑜平先生、蔡建民先生及劉學靈先生）出席。

## SUMMARY OF BOARD DIVERSITY POLICY

To improve the performance quality of the Company, the Board adopted the board diversity policy. The Board believes that board member diversity can be achieved by considering various factors, including but not limited to gender, age, cultural and educational background, race, professional experience, expertise, knowledge, term of services and other talents. All Board appointments are made with reference to the Company's business models and specific needs from time to time, and candidates will be considered with due regard for the benefits of diversity on the Board if allowed by objective business conditions. The nomination committee will be mainly responsible for identifying suitable and competent candidates for board members, and considering such candidates in light of objective conditions. As a part of the annual performance review for the efficiency of the Board, considerations made by the nomination committee will balance the skills and experience as required by business targets of the Company with diversity factors. To achieve board diversity, the nomination committee will discuss and develop measurable objectives from time to time, and propose the above to the Board for adoption and implementation. Generally speaking, selection of candidates by the nomination committee shall be based on a range of diversity perspectives including but not limited to gender, age, cultural and educational background, race, professional experience, expertise, knowledge and term of services. However, the final decision will depend on the strengths of candidates and their prospective contributions to the Board. The Board may improve one or more diversified perspectives from time to time, and measured the progress on such basis. The nomination committee will review the policy from time to time, including conducting assessments on the effectiveness of the policy. The nomination committee will also discuss any amendment that may be necessary, and submit amendment proposals to the Board for approval.

## COMPANY SECRETARY

Mr. Ng Man Wai, Peter was appointed as the company secretary of our Company in 2004. His biographical details are set out in the section headed "Biographies of Directors and Senior Management". For the financial year ended 31 December 2016, Mr. Ng attended relevant professional training for not less than 15 hours in compliance with Rule 3.29 of the Listing Rules.

## 董事會成員多元化政策概要

本公司為提升公司的表現質素，董事會已採納董事會成員多元化政策。董事會相信董事會成員多元化可透過考慮多方面因素達致，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識、服務任期及其他才能。董事會所有委任均根據本公司之商業模式及不時之特定需要，並在考慮人選時以商業客觀條件充分顧及董事會成員多元化的裨益。提名委員會將首要負責找出適合及勝任擔任董事會成員的人選，並按客觀條件考慮有關人選。作為檢討董事會效率的週年表現檢討的一部份，提名委員會將考慮就適合本公司業務目標要求的技能、經驗及多元化因素作出平衡。為達致董事會成員多元化，提名委員會將不時討論及開展可計量目標，並向董事會提出，由董事會採納及實施。一般來說，提名委員會須根據一系列多元化觀點甄選人選，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。然而，最終決定將取決於人選的長處及可為董事會帶來的貢獻。董事會可能不時改進一個或以上多元化角度，並按其計量進度。提名委員會將不時檢討本政策，包括對本政策的成效作出評估。提名委員亦將會討論任何或需作出的修訂，再向董事會提出修訂建議，由董事會審批。

## 公司秘書

吳文偉先生於二零零四年獲委任為本公司公司秘書。吳先生之履歷詳情載於「董事及高級管理層」一節。根據上市規則3.29條，吳先生於截至二零一六年十二月三十一日止財政年度已接受不少於15個小時之相關專業培訓。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### SENIOR MANAGEMENT'S REMUNERATION

The remuneration payment of the Group's directors and senior management for the year ended 31 December 2016 falls within the following bands:

### 高級管理層的薪酬

截至二零一六年十二月三十一日止年度，本集團董事及高級管理層的薪酬支付在以下幅度內：

	Number of individuals 人數
Nil to RMB1,000,000 零至人民幣1,000,000元	5
RMB1,000,001 to RMB2,000,000 人民幣1,000,001元至人民幣2,000,000元	6
RMB2,000,001 to RMB3,000,000 人民幣2,000,001元至人民幣3,000,000元	2
RMB3,000,001 to RMB4,000,000 人民幣3,000,001元至人民幣4,000,000元	2
RMB4,000,001 to RMB5,000,000 人民幣4,000,001元至人民幣5,000,000元	1
RMB5,000,001 to RMB7,000,000 人民幣5,000,001元至人民幣7,000,000元	1

### RIGHTS OF SHAREHOLDERS

#### How the Shareholders Convene Extraordinary General Meeting and Make Recommendations at General Meetings

According to the articles of association of the Company, any one or more 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 an extraordinary 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 (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

### 股東權利

#### 股東召開股東特別大會及於股東大會提出建議的方式

根據本公司的公司章程，於遞呈要求日期持有不少於本公司繳足股本（賦有於本公司股東大會上投票權）十分之一的股東於任何時候有權透過向本公司董事會或秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項；且該大會應於遞呈該要求後兩(2)個月內舉行。倘遞呈後二十一(21)日內，董事會未有召開該大會，則遞呈要求人士可以相同方式自發作出此舉，因遞呈要求人士因董事會未能召開大會而產生的一切合理開支均可要求本公司報銷。

The letter demanding the calling of an extraordinary general meeting mentioned above shall be sent to the principal office of the Company stating the Board or the company secretary of the Company as the addressee.

### **How to Make Enquiry to the Board**

Shareholders may send letters to the principal office of the Company for any enquires stating the Board or the company secretary of the Company as the addressee.

### **SIGNIFICANT CHANGES ON THE ARTICLES OF ASSOCIATION**

During the year under review, there is no significant change to the articles of association of the Company.

### **INVESTORS RELATIONS**

The Company firmly believes the importance of effective communication with the investment community and the shareholders in attaining a high level of transparency in the Group. Since its listing, the Group has maintained close communications with the shareholders, mass media, analysts and fund managers through various communication channels such as one-on-one meetings, roadshows, seminars, press conferences, press releases, telephone communications and emails. The Company endeavours to provide accurate and timely information to the investors, so as to enhance the understanding of our investors about the status of the domestic luxury watch industry, as well as the business development strategy and direction of the Group.

During the year under review, the Group's management proactively held regular and ad hoc meetings with different analysts and investors, including the marketing campaigns on investor relations in major investment centres including Hong Kong, Beijing, Shanghai and Singapore, and attended international economy forums and seminars held by various investment banks. Besides, the Group also held roadshows in various regions, including Hong Kong, Shanghai and Beijing and arranged on-site visits for investors to outlets in Shanghai, Hong Kong and Beijing and factories in Guangzhou, Dongguan and Zhuhai, so as to facilitate the investors from different countries and regions to acquire a timely and in-depth understanding of the Group through all forms of communications.

In the future, the Group will continue to maintain a close relationship with investors and boost international investors' understanding of the Group so as to enhance investors' confidence in the Group.

上述有關要求召開股東特別大會的信函應寄送本公司的總辦事處；收件人列明本公司董事會或公司秘書。

### **向董事會提出查詢的方式**

股東若有任何查詢，可致函本公司總辦事處；收件人列明本公司董事會或公司秘書。

### **公司章程重大變動**

回顧年度內，本公司的公司章程並無重大變更。

### **投資者關係**

本公司深信與投資者及股東保持有效的溝通，有助集團保持高透明度。本集團自上市以來，一直堅持以多種溝通渠道，如透過一對一會議、路演、研討會、新聞發佈會、發放新聞稿，電話交流、電郵等與股東、媒體、分析員及基金經理等保持密切聯繫，致力為投資者提供準確、及時信息，以進一步提升投資者對國內名錶銷售行業、集團發展策略和動向的了解。

於回顧年度內，集團管理層積極與不同的分析員及投資者舉行定期及不定期會議，在香港、北京、上海及新加坡等主要投資中心舉行投資者關係的推廣活動，積極參與各大投資銀行舉辦的國際經濟論壇和研討會。此外，集團亦於香港、上海、北京等多個地區舉辦路演，帶投資者參觀位於上海、香港、北京等地門店及廣州、東莞和珠海等地工廠。通過各種形式的交流溝通，以令各國及各地區的投資者對集團有及時而深入的了解。

未來，集團將繼續維持與投資者緊密的關係，及加強國際投資者對本集團的認識，以增強投資者對本集團之信心。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### GROUP PHILOSOPHY

Following Hengdeli's motto a hundred years ago and believing that businesses exist as a part of society and prosper along with it, the Group has been shouldering social responsibility in terms of environmental protection, environment quality management, resources reservation, and talent development, all of which are contributing to the Group's healthy development.

As the world's top-notch leading retailer of internationally renowned watch brands, Hengdeli has always regarded corporate social responsibility as an essential part of the Group's activities, and attached great importance to the benefits and relationships that its corporate social responsibility actions generate among its customers, employees, local communities, shareholders, business partners and supervisory authorities. We are fully aware that strengthening social responsibility is not only crucial for Hengdeli's future development, but is also a compelling obligation as a part of Hengdeli's participation in civil society.

For the past years, we have been concerning ourselves with environmental protection and committed ourselves to achieving an ecological balance as part of our efforts towards creating a green enterprise. We have also been maintaining integrity in our operations in providing safe, quality products to customers, which has earned us social credibility and made us a company to be relied on. We have been attaching great importance to the talent of our employees, and aimed at creating an environment that offers a win-win development outcome for both employees and the enterprise. Our concern for employees' working conditions and career development has driven us to create a welcoming, harmonious and mutually beneficial corporate culture for employees, in which we share with them the success brought by the company's growth and thus integrate individual, corporate and social values. We have also been expanding our involvement in public welfare activities, actively participating in a range of social undertakings such as education and social welfare activities, serving the community with sincerity and bringing new hope to those in need. Hengdeli has been striving to establish itself as a responsible and reliable company that customers, employees, shareholders and society can trust, and one that is committed to sustainable development.

### 集團理念

秉承百年前亨得利創世之祖訓，亨得利集團始終堅持企業與社會共存及共榮之價值理念，在環境保護、環境質素管理、資源儲備及人才培養等社會價值提升方面，不忘社會責任之使命，恒以「承擔」為己任，努力造就亨得利發展之長青之路。

作為全球最具領導地位的國際名錶銷售商，亨得利始終堅持把企業的社會責任作為集團管理不可或缺的組成部份，重視包括客戶、員工、社區、股東、合作夥伴及監管機構等各方人士的利益和關係。我們深知，強化社會責任不僅是亨得利存續和壯大的需要，更是作為「社會公民」的亨得利不可推卸的公民義務。

多年來，我們始終關注自然環境的保護，堅持生態平衡之建設，打造綠色企業是我們的努力方向；我們亦堅持誠信經營，以求實的態度致力將優質、安全的產品奉獻給客戶，從而獲得令人滿意的社會之公信，成為一間值得信賴的企業；我們尊重和重視人才，始終堅持員工與企業共贏發展的目標，關注員工的工作環境和職業生涯的建造，為員工打造溫馨、和諧及共同進步的企業氛圍，讓員工分享企業成長所帶來的成果，努力做到個人價值、企業價值以及社會價值的融合；我們熱心社會公益，積極參與教育、社會保障等社會工作，誠意為社區服務，堅持用我們的愛心給需要幫助的社群帶來新的希望。亨得利一直努力進取，致力讓社會各界了解，亨得利是一間負責任、有擔當的公司，是一間致力在持續發展中希望客戶、員工、股東和社會均信賴的公司。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

In 2016, as usual, Hengdeli enhanced its social corporate responsibility activities and further integrated the concept of social corporate responsibility into its daily operations. We strived to maintain and enhance the Group's leading position in internationally-renowned watch retailing by ensuring continued provision of safe, high quality products and services to its customers, while also delivering mutual benefits for customers, employees and the society.

### ENVIRONMENT

The environment is the foundation for corporate presence and development. As people gain more awareness and better understanding on the environment, they increasingly treat it as a resource. As the wealth of nature and the material basis for the development of production, the environment is one of the elements of productivity. After the industrial revolution, machines replaced manpower, and large-scale factory production replaced manual operations in individual workshops. However, people only focused on economic development while ignoring the environmental protection. Seeking economic development at the expense of the environment has cost human beings a lot.

With the improvement of people's awareness of environmental protection, more national and industry laws and regulations were introduced to regulate and deal with environmental problems in various countries. For many years, Hengdeli has made environmental protection one of its top corporate governance priorities. The Group implements a series of mechanisms and measures relating to environmental management and energy conservation in its daily operations aimed at protecting the environment and conserving energy, with a view to promoting harmonious balance and sustainable development in terms of economic, social and ecological benefits.

### Pollutant Emissions

The Group's industrial segment subsidiaries are all in strict compliance with national and local regulations regarding the emissions of pollutant gas, sewage and greenhouse gas, and disposal of hazardous and non-hazardous waste produced in the production process. To facilitate the effective implementation of ISO14001 environmental management system, the Group entered into contracts

二零一六年，亨得利集團一如既往，在不同層面加強企業社會責任方面的工作，將社會責任之理念融入企業日常運營之中，努力保持並提升集團在國際名錶銷售事務中的領導地位，為顧客提供優質安全的產品及服務，確保企業與客戶、員工及社會的共同利益及共同發展。

### 環境

環境是企業賴以生存和發展的基礎。隨著人們對於環境的認識及理解越來越深刻，將環境視為是一種資源的觀點，越來越為人們所接受。作為社會的自然財富和發展生產的物質基礎，環境是構成生產力其中一個要素。工業革命之後，機器取代人力，大規模工廠化生產取代個體工場手工作業，但最初只注重經濟發展而忽略了環境保護，以犧牲環境作代價去謀求經濟發展的模式令社會付出了昂貴的代價。

隨著社會對環境保護意識的提高，各國家各行業相繼出台法律法規來監管和處理環境問題。多年來，亨得利一直將環境保護作為企業管理的重點之一，在日常營運中採取一系列環境管理及節約資源的機制和措施，努力做好環境保護和資源節約，致力保證經濟效益、社會效益和生態效益的和諧平衡與可持續發展。

### 排放物

集團工業板塊各分、子公司嚴格遵守國家及各地區對生產過程中產生的廢氣、廢水、溫室氣體的排放以及有害及無害廢棄物處理的相關規定。集團與相關專業工業廢物處理公司訂立合同，由通過國家認可的專業公司進行回收，以配合ISO14001環境管理體系的有效實施；啟用油改水方案，有效減少工業塗料中的甲醛排

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

with relevant nationally recognized professional industrial waste treatment companies for the recycling of industrial wastes. The Group adopted “water-based paint replacing oil-based paint” solution to effectively reduce the emission of formaldehyde in industrial coatings. By adding industrial sodium carbonate and other treatment agents, the Group filtered, purified and recycled the industrial wastewater to reduce the overall sewage discharge. The Group is inspected regularly by the Environmental Protection Bureau, and this year the monitored results of all polluting emissions (including sewage and gas) for each of the relevant factories passed the annual inspection and met national standards, with no incident of non-compliance.

In 2016, the main sources of the Group’s greenhouse gas emissions were industrial segment production, electricity consumption, office paper use, and company vehicles:

放量；並通過添加工業純鹼及其他處理劑的方式，將工業生產廢水有效過濾淨化並進行循環利用，以減低整體污水排放量。集團定期接受環保局的檢測，本年度，各相關工廠之污水、廢氣等污染排放監測結果均通過年檢，符合國家標準，亦未有相關違規事件發生。

二零一六年，集團的溫室氣體排放源主要包括工業板塊生產，耗電，辦公用紙，公司車輛等：

Item	名稱	Year 2015 二零一五年度	Year 2016 二零一六年度
Total volume (tonnes CO2-eq)	總量 (二氧化碳當量噸)	22,490	24,095
Density (tonnes CO2-eq/ one million RMB revenue)	密度 (二氧化碳當量噸/ 每一百萬人民幣收益)	1.69	1.95

Emissions of hazardous and non-hazardous waste is mainly of relevance to the Group’s industrial segment. The total volume of waste emissions in 2016 was as follows:

有害廢棄物和無害廢棄物排放主要集中於集團的工業板塊，二零一六年總排放如下：

Type of waste emissions	排放物種類	Volume (tonnes)		Density (waste produced per sales unit)	
		量 (噸)		密度 (每銷售單位所產生的廢棄物)	
		Year 2015 二零一五年度	Year 2016 二零一六年度	Year 2015 二零一五年度	Year 2016 二零一六年度
Hazardous industrial waste	工業有害廢棄物	970	2,084	0.07	0.17
Non-hazardous industrial waste	工業無害廢棄物	302	279	0.02	0.02



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Use of Resources

The Group actively promotes the concept of environmental protection and to this end, implements various policies to optimise its working environment, which emphasizes green operations and green initiatives in the workplace. The Group has adopted an eco-friendly approach to the interior design of its office and retail outlets. Our open-plan designs maximise use of outdoor natural light and shared light. As far as possible, original furniture is retained, remodelled or reinstated during renovation to make rational use of existing resources and to reduce waste. To keep the retail outlets bright, significant energy is consumed in lighting. To reduce remarkably the consumption of electrical energy, the Group gradually replaced the traditional high-energy-consuming incandescent light bulbs in its retail outlets with energy-saving LED light bulbs that enjoy higher efficiency and longer life cycle.

In addition, the Group encourages employees to use public transport for business trips, and constantly reviews and makes adjustments on the inventory transfer process, so as to reduce vehicle fuel consumption. A Group-wide lights-off campaign has been launched to integrate environmental awareness into the everyday work life of employees. The Group's retail outlets have replaced traditional packaging with reusable bags, and replaced paper cups with glasses. The Group has also formulated internal operational guidelines containing detailed requirements regarding water and electricity consumption and the operating hours and temperature setting of air-conditioners.

An overview of resource consumption:

### 資源使用

集團積極宣傳環保理念，制定多項優化辦公環境的規章制度，強調綠色運營、綠色辦公。在辦公室及零售門店的裝修設計方面，集團注入環保概念。採用開放式的設計，最大限度利用室外自然光源及共享同區燈光照明；裝修時也盡可能保留原有家具或對其進行改裝翻新，合理利用現有資源，減少浪費；由於零售門店需保持一定亮度，往往在燈光照明上消耗大量能源。為大幅降低電力能源消耗，集團陸續在門店採用效率較高、壽命較長、耗電量較低的LED燈源取代耗能較大的傳統鎢絲燈源。

同時，集團亦建議員工多利用公共交通工具出外公幹並在店鋪調貨運送流程上不斷檢討及作出調整，從而降低車輛燃油使用；在全集團範圍內倡導隨手熄燈行動，將環保意識帶入員工的日常工作生活之中；零售門店全力推廣使用環保袋取代傳統包裝袋，並將奉客茶水紙杯改為玻璃杯。集團亦制定了內部操作指引，對用水、用電以及空調開放的溫度時間均有詳細規定。

資源消耗情況概覽：

Item	名稱	Total volume		Density	
		總量		密度	
		Year 2015	Year 2016	Year 2015	Year 2016
		二零一五年度	二零一六年度	二零一五年度	二零一六年度
Electricity consumption (kWh)	耗電 (千瓦時)	24,345,977	24,574,428	1,830.15	1,992.39
Office paper used (kg)	辦公用紙 (千克)	11,619	7,351	0.87	0.60
Vehicle fuel (L)	車輛汽油燃油 (公升)	67,853	59,093	5.10	4.79
Gas (kg)	煤氣 (千克)	25,519	26,950	1.92	2.18

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

### Environment and Natural Resources

The Group actively promotes the concept of environmental protection and to this end, implements various policies to optimise its working environment, which emphasizes green operations and green initiatives in the workplace. The Group implements a range of measures designed to reduce emissions and cut down its consumption of energy and natural resources, for example, printing office paper on both sides and reusing waste paper, used envelopes and kraft envelopes. Waste paper recycling bins are placed in office to regularly recycle used paper and old newspapers and magazines, and employees are encouraged to read and send files electronically to reduce printing. The Group actively embraces the concept of a “paperless” office and puts it into practice, in which most office documents go digital to save space and reduce paper use. Search and use of documents, after classification and archiving, is more efficient, and human errors in the process are avoided effectively. This not only protects the environment, but also reduces the administrative burden and the daily operating costs. The Group uses an online office automation system to improve its administrative functions, such as the filing and approval processes for applications for business trips and expenses reimbursement. It also uses the office automation platform to publish the Group’s notices, policies and regulations to share information, which not only improves work efficiency but also significantly conserves energy. Meanwhile, the use of innovative “cloud” technology facilitates the sharing of data and seamless collaboration among different departments across the offices, which maintains the business continuity of the Group and improves its resource efficiency and competitiveness.

The Group aims for sustainable development by constantly monitoring the environmental impact of its operations and implementing appropriate measures to minimise harm to the environment, while at the same time integrating the concepts of conserving natural resources and reducing waste into the corporate culture.

### 環境及天然資源

集團積極宣傳環保理念，制定多項優化辦公環境的規章制度，強調綠色運營、綠色辦公。集團貫徹執行各項減排及減少能源和天然資源消耗的措施，實施辦公用紙雙面打印及廢紙、舊信封、公文袋等循環再利用。辦公室設有可循環廢紙回收箱以定期回收舊文件用紙及舊報紙雜誌等；鼓勵員工採用電子檔案閱覽及發送文件，減少文件打印；集團積極提倡並大力推行「無紙化」辦公，大部份辦公文件採用電子方式儲存，紙張文件數碼化，以節省儲存空間及用紙量。各項文件統一分類及存檔後，搜索及應用不但更有效率，流程上也大大避免了人為錯誤，不但環保，更減輕了行政上的負擔，降低了日常運營成本；通過網上OA辦公系統，完善各項行政辦公職能，如差旅申請、費用報銷等審批流程；並通過OA平台發佈集團通告、規章制度等，實現信息共享，既提高了辦公效率，也顯著節省了資源；與此同時，創新科技雲端的運用，方便多個辦公室不同部門之間數據共享，無縫協作，維持了集團業務的連續性，提高了其資源效益以及競爭力。

集團希望通過持續監察來監管集團運營對環境的影響，及採取相應措施來盡量減低對環境的破壞，將保護天然資源和減少浪費融入企業文化中，從而實現可持續發展。

## **SOCIETY**

### **Employment and Labour Practices**

The Group has always regarded its employees as critically valuable assets of corporate operation and development. Under its “people-oriented” core culture, the Group strictly complies with all local labour standards and relevant employment regulations, and implements a standardised recruitment system. Its goal is to provide its employees with a healthy, safe and welcoming working environment and to build a fair, just and transparent working platform so as to create a promising development prospect for its employees.

### **Employment**

The Group places great emphasis on upholding the basic rights of its employees. It respects diversity in its employees and adheres to the principle of equal opportunities in employment, recruiting and cultivating talents regardless of race, religion, ethnicity, nationality, gender or age. The Group also continually revises its mechanism and structure in different aspects in order to adapt to the development of the enterprise and, at the same time, to benefit the employees' development.

The Group has adopted a comprehensive work assessment management system, under which it regularly reviews its recruitment system and its internal policy for grooming talents so as to ensure transparency and to maintain fairness and justice.

The Group implements scientific remuneration management and various other incentives, and regularly reviews its remuneration packages and promotion opportunities for different positions to guarantee their market competitiveness. To attract talents, the Group also offers various welfare incentives to its employees, including pension plans, MPF plans, insurance schemes, and housing and meal allowances.

Further, the Group grants share options to the general management staff and associates of the Company in recognition of their contributions to the Group, and as an incentive encouraging initiative and good performance in the workplace.

## **社會**

### **僱傭及勞工常規**

集團始終將員工視為企業運營和發展的寶貴財富，在「以人為本」之核心價值觀指導下，集團嚴格遵守所屬地區勞工標準和相關僱傭法律規定，採用規範化的招聘體系，致力為員工提供健康、安全及溫馨的工作環境，建立公平、公正及透明的工作平台，為其創建良好的發展前景。

### **僱傭**

集團重視並積極落實員工的各項基本權益，尊重員工的多元化發展，堅持僱傭平等化原則；招聘及培養人才不分種族、信仰、膚色、國籍、性別、年齡等因素；亦不時檢討各方面機制架構，使其在適應企業發展的同時，有利於員工的發展。

集團設有完善的工作考核管理制度，定期檢討招聘制度及人才培養內部準則，以確保其透明度及維持其公平與公正。

集團制定了科學的薪酬管理及其他多種激勵機制，並會定期檢討各職務崗位的薪酬和晉升機會，以確保有關的薪酬福利具備市場競爭力。集團亦為員工提供多種其他福利，包括退休金供款計劃、強積金、保險計劃、房屋及膳食津貼等，以吸引優秀人才。

集團還向公司一般管理層及有關人士發出認股權證，以表彰其對集團所作的貢獻，並激勵其工作積極性及良好表現。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

As at 31 December 2016, the Group had a total of 8,413 employees (2015: 9,187) in Mainland China, Hong Kong, Macau and Taiwan shown as follows:

截至二零一六年十二月三十一日，集團於中國內地、香港、澳門及台灣等地僱用共計8,413名員工（二零一五年：9,187名），基本分佈如下：

		No. of staff 員工數目	
		Year 2015 二零一五年	Year 2016 二零一六年
Mainland China	中國內地	8,337	7,675
Hong Kong(, Macau) and Taiwan	香港(、澳門)及台灣	850	738
<b>Total</b>	<b>總計</b>	<b>9,187</b>	<b>8,413</b>

		No. of staff 員工數目	
		Year 2015 二零一五年	Year 2016 二零一六年
Aged 18-25	18-25歲	1,252	904
Aged 26-55	26-55歲	7,736	7,296
Aged 56 or above	56歲以上	199	213
<b>Total</b>	<b>總計</b>	<b>9,187</b>	<b>8,413</b>

		No. of staff 員工數目	
		Year 2015 二零一五年	Year 2016 二零一六年
Male	男	2,625	2,449
Female	女	6,562	5,964
<b>Total</b>	<b>總計</b>	<b>9,187</b>	<b>8,413</b>

Its employees are among Hengdeli's most valuable assets. The Group places particular emphasis on employees' sense of belonging to the Group, and is committed to providing them with a pleasant and harmonious working environment.

員工是亨得利存在和發展成長的寶貴財富，集團尤為重視員工在集團里的歸屬感，努力為其營造愉快和諧的工作環境。

The Group's internal magazine "Outstanding", first published in 2006, shares news of the industry and the Group on a regular basis. Articles contributed by employees are also published there to create a platform through which employees can share their daily work experiences.

首創於二零零六年的集團內刊《超越》定期與員工分享行業信息、集團動態等；同時也刊登員工來稿，為員工之間分享日常工作的心得體會創造了良好平台。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

In addition, the Group actively launches and implements work that is favourable for building a harmonious relationship between the enterprise and the labour as well as facilitating the enterprise's sound development, so as to care for employees and strengthen their solidarity and their sense of belonging to the Group.

During the year under review, the labour unions at different levels organised various activities, such as employee birthday parties, group travels, excellent employees (blood donors) recuperating, thematic exhibitions visits, employee walking and mountaineering. These activities enhanced employees' physical and psychological well-being and strengthened their sense of belonging and overall team spirit.

### Health and Safety

The Group is deeply committed to its employees' well-being and organises regular health check-ups for them, as well as providing various medical insurance schemes.

The Group maintains very high manufacturing safety standards. To provide its employees with a safe and comfortable working environment, the Group ensures it is in strict compliance with all international labour standards and the relevant laws of Mainland China, Hong Kong, Macau and Taiwan. It also implements internal guidelines and policies on occupational safety for different working conditions and positions to ensure the health and safety of its employees. The Group purchases labour insurance for its employees, provides employees with training courses and drills on manufacturing safety and disaster awareness at the Group's industrial segment subsidiaries, equips employees in the position facing occupational hazards with protective gears in line with national and industry standards, and checks how they wear the gears from time to time. The Group arranges regular occupational disease checkups and maintains health surveillance archives for its employees. The Group's industrial segment also conducts regular assessments of occupational hazards in the workplace, and, based on the assessment reports by third parties, improves the environment of workplace through the transformation of system engineering facilities. During the year under review, the Group had a very low rate of work-related injuries and there were no cases of work-related deaths.

此外，集團也積極開展和落實各項有利於構建企業和諧勞動關係、促進企業健康發展的工作，關愛員工，增強員工的歸屬感和集團的凝聚力。

回顧年內，集團各層級公會也組織了多次員工活動，例如員工生日會、員工旅遊、優秀（獻血）員工療養、參觀主題展覽，亦開展員工健步走、登山活動等。活動既提升了員工之身心健康，也加強了其歸屬感及團隊精神的培養。

### 健康與安全

集團十分關心員工之健康，定期組織員工體檢，並為員工提供多種醫療保險。

集團維持高素質的生產安全標準。為使員工能在安全與舒適的環境中工作，集團嚴格遵守國際勞工標準和中國內地及港澳台相關法例，並按照各項業務不同的工作環境，制定了內部職業健康安全指引和政策，確保員工的健康與安全。集團為員工購買勞工保險，也為旗下工業板塊各子公司的員工提供安全生產、防災意識方面的培訓課程和演習，為存在職業危害因素崗位的員工配發符合國家及行業標準的個人勞動防護用品並不定期檢查其佩戴情況；定期安排員工職業病體檢並建立其健康監護檔案等。集團旗下工業板塊亦定期對員工作業場所進行職業危害因素檢測，以第三方檢測報告為依據，通過系統工程設施改造來改善員工作業場所的環境。回顧年度內，集團之工傷率極低，且並無因工死亡個案。

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### Development and Training

Employee development drives the progress of a company. While developing its business and safeguarding the basic rights of its employees, the Group also provides a platform for employees to develop their careers, which includes offering a comprehensive learning and training system that helps them develop quickly and strengthens their sense of belonging. The Group formulates suitable training courses according to the needs of its different departments and businesses. It also implements an internal recruitment system, in which employees can choose their career path based on their interests and strengths.

Every year, the Group provides new recruits with comprehensive induction training. The training provides an overview of the Group's business, delivers information about business partners, products knowledge, corporate culture and core values, and introduces business-related policies and laws to help new recruits integrate into the Hengdeli family.

The Group provides its front-line staff with both regular and one-off training programmes and is committed to developing professional sales teams so as to adapt to the increasingly specialised timepiece market and the volatile environment. The training covers knowledge of watches and watch brands, customer service, retail management, retail sector analysis, retail-related laws and regulations, oral Mandarin and English training and so forth. Training and development campaigns of various kinds held in each sales region of the Group during the year under review enhanced communication, mutual trust and solidarity and collaboration amongst employees holding different roles in different cities. The training camps for elite city managers of Prime Time have opened in Beijing, Chengdu and Harbin, respectively, mainly targeting the city managers from all retail regions. Through various ways such as knowledge introduction, skills training, shop visits and job reports, the camps provide the city managers from different retail regions with the opportunity to learn from each other and exchange experiences, passing on new knowledge and good experiences in a more effective way.

### 發展與培訓

員工的發展是企業進步的推動力，在發展業務及保障員工基本權益的同時，集團也積極為員工提供職業發展的平台，同時輔之以全面的學習培訓體系，從而幫助員工快速成長並不斷增強其歸屬感。集團按不同部門業務的需要，制定合適的培訓課程。集團亦採取內部招聘制度，員工可以根據自身興趣和專長來選擇其職業方向。

集團每年為新聘員工提供全面的入職培訓，內容涵蓋業務概況、合作夥伴、產品知識、企業文化、企業價值觀，及向其介紹與業務經營有關的政策及法例，協助新入職員工融入亨得利集團大家庭。

集團為前線員工提供定期及不定期的培訓項目，致力發展專業的銷售團隊，以配合現時日趨專業化的鐘錶市場及千變萬化的市場環境。培訓內容主要包括鐘錶知識、鐘錶品牌知識、客戶服務、零售管理、零售行業分析、零售相關法規知識、普通話及英文口語訓練等。回顧年度內，集團各銷售區域均開展了不同類別的培訓及拓展活動，增強了來自不同城市、不同崗位員工之間的良好溝通、相互信任、團結協作的精神。盛時錶行精英城市經理訓練營在北京、成都、哈爾濱三個城市分別開展，主要針對各零售直屬大區域的城市經理，通過知識講授、技能訓練、巡店參觀以及作業匯報等不同形式，令到不同地區的城市經理們有機會互相學習和交流經驗，將新的知識和好的經驗用更有效的方式傳承。

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The Group also provides its directors and senior managerial staff with regular training, so as to maintain sustainable professional development and enhance their knowledge and skills. The training includes regular updates on rules for listed companies, and information about relevant laws and regulations, corporate governance, internet application and international accounting standards as well as risk management accountability for directors. During the year under review, the Group also carried out a new round of strategic performance management training at Shanghai headquarter, with more than 30 senior management learning and discussing strategic performance management based on balanced scorecard. Participants combined the knowledge they learned with their practical work, and, with the department as a group, made their own strategic map from four dimensions including finance, customer, internal processes and learning and growth.

集團亦為董事及高級管理人員提供定期培訓，以保持其持續專業發展，更新其知識與技能。培訓內容主要包括上市公司條例、相關法律條例、企業管治、互聯網運用、國際會計準則的持續更新及董事風險管理責任等。回顧年度內，集團亦開展了新一期戰略績效管理培訓，三十餘位高級管理層在上海總部學習及討論了基於平衡計分卡的戰略績效管理。參與人員將學到的知識結合工作實際，以部門為小組，從財務、客戶、內部流程及學習成長四個維度，整理出一套自己的戰略地圖。

During the year under review, the average number of training hours per person provided by the Group was as follows:

回顧年度內，集團平均培訓時數如下：

Type	類別	Average number of hours per person 人均時數	
		2015 二零一五年	2016 二零一六年
Middle to senior management	中高層管理人員	26	16
Frontline staff	一線員工	33	15
Other employees	其他職員	25	14

### Training by ranking

### 按僱員類別劃分

Type	類別	Number in each type 每類別人數		Number of trainees 其中受訓人數		Percentage of trainees 受訓人數百分比	
		2015	2016	2015	2016	2015	2016
		二零一五年	二零一六年	二零一五年	二零一六年	二零一五年	二零一六年
Middle to senior management	中高層管理人員	301	363	181	195	60%	54%
Frontline staff	一線員工	6,106	5,462	3,864	4,797	63%	88%
Other employees	其他職員	2,780	2,588	126	484	5%	19%
<b>Total</b>	<b>總計</b>	<b>9,187</b>	<b>8,413</b>	<b>4,171</b>	<b>5,476</b>	<b>45%</b>	<b>65%</b>

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### Labour Standards

The Group has employees in Mainland China, Hong Kong, Macau and Taiwan. The Group is in strict compliance with international labour standards and all relevant local labour and employment laws and regulations. All of its employees and job applicants enjoy equal opportunities and fair treatment.

The Group adopts a comprehensive work assessment management system, and revises its recruitment system and internal training policies on a regular basis to ensure transparency and to maintain fairness and impartiality.

During the year under review, the Group was not involved in any issues relating to child labour or forced labour. The Group will continue to comply with the strict recruitment system to prevent child labour and forced labour.

### OPERATION PRACTICES

As a world's leading corporate in international watch retailing, the Group cooperates closely with suppliers and retailers to deliver safe, quality products to customers, and is dedicated to maintaining a high level of industrial production transparency and product responsibility. Throughout its operations, the Group ensures it maintains a good social reputation by complying with all national and regional anti-corruption and anti-bribery policies.

### 勞工準則

集團的僱員分佈在中國內地、香港、澳門及台灣各地。集團嚴格遵守國際勞工標準和員工所屬地相關勞動及僱傭法律法規，所有僱員與職位申請人都享有平等機會及公平待遇。

集團設有完善的工作考核管理制度，亦定期檢討招聘制度及人才培養內部準則，以確保其透明度及維持其公平與公正。

回顧年度內，集團未牽涉任何童工及強制勞動問題。集團將繼續遵守嚴謹的招聘制度，杜絕童工與強制勞工。

### 營運慣例

作為全球最具領導地位的國際鐘錶銷售企業，一直以來，集團與供貨商和零售商通力合作，致力將優質、安全的產品送到客戶手中；及在本企業工業生產中，努力達至高度的透明度和產品質量問責性。在整體業務運營中，集團時刻遵守所在國及地區反貪污和反賄賂政策，以保持及發揚集團優良的社會聲譽。



### Supply Chain Management

The Group implements an efficient supply chain management system that optimises links between manufacturers, suppliers, distributors and retailers, optimising the allocation of social resources. Meanwhile, the Group realises an effective link between production and sales as well as a reasonable flow of logistics, information and capital through an efficient information network, and delivers quality products and considerate services to consumers in a timely manner at reasonable prices.

The Group's industrial segment subsidiaries have each formulated an appropriate supplier code. Each factory has a detailed supplier survey, assessment sheet, as well as a standardised supplier management process. When selecting a supplier, an assessment on products of suppliers will be carried out by the examination and approval department of each factory according to various criteria including relevant national certifications (such as the ISO quality management system) for the Group's final approval. The Group also regularly evaluates each supplier's products in areas such as quality, pricing and environmental protection. Those suppliers which do not meet the Group's standards will be disqualified.

### Product Responsibility

The Group believes that providing quality products and excellent after-sales service is a crucial part of its successful corporate presence. The Group is engaged in the distribution of more than 50 internationally renowned watch brands, including numerous exclusive brands. When it comes to selecting brands for distribution, the Group prioritises the brand's quality and after-sales service, apart from its market demand. The Group has maintained sound business relationships with suppliers of some of the world's truly premier brands, mainly including the Swatch Group, the LVMH Group, the Richemont Group, the Rolex Group and the Kering Group and etc. These brands implement strict policies regarding production and sustainable development and enjoy an extremely high international reputation, which provides the Group with reliable, stable and quality product sources and in turn helps guarantee the Group's own reputation.

### 供應鏈管理

集團實施高效的供應鏈管理，致力優化生產商、供應商、分銷商及零售商等各個環節，使社會資源得到優化配置。同時，集團透過高效的信息網絡實現了生產及銷售的有效鏈接以及物流、信息流、資金流的合理流動，把優質的產品，以合理的價格及周到的服務及時送到消費者手中。

集團屬下之生產企業均制定了相應的供應商守則。每間工廠均有其詳細的供貨商調查表、評審考核表以及標準化的供貨商管理流程。在選擇供貨商時，各間工廠審核部門會根據國家相關認證（如ISO質量管理體系）等多方面標準，對供貨商的產品進行評核，而最終由集團確認批准。集團也會定期對供貨商產品在質量、價格、環保等方面進行評級，不合格的供貨商將會被適時取消供貨資格。

### 產品責任

集團相信，優質的產品和良好的售後服務是企業存續的重要元素。本集團經銷逾50個國際知名品牌手錶，其中包括多個獨家代理品牌。在品牌的選擇上，除了市場需求因素外，集團尤為重視的是品牌的質素和售後服務。一直以來，集團與國際頂級品牌供貨商均有良好而深入的合作關係，主要包括斯沃琪集團(Swatch Group)、路威酩軒集團(LVMH Group)、歷峰集團(Richemont Group)、勞力士集團(Rolex Group)、開雲集團(Kering Group)等。該等企業在產品製造及可持續發展上均有其嚴格的政策，並享有極高的國際聲譽。此等為集團提供了可靠、穩定及高質量的貨品來源，也是集團良好聲譽的重要保證。

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The Group's subsidiaries engaged in watch accessories manufacturing carry out strict quality management in line with national quality standards. The watch boxes and other packaging products manufactured by factories of subsidiary Yadi have all achieved national ISO9001:2008 and FSC certifications, and have also complied with EU Regulation (EC) No. 1907/2006 (REACH). Nivada complies with the national industry regulations, say, GB/T 6044-2005 for quartz watch and QB/T 1249-2004 for mechanical watch, and implements strict production testing and inspection standards. Every watch manufactured is accompanied by an inspection certificate. During the year under review, none of the products sold or delivered by the Group was recalled on safety and health grounds. However, customers may submit complaints, and the Group will conduct an independent investigation and deal with it in accordance with the internal guidelines.

The Group attaches great importance to respecting and safeguarding the rights of consumers. It is in strict compliance with the regulations and laws relating to sale of products to safeguard the interests of consumers. The Group also fully complies with the provisions of the Personal Data (Privacy) Ordinance in collecting consumer information and privacy protection. When collecting customer information, the Group will provide a "Personal Data Collection Statement" and explain to customers the purpose of personal data collection. Hengdeli will not use the personal data without the voluntary and express consent of the relevant parties.

The Group has established and protected its own intellectual properties, including its trademarks and domain names. Trademarks "Hengdeli", "Elegant" and "Prime Time" have been applied for registration or registered in Mainland China, Hong Kong, Macau, Taiwan and other overseas jurisdictions in respect of a number of categories. In addition, the Group's domain names are subject to continuous monitoring and renewal upon expiry.

One of the assurances the Group offers to its customers and brand suppliers is that it will provide "advanced technology, online warranty, efficient management and considerate services". The Group provides the most convenient joint

集團所屬之手錶配套生產企業，均按國家相關質量標準實施嚴格的質檢管理。其中雅迪裝飾包裝工廠生產的錶盒等包裝產品全部通過國家ISO9001:2008和FSC認證，同時也均達到歐盟第1907/2006號REACH法規之驗收標準。尼維達錶公司遵循國家制定的行業標準（石英錶GB/T 6044-2005）和機械錶（QB/T 1249-2004），對所生產的手錶均訂立了嚴格的生產檢驗以及驗收標準，所生產手錶均有檢驗合格證書。回顧年度內，其已售或已運送產品並無任何因安全或健康理由而回收個案。然而，客戶可呈交有關投訴，本集團將根據內部指引作出獨立調查及處理。

集團高度重視保障消費者權利。在商品售賣方面，集團嚴格遵守與銷售商品有關的法規及條例，以維護消費者利益。在收集消費者資料以及私隱保障方面，集團亦全力遵守「個人資料（私隱）條例」的規定。當收集客戶資料時，集團會提供「收集個人資料聲明」，並向客戶解釋收集個人資料的用途。亨得利只會在當事人自願和明確的同意之下才會使用當事人的個人資料。

本集團已建立及保障自有知識產權，當中包括其商標及域名。商標「亨得利」、「三寶」及「盛時錶行」等已分別於港澳台等其他境外相關司法權區及中國內地就多個類別申請或註冊。此外，本集團域名獲持續監控及於屆滿時續期。

「技術先進，網絡聯保，管理高效、服務貼心」是集團給予客戶及品牌供貨商的信心保證之一。集團以中國內地、香港及台灣等大中華區域聯保方式為客戶提供最便捷周到的服務；設

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warranty in the Greater China region covering Mainland China, Hong Kong and Taiwan by delivering comprehensive services to customers through an interactive customer service network consisting of repair and maintenance service centres, repair service stations and repair service points. Its service hotline 4008 acts as the Group's centralised service channel for the general public, offering timely help and advice and building customer confidence in the Group.

### Anti-Corruption

The Hengdeli Group is dedicated to establishing itself as a trustworthy, law-abiding enterprise. The Group advocates a work ethic that insists on compliance with law, integrity, honesty and professional dedication, and bans any form of acceptance of advantages or acts of bribery. Explicit rules concerning employees' professional integrity are communicated through the employees' guidebook, training courses as well as guidelines, for example, on conflict of interest, while the efficiency of the Group's entire internal management system is reviewed regularly. Channels are also available for employees to report on internal misconduct. The daily operations of the Group strictly comply with established procedures; the internal audit department audits each subsidiary regularly and reports to the audit committee while implementing appropriate measures to ensure all regulations are complied with. Further, the Group also commissions third-party auditors to carry out independent audits. All these measures effectively promoted the implementation and the improvement of the Group's regulatory system. During the year under review, there were no legal cases brought against the Group or any of its employees for their corruption or associated irregularities.

### INVESTMENT IN COMMUNITY

As a leading corporate citizen in international watch retailing, Hengdeli operates diligently and is actively involved in community and public welfare activities, serving the community and contributing to society through a variety of welfare platforms. Hengdeli both supports and participates in various charity and public events, with a particular focus on the education, growth and development of young people from deprived backgrounds or environments.

有「維修服務中心」、「維修服務站」及「維修服務點」三個層面的交互式全方位客戶服務網絡；4008服務熱線及客服郵箱作為集團服務統一對外的窗口，亦給客戶提供快捷的諮詢以及最佳的信心保障。

### 反貪污

亨得利集團致力成為信譽良好、遵紀守法的公司。集團倡導守法廉潔、誠實敬業的職業道德，禁止任何形式的利益收受、貪污賄賂行為。通過員工手冊、多種培訓以及例如利益衝突指引等之於員工職業操守進行明確規定和規範，定期檢討整個集團內部管理系統的成效。集團亦提供渠道以供員工對內部不當行為進行檢舉。集團日常運營程序均需遵守嚴格的程序流程；內部審計部門定期對各分子公司審計，並適時向審核委員會匯報，及採取相應措施以保證規範的執行。同時，集團亦外聘核數師作出獨立審計。此等均有效促進集團規範體制的執行與完善。回顧年度內，概無對集團或其員工就貪污行為提出起訴之法律案件及相關違規事件發生。

### 社區投資

作為在國際鐘錶銷售領域最具領導地位的企業公民，亨得利不僅用心經營業務，更積極參與社區和社會公益事業，依據自身的力量和各種公益平台服務社群，回饋社會。在各類慈善與社會活動中，亨得利尤為關注缺失資源之年輕一代的教育、成長和發展。

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- 1-2. In 2016, our subsidiaries organized many travelling activities for employees.
3. The Group organized birthday activities for the staff. Hengdeli accompanies all employees to growth.
4. Wuhan subsidiary of the Group held its outreach activities in Tianzi Lake in Xiaogan in June 2016.
5. In 2016, Prime Time elite city manager of our retail department conducted training in Harbin.
6. Shanghai headquarter conducted the strategic performance management training in March 2016.
7. Sponsored by Hengdeli, Professor Wong Kam Fai William, an independent non-executive Director of Hengdeli, awarded the Wu Yee Sun College Admission Scholarship of Chinese University of Hong Kong to the first year students.
8. Young Innovators Bazaar 2016 of "Project WeCan" which Hengdeli has sponsored for years.
- 9-10. Junior players from a number of countries and regions participated in the 2016 Elegant Cup Table Tennis Invitational Tournament sponsored by the Group.

- 1-2. 集團子公司2016年組織多次員工旅遊活動;
3. 集團為員工組織生日活動. 亨得利與員工一起成長。
4. 2016年6月集團武漢分區在孝感天紫湖舉行拓展活動。
5. 2016年集團零售部門盛時精英城市經理哈爾濱站培訓。
6. 2016年3月集團上海總部的戰略績效管理培訓。
7. 亨得利獨立非執行董事黃錦輝教授為學生頒發亨得利贊助之香港中文大學伍宜孫書院新生入學獎學金。
8. 集團連續多年贊助之“學校啟動計劃”2016年“趁墟做老闆”活動。
- 9-10. 集團贊助之二零一六三寶杯乒乓球邀請賽，多個國家及地區青少年選手參賽。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Since 2014, the Group's subsidiary "Prime Time" has joined hands with Xinhua Compassion Education Foundation to sponsor over 300 underprivileged students in Liangshan, Sichuan Province, Huining, Gansu Province, and other areas like Yuzhong, and opened "Prime Time Meirong Class" and "Prime Time Yuping Pearl Class" successively, sowing the seeds of love to these poverty-stricken areas and lighting up the eager eyes of those students with hope. Our love goes on. In the past few years, Prime Time has initiated a number of fund-raising activities in various forms such as charity auction and charity concert in Beijing, Shanghai and other cities.

In September 2016, funded by the Group's subsidiary "Prime Time", Shanghai Cedar Charity Foundation (上海杉樹公益基金會) cooperated with the Education Bureau of Butuo County, Liangshan Yi Autonomous Region, Sichuan Province to open three classes under the name of "Prime Time Class (1)", "Prime Time Class (2)" and "Prime Time Class (3)" respectively in Huolie Town and Luogu Town, Eliping, Butuo County, with 50 students in each class. Prime Time and Shanghai Cedar Charity Foundation will fund all the cost of accommodation and clothing of those students for six years of primary education. All students will live in school, and will be taken care of by dedicated dormitory teachers.

In 2016, the Group also sponsored the Freshmen Enrollment Scholarship at Wu Yee Sun College of The Chinese University of Hong Kong, in recognition of their excellent performance in Hong Kong Diploma of Secondary Education Examination. This scholarship was awarded to four eligible freshmen.

In such ways Hengdeli is fulfilling its social responsibility through practical action, passing on love and warmth.

Since 2011, the Group's subsidiary Elegant has been taking part in "Project WeCan" in Hong Kong. The project is an on-going school supporting initiative which, through various activities and academic and cultural exchanges, broadens the horizons of students, enhances their self-confidence, and prepares them with a solid foundation for entering the society in the future. This year, Elegant again sponsored "Young Innovators Bazaar", an entrepreneurship promoting event hosted by "Project WeCan". The theme of the event

自2014年開始，集團旗下盛時錶行與新華愛心教育基金會合作，資助了四川涼山、甘肅會寧、榆中等地區300多位貧困學生，先後成立了「盛時美蓉兒童班」及「盛時瑜平珍珠班」為這片貧瘠的土地播下愛心，為孩子們渴求的眼睛點燃希望。我們的愛一直在延續。在過去的幾年，盛時以慈善義賣拍賣活動、慈善演唱會等多種形式，在北京上海等地發動多次募捐。

二零一六年九月，在亨得利集團盛時錶行的捐助下，上海杉樹公益基金會和四川省涼山彝族自治州布拖縣教育局合作在布拖縣俄里坪火烈鄉、洛古鄉開設了三個兒童班，分別命名為「盛時兒童(1)班」、「盛時兒童(2)班」和「盛時兒童(3)班」，每班各50名學生。亨得利盛時錶行及杉樹基金會將資助學生們小學六年全部的食宿、服裝費用。所有學生統一住校讀書，並由專門的生活老師負責照顧生活。

與此同時，集團亦於二零一六年贊助香港中文大學伍宜孫書院的新生入學獎學金，以表揚他們在香港中學文憑試上取得的優良成績。此獎學金共頒給四位合資格新生。

亨得利用切實的行動踐行著自己的社會責任，努力讓溫暖的力量在心與心之間傳遞。

自2011年起，集團旗下之香港三寶公司就加入了香港「學校起動計劃」(Project WeCan)。此計劃是一個持續性的學校支持計劃，通過各項活動、學術及文化交流等，拓寬學生們的視野，增強其自信，為其日後投身社會打下良好基礎。本年度內，三寶公司再次贊助了「學校起動計劃」的「趁墟做老闆」活動，今年活動的主題是「青年創業起動 宣揚關愛共融」。於活動中，由香港三寶公司贊助的保良局朱敬文中

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this year is “young entrepreneurs promoting caring and inclusion”. During the event, Po Leung Kuk C W Chu College, sponsored by Elegant, sold not only lovely dolls, but also bags with drawings by the students and the disabled as well as the New Year ornaments and leather products made by themselves. The event offered valuable entrepreneurship experience for students who, in addition to experiencing the business model, could communicate with the general public face to face and join hands with the vulnerable groups, realising true social inclusion. In the end, Po Leung Kuk C W Chu College was the third winner of the “Best Booth Design Award”.

The Group has continued to involve itself in all-round development opportunities for young people. Since 2012, the Group has co-hosted successively the “Elegant Cup Table Tennis Tournament”, in which young players from various regions are invited to take part to promote table tennis, facilitate exchanges between players from different cities, and raise the awareness of the youth in their mental and physical health development. During the year under review, the Group hosted in July the “2016 Elegant Cup Table Tennis Tournament”, which drew players from countries and regions that included Japan, Taiwan, Malaysia, Philippines and Singapore and etc.

During the year, the Group also organised voluntary blood donations for its employees and heart caring initiatives on two festivals.

### OUTLOOK

Come rain or shine, we have been moving ahead through ups and downs over the past years. As we move ahead, we will continue to uphold the principle of being responsible for our customers, employees, shareholders and the society, and will seek and capture opportunities to strive for a harmonious development between the Company and the society, the Company and the environment, as well as the Company and all related parties to make our due contributions.

學的攤位除了有可愛的公仔外，更出售由同學們和弱能人士親手繪製的布袋及自家製的賀年掛飾和皮革製品。該活動為學生們提供了寶貴的營商體驗機會，同學們不但能夠親身體驗商業運作模式，亦能面對面接觸普羅大眾，更與社會上的弱勢社群合作，真正做到社會共融。最終保良局朱敬文中學喜獲「最佳攤位設計」季軍。

集團對青少年學生的全能發展也深切關注。由二零一二年起，集團便開始在香港連年舉辦「三寶盃乒乓球邀請賽」，邀請各地年青球員參與賽事，藉此推廣乒乓球運動，增加各城市運動員互相學習的機會，並提高青少年對身心健康發展的關注。回顧年度內，集團在七月舉辦了「2016三寶盃乒乓球邀請賽」，參賽選手來自日本、台灣、馬來西亞、菲律賓及新加坡等多個國家和地區。

本年度，集團還組織了員工義務獻血，開展了「兩節」慰問送溫暖活動等。

### 未來展望

風雨兼程，砥礪前行。未來，我們將繼續堅持對客戶、員工、股東及社會高度負責的原則，尋找並把握各種機遇，努力創造企業與社會、企業與環境以及企業與利益相關各方的協調發展，為社會做出應有的貢獻。

# FINANCIAL SUMMARY

## 財務概要

Year ended 31 December  
截至十二月三十一日止年度

RESULTS	業績	2016	2015	2014	2013	2012
		二零一六年 RMB'000 人民幣千元	二零一五年 RMB'000 人民幣千元	二零一四年 RMB'000 人民幣千元	二零一三年 RMB'000 人民幣千元	二零一二年 RMB'000 人民幣千元
Turnover	銷售額	12,334,151	13,302,724	14,764,370	13,375,443	12,120,448
(Loss)/profit before taxation	稅前(虧損)/溢利	(50,496)	347,452	807,277	673,355	1,230,982
Income tax	所得稅	(225,042)	(157,288)	(223,850)	(204,483)	(285,464)
(Loss)/profit for the year	年度(虧損)/溢利	(275,538)	190,164	583,427	468,872	945,518
Attributable to:	應佔:					
Equity shareholders of the Company	本公司股份持有人	(321,378)	144,868	504,220	400,421	855,153
Non-controlling interests	非控股權益	45,840	45,296	79,207	68,451	90,365
(Loss)/profit for the year	年度(虧損)/溢利	(275,538)	190,164	583,427	468,872	945,518

As at 31 December  
於十二月三十一日

ASSETS AND LIABILITIES	資產與負債	2016	2015	2014	2013	2012
		二零一六年 RMB'000 人民幣千元	二零一五年 RMB'000 人民幣千元	二零一四年 RMB'000 人民幣千元	二零一三年 RMB'000 人民幣千元	二零一二年 RMB'000 人民幣千元
Total assets	資產總額	12,583,118	12,198,738	12,844,123	12,833,322	12,486,286
Total liabilities	負債總額	6,216,669	5,658,381	6,215,495	6,649,156	6,572,444
Net assets	資產淨額	6,366,449	6,540,357	6,628,628	6,184,166	5,913,842
Total equity attributable to equity shareholders of the Company	本公司股份持有人應佔權益總額	5,746,297	5,930,787	5,983,004	5,599,234	5,456,864
Non-controlling interests	非控股權益	620,152	609,570	645,624	584,932	456,978
Total equity	權益合計	6,366,449	6,540,357	6,628,628	6,184,166	5,913,842

Note: The above figures include continuing operations and discontinued operations. 註：以上數字包括持續經營以及終止經營業務。



# AUDITOR'S REPORT

## 核數師報告



### OPINION

We have audited the consolidated financial statements of Hengdeli Holdings Limited (“the Company”) and its subsidiaries (“the Group”) set out on pages 97 to 229, which comprise the consolidated statement of financial position as at 31 December 2016, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 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 (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) 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”) together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 意見

本核數師（以下簡稱「我們」）已審計列載於第97至229頁的亨得利控股有限公司（以下簡稱「貴公司」）及其附屬公司（以下統稱「貴集團」）的綜合財務報表，此財務報表包括於二零一六年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於二零一六年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

### 意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒布的《專業會計師道德守則》（以下簡稱「守則」）以及與我們對開曼群島綜合財務報表的審計相關的道德要求，我們獨立於貴集團，並已履行這些道德要求以及守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

## AUDITOR'S REPORT

### 核數師報告

#### KEY AUDIT MATTERS

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

#### 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審核整體綜合財務報表及出具意見時進行處理的，而我們不會對這些事項提供單獨的意見。

Valuation of inventories 存貨估值	
<i>Refer to note 17 to the consolidated financial statements and the accounting policies on note 1(m).</i> 請參閱綜合財務報表附註17及附註1(m)的會計政策。	
The Key Audit Matter 關鍵審計事項	How the matter was addressed in our audit 我們的審計如何處理該事項
<p>Consumer demand for high end watches and tourist preferences for certain destinations in Hong Kong and Mainland China have been affected by various factors including foreign exchange rates, government policy toward conspicuous luxury spending and economic conditions in general. 香港及中國內地的高端手錶消費需求及遊客對若干旅遊目的地的偏好受多個因素影響，包括匯率、政府對炫耀性奢侈品消費的政策及整體經濟狀況。</p> <p>The Group primarily sells watches through its retail and distribution network in Hong Kong and Mainland China. The changing tastes and patterns of consumption of target customers require the Group to periodically review its inventory portfolio and selectively sell or dispose of watches that are less popular in some markets at a markdown from the original price. Accordingly, the actual future selling prices of some items of inventory may fall below their purchase costs. 貴集團主要透過其於香港及中國內地的零售及分銷網絡銷售手錶。目標客戶的品味及消費方式轉變使貴集團需定期檢討其存貨組合及選擇性地以較原價低的售價出售或處置在某些市場受歡迎程度較低的手錶。因此，某些存貨項目的實際未來售價可能跌至低於購買成本。</p>	<p>Our audit procedures to assess the valuation of inventories included the following: 我們就存貨估值的審計程序包括以下程序：</p> <ul style="list-style-type: none"><li>evaluating the Group's policy for making provisions for inventories with reference to the requirements of the prevailing accounting standards;</li><li>參考現行會計準則的規定就貴集團對存貨作出撥備的政策進行評估；</li><li>evaluating whether the list of "fast sale" models had been compiled based on the criteria and parameters adopted by the Group by selecting a sample of inventories from the inventories list at the year end based on the criteria and parameters approved by the senior sales managers and assessing if these items were included in the list of "fast sale" models;</li><li>按照高級銷售經理核准的標準及參數，在年末存貨清單中挑選樣本，判斷該等樣本是否應該包含在「特賣」清單中，以此評估「特賣」清單中的型號是否符合集團所採納的標準及參數；</li></ul>

## Valuation of inventories (continued) 存貨估值 (續)

Refer to note 17 to the consolidated financial statements and the accounting policies on note 1(m).  
請參閱綜合財務報表附註17及附註1(m)的會計政策。

The Key Audit Matter  
關鍵審計事項

The senior sales managers review the full inventory list regularly to identify watches which may need to be discounted in order to increase their chances of being sold. Data used in this review process includes: 1) the sales volume history; 2) the ageing of inventory; 3) physical condition reports from the shops; and 4) recommended selling prices set by brand owners. Finance staff use this list of "fast sale" models to calculate an inventory provision based on the expected discounts necessary to sell the watches.

高級銷售經理定期審閱整份存貨清單，以識別出可能需要作出折扣以增加其出售機會的手錶。於該審閱過程中使用的數據包括：1)銷量記錄；2)存貨的賬齡；3)商店的實質狀況報告；及4)品牌經理所定的建議售價。財務部員工使用此「特賣」型號清單根據出售手錶預期所需折扣計算存貨撥備。

How the matter was addressed in our audit  
我們的審計如何處理該事項

- assessing whether provisions for inventories at the year end date were determined based on the Group's inventory provision policy by selecting inventories which had indicators that a discount may be necessary to sell the watches, on a sample basis, and recalculating the provisions for inventories based on the Group's inventory provision policy;
- 透過對有指標提示需要打折銷售的存貨進行抽樣，並根據貴集團的存貨撥備政策重新計算存貨撥備，以評估年末日期存貨的撥備是否基於貴集團的存貨撥備政策釐定；
- assessing the major parameters (including the criteria adopted for selecting inventory items for which provision may be required and the percentages applied) adopted in Group's inventory provision policy by comparing the parameters with those adopted in the prior year and by comparing inventories sold below cost during the current year with the inventory provision at the beginning of the year;
- 透過將參數與上年度所採納的該等參數進行比較，及將年內以低於成本出售的存貨與年初的存貨撥備進行比較，以就貴集團的存貨撥備政策中所採納的主要參數（包括選擇有減值風險存貨的標準及應用百分比）進行評估；

## AUDITOR'S REPORT

### 核數師報告

Valuation of inventories (continued) 存貨估值 (續)	
<i>Refer to note 17 to the consolidated financial statements and the accounting policies on note 1(m).</i> 請參閱綜合財務報表附註17及附註1(m)的會計政策。	
The Key Audit Matter 關鍵審計事項	How the matter was addressed in our audit 我們的審計如何處理該事項
<p>We identified the valuation of inventories as a key audit matter because the selection process for identifying “fast sale” watches and the estimation of the necessary discounts to sell the watches involve the exercise of significant judgement which can be inherently uncertain.</p> <p>我們將存貨估值識別為關鍵審計事項，原因為識別「特賣」手錶的挑選過程及估計出售手錶所需折扣涉及作出重大判斷，而當中可能存在固有不確定性。</p>	<ul style="list-style-type: none"><li>• assessing whether items in the inventory ageing report were classified within the appropriate ageing bracket by comparing the details of a sample of items in the report with the underlying goods received notes;</li><li>• 透過比較庫齡報告中項目樣本與對應收貨單的詳情，評估報告中的項目是否被分類於正確的庫齡區間；</li><li>• comparing, on a sample basis, the sales prices achieved for inventories sold after the year end date with their carrying values as at the year end date;</li><li>• 以樣本為基準，比較年結日之後出售存貨之銷售價與其截至年結日之賬面值；</li><li>• enquiring of the senior members of the sales team about any expected changes in plans for markdowns or disposals of selected inventories, comparing their representations with actual sales transactions subsequent to the year end date.</li><li>• 向銷售團隊的高級成員了解所選庫存之降價或出售計劃中的任何預估變動，將其陳述與年結日之後的實際銷售交易作比較。</li></ul>

**Recoverability of trade receivables 應收貿易賬款的可收回性**

Refer to note 18 to the consolidated financial statements and the accounting policies on note 1(n).  
請參閱綜合財務報表附註18及附註1(n)的會計政策。

**The Key Audit Matter**  
關鍵審計事項

The Group's customers are principally involved in the retail or wholesale business in Hong Kong and Mainland China. For certain shops in department stores, the landlords normally collect sales proceeds on behalf of the Group. Because of competition experienced by traditional retailers from e-commerce and the difficult economic conditions in certain cities, some customers and landlords are facing challenges in terms of profitability and liquidity.

貴集團客戶主要於香港及中國內地從事零售及批發業務。在商場中的若干門店，其銷售款項由商場業主代貴集團收取。由於若干城市的傳統零售商經歷了來自電子商務的競爭及困難的經濟環境，一些客戶及業主正面臨盈利能力及流動性的挑戰。

The Group's provisions for doubtful debts are based on management's estimate of the expected credit losses to be incurred, which is estimated by taking into account the credit history of the respective debtors, which include the landlords of certain in-store shops, and other current market and customer-specific conditions.

貴集團呆賬之條款以管理層對預期信貸虧損，其他現行市場及客戶特定情況的估計為基準。預期信貸虧損是考慮了單個債務人，包括若干門店之業主的信貸記錄而估計。

**How the matter was addressed in our audit**  
我們的審計如何處理該事項

Our audit procedures to assess the recoverability of trade receivables included the following:  
我們就應收貿易賬款可收回性的審計程序包括以下程序：

- obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls relating to credit control, debt collection and making provisions for doubtful debts;
- 了解管理層有關信貸控制、債項收回及就呆賬作出撥備的關鍵內部控制的設計、實施及運作有效性，並對其進行評估；
- assessing whether items in the trade receivables ageing report were classified within the appropriate ageing bracket by comparing the details of a sample of individual transactions with underlying sales invoices and, where available, statements from department store landlords;
- 透過比較個別交易樣本的詳細資料與相關銷售發票及（於可得的情況下）百貨公司業主的對賬單，評估應收貿易款項賬齡報告中的各項目是否均分類於適當的賬齡段；

## AUDITOR'S REPORT

### 核數師報告

Recoverability of trade receivables (continued) 應收貿易賬款的可收回性 (續)	
<p>Refer to note 18 to the consolidated financial statements and the accounting policies on note 1(n). 請參閱綜合財務報表附註18及附註1(n)的會計政策。</p>	
The Key Audit Matter 關鍵審計事項	How the matter was addressed in our audit 我們的審計如何處理該事項
<p>The Group's provisions for doubtful debts include a specific element based on the ageing and settlement history of customers in addition to the factors noted above and a collective element based on ageing and historical experience. 除了以上提示的要素及一個以賬齡及歷史經驗為基準的共同要素，貴集團呆賬之條款還包括一個以客戶賬齡及結付記錄為基準的特定要素。</p> <p>We identified assessing the recoverability of trade receivables as a key audit matter because financial information about the liquidity of customers and landlords may not be readily available to the Group which requires the exercise of significant management judgement in determining whether trade receivables will be recovered in full and the level of provisions required for doubtful debts. 我們確定將評估應收貿易賬款可收回性作為關鍵審計事項，原因在於關於客戶及業主流動性的財務資料對於貴集團而言可能難以取得。就決定貿易賬款能否完全回收及呆賬之計提水平而言，需要管理層作出重大判斷。</p>	<ul style="list-style-type: none"> <li>obtaining an understanding of the basis of management's judgements about the recoverability of individual balances and evaluating, on a sample basis, the provisions for doubtful debts made by management for these individual balances with reference to the debtors' financial condition, the industry and location in which the debtors are operating, the ageing of overdue balances, historical and post year-end payment records and settlement plans where these have been agreed with the debtors;</li> <li>了解管理層對個別結餘可收回性的判斷基準，並按樣本基準對管理層根據債務人的財務狀況、債務人經營的所在行業及地點、逾期結餘的賬齡、過往及年末日後的付款記錄以及已與債務人達成一致意見的結算計劃就該等個別結餘作出的呆賬撥備進行評估；</li> <li>assessing the assumptions and estimates made by management for the provisions for doubtful debts calculated based on a collective assessment by: 1) performing a retrospective comparison between the historical provision made and actual cash receipts during the current year; and 2) recalculating the Group's provision with reference to the Group's policy for collective assessment; and</li> <li>透過1) 回顧性比較過往所作撥備與年內實際現金收入；及2) 根據貴集團總體評估的政策重新計算貴集團的撥備，評估管理層對根據總體評估計算的呆賬撥備作出的假設及估計；及</li> <li>comparing cash receipts, on a sample basis, from debtors subsequent to the year end relating to trade receivable balances at 31 December 2016 with bank statements and underlying remittance documentation, where applicable.</li> <li>按樣本基準，比較於年末後就於2016年12月31日的應收貿易結餘自債務人收取的現金收入與銀行對賬單及相關匯款文件（如適用）。</li> </ul>

**Information other than the consolidated financial statements and auditor's report thereon**

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the directors for the consolidated financial statements**

The directors 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.

**綜合財務報表及其核數師報告以外的信息**

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括綜合財務報表及我們的核數師報告。

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

**董事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布的《香港財務報告準則》及香港《公司條例》的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

## AUDITOR'S REPORT

### 核數師報告

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

#### 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. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

審計委員會協助董事履行監督貴集團的財務報告過程的責任。

#### 核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們是僅向整體股東報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

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

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

## AUDITOR'S REPORT

### 核數師報告

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

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

The engagement partner on the audit resulting in this independent auditor's report is Chan Kim Tak.

#### KPMG

Certified Public Accountants  
8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong

29 March 2017

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

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

出具本獨立核數師報告的審計項目合夥人是陳儉德。

#### 畢馬威會計師事務所

執業會計師  
香港中環  
遮打道10號  
太子大廈8樓

二零一七年三月二十九日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

## 綜合損益表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度  
(Expressed in Renminbi) (以人民幣呈列)

			2016 二零一六年	2015 二零一五年 (Restated) (已重列)
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Continuing operations:</b>		<b>持續經營業務：</b>		
Revenue	收益	3	11,323,378	11,792,861
Cost of sales	銷售成本		(8,904,648)	(9,145,627)
<b>Gross profit</b>	<b>毛利</b>		<b>2,418,730</b>	<b>2,647,234</b>
Other revenue	其他收益	4	129,722	98,329
Other net loss	其他虧損淨額	4	(71,830)	(110,023)
Distribution costs	分銷成本		(1,659,738)	(1,710,414)
Administrative expenses	行政費用		(342,061)	(319,677)
Other operating expenses	其他經營開支		(169)	(13,970)
<b>Profit from operations</b>	<b>經營溢利</b>		<b>474,654</b>	<b>591,479</b>
Finance costs	財務成本	5(a)	(202,923)	(205,765)
Share of profits of joint ventures	應佔合營公司溢利	15	1,617	411
<b>Profit before taxation</b>	<b>除稅前溢利</b>	<b>5</b>	<b>273,348</b>	<b>386,125</b>
Income tax	所得稅	6(a)	(224,866)	(154,132)
<b>Profit for the year from continuing operations</b>	<b>來自持續經營業務之年度溢利</b>		<b>48,482</b>	<b>231,993</b>
<b>Discontinued operations</b>	<b>終止經營業務</b>			
Loss for the year from discontinued operations	來自終止經營業務之年度虧損	28	(324,020)	(41,829)

The notes on pages 106 to 229 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the loss for the year are set out in note 26(b).

第106至229頁之附註屬此等財務報表一部分。應付本公司股份持有人應佔年度虧損之股息詳情載於附註26(b)。

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

### 綜合損益表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度  
(Expressed in Renminbi) (以人民幣呈列)

		2016 二零一六年	2015 二零一五年 (Restated) (已重列)
	Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
(Loss)/profit for the year	年度(虧損)/溢利	(275,538)	190,164
Attributable to:	應佔:		
Equity shareholders of the Company	本公司股份持有人		
– continuing operations	– 持續經營業務	(10,134)	184,255
– discontinued operations	– 終止經營業務	(311,244)	(39,387)
		(321,378)	144,868
Non-controlling interests	非控股權益		
– continuing operations	– 持續經營業務	58,616	47,738
– discontinued operations	– 終止經營業務	(12,776)	(2,442)
		45,840	45,296
(Loss)/profit for the year	年度(虧損)/溢利	(275,538)	190,164
Basic and diluted (losses)/ earnings per share	每股基本及攤薄 (虧損)/盈利		
– continuing operations	– 持續經營業務	RMB(0.002)	RMB0.038
– discontinued operations	– 終止經營業務	RMB(0.065)	RMB(0.008)
		RMB(0.067)	RMB0.030

The notes on pages 106 to 229 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the loss for the year are set out in note 26(b).

第106至229頁之附註屬此等財務報表一部分。應付本公司股份持有人應佔年度虧損之股息詳情載於附註26(b)。

# 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  
(Expressed in Renminbi) (以人民幣呈列)

		2016 二零一六年	2015 二零一五年 (Restated) (已重列)
	Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
(Loss)/profit for the year	年度(虧損)/溢利	(275,538)	190,164
<b>Other comprehensive income for the year</b>	<b>年度其他全面收入</b>		
Items that may be reclassified subsequently to profit or loss:			
Available-for-sale securities:	隨後可能重新分類至損益之項目：		
net movement in the fair value reserve	可供出售證券： 公允價值儲備變動淨額	129,923	(1,215)
Exchange differences on translation of overseas subsidiaries' financial statements	換算海外附屬公司財務報表所產生之匯兌差額		
– continuing operations	– 持續經營業務	(93,773)	(127,967)
– discontinued operations	– 終止經營業務	17,322	17,145
		53,472	(112,037)
Items that will not be reclassified subsequently to profit or loss:	隨後不會重新分類至損益之項目：		
Exchange differences on translation of the Company's financial statements	換算本公司財務報表所產生之匯兌差額	86,971	100,350
<b>Total comprehensive income for the year</b>	<b>年度全面收入總額</b>	<b>(135,095)</b>	<b>178,477</b>
<b>Attributable to:</b>	<b>應佔：</b>		
Equity shareholders of the Company	本公司股份持有人		
– continuing operations	– 持續經營業務	112,987	155,423
– discontinued operations	– 終止經營業務	(301,604)	(22,242)
		(188,617)	133,181
Non-controlling interests	非控股權益		
– continuing operations	– 持續經營業務	58,616	47,738
– discontinued operations	– 終止經營業務	(5,094)	(2,442)
		53,522	45,296
<b>Total comprehensive income for the year</b>	<b>年度全面收入總額</b>	<b>(135,095)</b>	<b>178,477</b>

The notes on pages 106 to 229 form part of these financial statements.

第106至229頁之附註屬此等財務報表一部分。

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

(Expressed in Renminbi) (以人民幣呈列)

		Note 附註	31 December 2016 二零一六年十二月三十一日		31 December 2015 二零一五年十二月三十一日	
			RMB'000	RMB'000	RMB'000	RMB'000
			人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>					
Investment properties	投資物業	11		37,311		39,298
Other property, plant and equipment	其他物業、廠房及設備	11		1,561,199		1,465,261
				1,598,510		1,504,559
Intangible assets	無形資產	12		73,758		79,756
Goodwill	商譽	13		455,827		770,222
Interest in joint ventures	於合營公司之權益	15		58,323		58,200
Other investments	其他投資	16		200,903		63,487
Prepayment and deposits	預付款項及按金	18		17,291		–
Deferred tax assets	遞延稅項資產	25(b)(i)		139,806		106,638
				2,544,418		2,582,862
<b>Current assets</b>	<b>流動資產</b>					
Inventories	存貨	17	5,607,412		6,376,350	
Trade and other receivables	應收貿易賬款及其他應收款項	18	1,366,222		1,329,175	
Cash and cash equivalents	現金及現金等價物	19	2,791,572		1,910,351	
			9,765,206		9,615,876	
Assets classified as held for sale	已分類為持作出售之資產	28	273,494		–	
			10,038,700		9,615,876	
<b>Current liabilities</b>	<b>流動負債</b>					
Trade and other payables	應付貿易賬款及其他應付款項	20	1,623,890		1,962,269	
Bank loans	銀行貸款	21	2,641,387		704,374	
Senior notes	優先票據	22	709,083		–	
Current taxation	本期應繳稅項	25(a)	32,196		20,778	
			5,006,556		2,687,421	
Liabilities classified as held for sale	已分類為持作出售之負債	28	32,570		–	
			5,039,126		2,687,421	
<b>Net current assets</b>	<b>流動資產淨值</b>			4,999,574		6,928,455
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>			7,543,992		9,511,317

The notes on pages 106 to 229 form part of these financial statements. 第106至229頁之附註屬此等財務報表一部分。

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

(Expressed in Renminbi) (以人民幣呈列)

		Note 附註	31 December 2016 二零一六年十二月三十一日		31 December 2015 二零一五年十二月三十一日	
			RMB'000	RMB'000	RMB'000	RMB'000
			人民幣千元	人民幣千元	人民幣千元	人民幣千元
Non-current liabilities	非流動負債					
Bank loans	銀行貸款	21	243,949		552,468	
Long-term payables	長期應付款項		-		24,351	
Senior notes	優先票據	22	790,116		2,288,436	
Deferred tax liabilities	遞延稅項負債	25(b)(ii)	143,478		105,705	
				1,177,543		2,970,960
<b>NET ASSETS</b>	<b>資產淨值</b>			<b>6,366,449</b>		<b>6,540,357</b>
CAPITAL AND RESERVES	資本及儲備					
Share capital	股本	26(c)		22,841		22,841
Reserves	儲備			5,723,456		5,907,946
Total equity attributable to equity shareholders of the Company	本公司股份持有人應佔權益總額			5,746,297		5,930,787
Non-controlling interests	非控股權益			620,152		609,570
<b>TOTAL EQUITY</b>	<b>權益總額</b>			<b>6,366,449</b>		<b>6,540,357</b>

Approved and authorised for issue by the board of directors on 29 March 2017.

於二零一七年三月二十九日獲董事會批准及授權刊印。

Zhang Yuping  
Executive Director

Huang Yonghua  
Executive Director

張瑜平  
執行董事

黃永華  
執行董事

The notes on pages 106 to 229 form part of these financial statements.

第106至229頁之附註屬此等財務報表一部分。

# 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  
(Expressed in Renminbi) (以人民幣呈列)

Attributable to equity shareholders of the Company  
本公司股份持有人應佔

	Note 附註	Share	Share	Capital	Capital	Exchange	PRC	Fair	Retained	Total	Non-	Total
		capital	premium	redemption	reserve	reserve	statutory	value	profits		controlling	
		股本	股份溢價	股本贖回儲備	資本儲備	匯兌儲備	法定儲備	公允儲備	保留溢利	總計	非控股權益	權益總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2015	於二零一五年一月一日之結餘	22,920	2,707,753	178	(28,190)	(188,770)	437,243	1,215	3,030,655	5,983,004	645,624	6,628,628
Changes in equity for 2015:	二零一五年權益變動：											
Profit for the year	年度溢利	-	-	-	-	-	-	-	144,868	144,868	45,296	190,164
Other comprehensive income	其他全面收入	9	-	-	-	(10,472)	-	(1,215)	-	(11,687)	-	(11,687)
Total comprehensive income	全面收入總額	-	-	-	-	(10,472)	-	(1,215)	144,868	133,181	45,296	178,477
Dividends approved in respect of the previous year	批准過往年度股息	26(b)	-	-	-	-	-	-	(153,100)	(153,100)	-	(153,100)
Dividends to holders of non-controlling interests	派付非控股權益持有人之股息		-	-	-	-	-	-	-	-	(56,709)	(56,709)
Transfer between reserves	儲備之間轉移		-	-	-	-	22,248	-	(22,248)	-	-	-
Repurchase of convertible bonds	購回可換股債券		-	-	(2,296)	-	-	-	2,296	-	-	-
Shares purchased under share award scheme	根據股份獎勵計劃已購回之股份	24(c)	-	-	(8,265)	-	-	-	-	(8,265)	-	(8,265)
Purchase of own shares	購買本公司股份											
- par value	- 面值		(79)	-	-	-	-	-	-	(79)	-	(79)
- premium paid	- 已付溢價		(22,611)	-	-	-	-	-	-	(22,611)	-	(22,611)
- transfer between reserves	- 儲備之間轉移		-	79	-	-	-	-	-	79	-	79
Acquisition of additional equity interest in a subsidiary	收購於一間附屬公司之額外股權		-	-	(2,323)	-	-	-	-	(2,323)	(22,185)	(24,508)
Capital distribution to holders of non-controlling interests	向非控股權益持有人作出資本分派		-	-	-	-	-	-	-	-	(2,456)	(2,456)
Disposal of equity interest in a subsidiaries	出售附屬公司之股權		-	-	901	-	-	-	-	901	-	901
Balance at 31 December 2015	於二零一五年十二月三十一日之結餘	22,841	2,685,142	257	(40,173)	(199,242)	459,491	-	3,002,471	5,930,787	609,570	6,540,357

The notes on pages 106 to 229 form part of these financial statements.

第106至229頁之附註屬此等財務報表一部分。



# 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  
(Expressed in Renminbi) (以人民幣呈列)

		Attributable to equity shareholders of the Company 本公司股份持有人應佔										
		Share capital	Share premium	Capital redemption reserve	Capital reserve	Exchange reserve	PRC statutory reserve	Fair value reserve	Retained profits	Total	Non-controlling interests	Total equity
		股本	股份溢價	回購備	資本儲備	匯兌儲備	法定儲備	公允儲備	保留溢利	總計	非控股權益	權益總額
Note		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
附註		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Changes in equity for 2016:	二零一六年權益變動：											
(Loss)/profit for the year	年度(虧損)/溢利	-	-	-	-	-	-	-	(321,378)	(321,378)	45,840	(275,538)
Other comprehensive income	其他全面收入	9	-	-	-	2,838	-	129,923	-	132,761	7,682	140,443
Total comprehensive income	全面收入總額	-	-	-	-	2,838	-	129,923	(321,378)	(188,617)	53,522	(135,095)
Dividends to holders of non-controlling interests	派付非控股權益持有人之股息	-	-	-	-	-	-	-	-	-	(40,426)	(40,426)
Transfer between reserves	儲備之間轉移	-	-	-	-	-	91,139	-	(91,139)	-	-	-
Shares granted under share award scheme	根據股份獎勵計劃已授出之股份	24(c)	-	-	4,285	-	-	-	-	4,285	-	4,285
Acquisition of additional equity interest in a subsidiary	收購於一間附屬公司之額外股權	-	-	-	(158)	-	-	-	-	(158)	(2,514)	(2,672)
Balance at 31 December 2016	於二零一六年十二月三十一日之結餘	22,841	2,685,142	257	(36,046)	(196,404)	550,630	129,923	2,589,954	5,746,297	620,152	6,366,449

The notes on pages 106 to 229 form part of these financial statements.

第106至229頁之附註屬此等財務報表一部分。

# CONSOLIDATED CASH FLOW STATEMENT

## 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  
(Expressed in Renminbi) (以人民幣呈列)

	Note 附註	2016 二零一六年		2015 二零一五年	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Operating activities</b>	<b>經營活動</b>				
Cash generated from operations	營運所得現金	1,000,768		1,103,879	
Income tax paid	已付所得稅	(204,758)		(186,850)	
<b>Net cash generated from operating activities</b>	<b>經營活動所得現金淨額</b>		<b>796,010</b>		<b>917,029</b>
<b>Investing activities</b>	<b>投資活動</b>				
Payment for the purchase of property, plant and equipment	購入物業、廠房及設備付款	(242,760)		(153,242)	
Proceeds from disposal of property, plant, equipment and intangible assets	出售物業、廠房、設備及無形資產所得款項	4,635		10,033	
Payment for the purchase of intangible assets	購入無形資產付款	(3,710)		(5,614)	
Payment for profit guarantee compensation	溢利保證補償付款	-		(97,602)	
Payment for additional equity interest in a subsidiary	一間附屬公司之額外權益之付款	(2,672)		-	
Payment for the purchase of unlisted investments	收購非上市投資之付款	-		(1,527)	
Payment for acquisition of subsidiaries completed in previous year	過往年度內完成的收購附屬公司之付款	(3,000)		-	
Payment for the purchase of available-for-sale securities	收購可供出售證券之付款	-		(47,290)	
Increase in loan lent to an unlisted investment	借予非上市投資貸款增加	(1,500)		-	
Decrease in deposits with banks	銀行存款減少	-		113,000	
Interest received	已收利息	15,752		16,023	
Payment for acquisitions of subsidiaries, net of cash	收購附屬公司之付款，扣除所得現金	-		(13,359)	
Payment for establishment of a joint venture	成立合營公司之付款	-		(5,000)	
Dividends received from unlisted investments	已收非上市投資股息	25,443		33,494	
Dividends received from a joint venture	已收合營公司股息	1,453		2,677	
<b>Net cash used in investing activities</b>	<b>投資活動所耗現金淨額</b>		<b>(206,359)</b>		<b>(148,407)</b>

The notes on pages 106 to 229 form part of these financial statements.

第106至229頁之附註屬此等財務報表一部分。

## CONSOLIDATED CASH FLOW STATEMENT

## 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  
(Expressed in Renminbi) (以人民幣呈列)

	Note 附註	2016 二零一六年		2015 二零一五年	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Financing activities</b>					
Proceeds from new bank loans			2,761,257		1,112,809
Repayment of bank loans			(1,225,240)		(1,409,392)
Payment for interest on senior notes	22		(115,825)		(134,007)
Repurchase of senior notes	22		(916,112)		(24,804)
Payment for redemption of convertible bonds			-		(82,047)
Payment for interest on convertible bonds			-		(1,946)
Other borrowing costs paid			(76,987)		(45,717)
Payment for purchase of own shares			-		(22,611)
Payment for purchase of shares under share award scheme			-		(8,265)
Dividends paid to equity shareholders of the Company	24(c)		-		(153,100)
Payment for capital distribution to holders of non-controlling interests	26b(ii)		-		(2,365)
Dividends paid to holders of non-controlling interests			(40,099)		(64,752)
<b>Net cash generated from/(used in) financing activities</b>			<b>386,994</b>		<b>(836,197)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>			<b>976,645</b>		<b>(67,575)</b>
Cash and cash equivalents at 1 January	19(a)		1,910,351		1,968,065
Effect of foreign exchange rate changes			55,233		9,861
Cash and cash equivalents at 31 December	19(a)		2,942,229		1,910,351
<b>Analysis of cash and cash equivalents</b>					
Cash and cash equivalents of the Group			2,942,229		1,910,351
Reclassification to assets classified as held for sale	28		(150,657)		-
			<b>2,791,572</b>		<b>1,910,351</b>

The notes on pages 106 to 229 form part of these financial statements.

第106至229頁之附註屬此等財務報表一部分。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA), accounting principles generally accepted in Hong Kong, and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“the Exchange”). Significant accounting policies adopted by Hengdeli Holdings Limited (the “Company”) and its subsidiaries (together referred to as the “Group”) are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

#### (b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2016 comprise the Group and the Group's interest in joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets are stated at their fair value as explained in the accounting policies set out below:

- financial instruments classified as available-for-sale (see note 1(g))

Non-current assets and disposal group held for sale are stated at the lower of carrying amount and fair value less costs to sell (see note 1(y)).

### 1. 重要會計政策

#### (a) 遵例聲明

此等財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈的所有適用香港財務報告準則（「香港財務報告準則」，該詞泛指包括所有適用的個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港公認會計原則的規定及香港公司條例的披露規定編製。此等財務報表亦符合香港聯合交易所有限公司（「聯交所」）證券上市規則的適用披露規定。亨得利控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）所採納的重要會計政策披露如下。

香港會計師公會已頒佈若干於本集團現時會計期間首次生效或可供提前採納的新增及經修訂香港財務報告準則。附註1(c)列載於此等財務報表反映之現時及過往會計期間初次採納該等與本集團相關的會計準則所造成的任何會計政策變動之資料。

#### (b) 財務報表的編製基準

截至二零一六年十二月三十一日止年度之綜合財務報表包括本集團以及本集團於合營公司之權益。

編製財務報表所用之計量基準為歷史成本法，惟下文所載會計政策闡明之以其公允值列賬之資產除外：

- 歸類為可供出售之金融工具（參看附註1(g)）

持作出售之非流動資產及出售組別以賬面值與公允值減銷售成本兩者之間的較低者列賬（參見附註1(y)）。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(b) Basis of preparation of the financial statements***(Continued)*

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 2.

**(c) Changes in accounting policies**

The HKICPA has issued the following amendments to HKFRSs that are first effective for the current accounting period of the Group and the Company.

- Amendments to HKAS 1, *Disclosure initiative*
- Amendments to HKFRS 10, HKFRS 12 and HKAS 28, *Investment entities: Applying the consolidation exception*

**1. 重要會計政策 (續)****(b) 財務報表的編製基準 (續)**

管理層需在編製符合香港財務報告準則之財務報表時作出判斷、估計及假設，而有關判斷、估計及假設會影響政策之應用及資產與負債及收入與支出之經呈報金額。估計及相關假設乃根據過往經驗及各種在有關情況下被判斷為合理之其他因素，在沒有其他直接來源下，作為判斷資產及負債之賬面值之基礎。因此，實際結果可能與該等估計有所出入。

管理層會不斷審閱該估計及相關假設。如修訂之會計估計僅影響本期，修訂會於當期確認；如修訂同時影響本期及未來期間，修訂會於本期及未來期間確認。

管理層於應用香港財務報告準則時所作出對財務報表有重大影響之判斷，以及主要估計不明朗因素來源於附註2討論。

**(c) 會計政策之變動**

香港會計師公會已頒佈下列於本集團及本公司本會計期間起首次生效的香港財務報告準則修訂。

- 香港會計準則第1號(修訂本)，*披露計劃*
- 香港財務報告準則第10號(修訂本)、香港財務報告準則第12號(修訂本)及香港會計準則第28號(修訂本)，*投資實體：應用合併的例外規定*

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (c) Changes in accounting policies (Continued)

- Amendments to HKFRS 11, *Accounting for acquisitions of interests in joint operations*
- Amendments to HKAS 16 and HKAS 38, *Clarification of acceptable methods of depreciation and amortization*
- HKFRS 14, *Regulatory deferral accounts*
- Annual Improvements to HKFRSs 2012-2014 Cycle

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

##### (d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. 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. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

#### 1. 重要會計政策 (續)

##### (c) 會計政策之變動 (續)

- 香港財務報告準則第11號(修訂本)，收購於合營公司權益的會計法
- 香港會計準則第16號(修訂本)及香港會計準則第38號(修訂本)，可接受的折舊及攤銷方法分類
- 香港財務報告準則第14號，監管遞延賬目
- 對香港財務報告準則2012-2014週期之年度改進

以上各項之發展對本集團本期或往期已編製或呈報之業績及財務狀況並無重大影響。本集團並無採納任何於本會計期間尚未生效之任何新準則或詮釋。

##### (d) 附屬公司及非控股權益

附屬公司乃由本集團控制的實體。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。於評估本集團是否擁有有關權力時，僅會考慮實質權利(由本集團及其他方持有)。

於附屬公司之投資乃由控制權開始當日起合併計入綜合財務報表內，直至控制權終止日為止。集團內公司間結餘、交易及現金流量，以及因進行集團內公司間交易而產生之任何未變現溢利，均於編製綜合財務報表時全數抵銷。集團內公司間交易產生之未變現虧損之抵銷方式與未變現收益相同，惟僅以並無減值跡象者為限。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(d) Subsidiaries and non-controlling interests***(Continued)*

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 1(o), (p) or (q) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 1(g)) or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture (see note 1(e)).

**1. 重要會計政策 (續)****(d) 附屬公司及非控股權益 (續)**

非控股權益指並非本公司直接或間接應佔一間附屬公司之權益，而本集團並未與該等權益持有人協定任何額外條款，並因而導致本集團整體須就該等符合金融負債定義之權益負上合約責任。就每一業務組合而言，本集團可選擇以公允值或非控股權益等於附屬公司之可辨別資產淨值之比例股份計量非控股權益。

非控股權益於綜合財務狀況表之權益內呈列，並與本公司股份持有人應佔權益分開列示。非控股權益所佔本集團業績在綜合損益表以及綜合損益及其他全面收入表內作為年度損益總額及全面收入總額列作非控股權益與本公司股份持有人之間之分配。來自非控股權益持有人之貸款及該等持有人之其他合約責任均根據附註1(o)、(p)或(q)於綜合財務狀況表內列示為金融負債，並視乎負債性質而定。

本集團於附屬公司之權益變動（其不導致失去控制權）均以權益交易列賬，並以於綜合權益中控股及非控股權益之數額調整，以反映相關權益之變動，惟商譽並無調整，亦無確認損益。

當本集團失去附屬公司之控制權，會以出售該附屬公司全部權益列賬，並以其所導致之收益或虧損於損益中確認。於失去控制權當日仍保留於該前附屬公司之任何權益會以公允值確認，而此數額會被視作初步確認金融資產之公允值（參看附註1(g)）或，於聯營公司或合營公司初步確認投資之成本（如適用）（參看附註1(e)）。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (d) Subsidiaries and non-controlling interests

(Continued)

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 1(l)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale) (see note 1(y)).

##### (e) Associates and joint ventures

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale) (see note 1(y)). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see notes 1(f) and (l)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

#### 1. 重要會計政策 (續)

##### (d) 附屬公司及非控股權益 (續)

於本公司財務狀況表內，除獲分類為持作出售（或包括在已分類為持作出售之出售組合）（參看附註1(y)）外，於附屬公司之投資乃按成本扣除減值虧損（參看附註1(l)）列賬。

##### (e) 聯營公司及合營公司

聯營公司乃本集團或本公司對其管理層擁有重大影響，惟並非控制或共同控制之實體，包括參與制訂財務及經營政策。

合營公司乃一種安排，據此，本集團或本公司及其他方訂約協定共同控制安排並對安排之資產淨值享有權利。

除獲分類為持作出售（或包括在已分類為持作出售之出售組合）（參見附註1(y)）外，於聯營公司或合營公司之投資乃根據權益法於綜合財務報表內列賬。根據權益法，投資初步按成本記錄，並就本集團應佔被投資者之可辨別資產淨值之收購日期公允值超過投資成本調整（如有）。其後就本集團應佔被投資者之資產淨值及任何有關投資之減值虧損（參看附註1(f)及(l)）之收購後變動而作出調整。任何收購日期超出成本，本集團年內應佔被投資者之收購後、除稅後業績及任何減值虧損均於綜合損益表內確認，本集團應佔被投資者之收購後、除稅後之其他全面收入則於綜合損益及其他全面收入表確認。



(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(e) Associates and joint ventures** *(Continued)*

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate or the joint venture.

Unrealised profits and losses resulting from transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 1(g)).

In the Company's statement of financial position, investments in associates and joint venture are stated at cost less impairment losses (see note 1(l)), unless classified as held for sale (or included in a disposal group that is classified as held for sale) (see note 1(y)).

**1. 重要會計政策 (續)****(e) 聯營公司及合營公司 (續)**

倘本集團應佔聯營公司或合營公司之虧損超出其權益，則本集團之權益將減計至零，並且不再確認進一步虧損，惟本集團有法律或推定義務或已代被投資者支付款項則例外。就此而言，本集團之權益乃以權益法計算之投資賬面值，連同本集團之長期權益（實質上構成本集團於聯營公司或合營公司之投資淨額之一部分）。

本集團與其聯營公司及合營公司之間交易所產生之未變現溢利及虧損，以本集團於被投資者所佔權益為限抵銷，惟倘未變現虧損顯示所轉讓資產有減值跡象，在該情況下，則即時於損益確認。

倘於聯營公司之投資成為於合營公司之投資或於合營公司之投資成為於聯營公司之投資，則保留權益不會重新計量。相反，該投資繼續根據權益法列賬。

在所有其他情況下，倘本集團終止對聯營公司擁有重大影響或終止對合營公司之共同控制權，會以出售該被投資者之全部權益列賬，並以其所導致之收益或虧損於損益中確認。任何於失去重大影響或共同控制權當日仍保留於該前被投資者之權益會以公允值確認，並被視作初步確認金融資產之公允值（參看附註1(g)）。

於本公司財務狀況表內，除獲分類為持作出售（或包括在已分類為持作出售之出售組合）（參看附註1(y)）外，於聯營公司及合營公司之投資成本扣除減值虧損列賬（參看附註1(l)）。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (f) Goodwill

Goodwill represents the excess of

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note 1(l)).

On disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

##### (g) Other investments in debt and equity securities

The Group's and the Company's policies for investments in debt and equity securities, other than investments in subsidiaries, associates and joint ventures, are as follows:

Investments in debt and equity securities are initially stated at fair value, which is their transaction price unless it is determined that the fair value at initial recognition differs from the transaction price and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets. Cost includes attributable transaction costs, except where indicated otherwise below. These investments are subsequently accounted for as follows, depending on their classification:

#### 1. 重要會計政策 (續)

##### (f) 商譽

商譽即下列兩者之差額

- (i) 已轉移代價之公允值、任何於被收購者之非控股權益數額及本集團之前於被收購者持有之股本權益公允值之總額；與
- (ii) 於收購日期計量之被收購者之可辨別資產及負債公允淨值。

當(ii)大於(i)時，此超出金額即於損益中確認為廉價購入之收益。

商譽按成本減累計減值虧損列賬。衍生自業務合併之商譽分配至各現金產生單位，或預期可從合併之協同效應中獲益之現金產生單位組，並須每年作減值測試(參看附註1(l))。

在年度內出售現金產生單位，計算出售損益時計入所購入商譽之任何應佔金額。

##### (g) 於債務及股本證券之其他投資

本集團及本公司關於債務及股本證券之投資(於附屬公司、聯營公司及合營公司之投資除外)之政策如下：

債務及股本證券之投資初步按公允值(即其交易價)列賬，除非經已確定初始確認之公允值與交易價不同，而公允值以就相同資產或負債在活躍市場的報價作依據或基於採用僅輸入可觀察市場數據的估值技術進行估計。成本包括應計交易成本，惟下文所指定者除外。該等投資其後按下列方式列賬，惟需視乎其類別而定：

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(g) Other investments in debt and equity securities***(Continued)*

Investments in securities held for trading are classified as current assets. Any attributable transaction costs are recognised in profit or loss as incurred. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in profit or loss. The net gain or loss recognised in profit or loss does not include any dividends or interest earned on these investments as these are recognised in accordance with the policies set out in notes 1(v)(iii) and 1(v)(iv).

Dated debt securities that the Group and/or the Company have the positive ability and intention to hold to maturity are classified as held-to-maturity securities. Held-to-maturity securities are stated at amortised cost less impairment losses (see note 1(l)).

Investments in securities which do not fall into any of the above categories are classified as available-for-sale securities. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in equity in the fair value reserve. As an exception to this, investments in equity securities that do not have a quoted price in an active market for an identical instrument and whose fair value cannot otherwise be reliably measured are recognised in the statement of financial position at cost less impairment losses (see note 1(l)). Dividend income from equity securities and interest income from debt securities calculated using the effective interest method are recognised in profit or loss in accordance with the policies set out in notes 1(v)(iii) and 1(v)(iv), respectively. Foreign exchange gains and losses resulting from changes in the amortised cost of debt securities are also recognised in profit or loss.

When the investments are derecognised or impaired (see note 1(l)), the cumulative gain or loss recognised in equity is reclassified to profit or loss. Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire.

**1. 重要會計政策 (續)****(g) 於債務及股本證券之其他投資 (續)**

持作買賣之證券投資乃分類為流動資產。任何應佔交易成本均於產生時在損益中確認。於各呈報期間結束時，均會重新計量公允值，而所產生之任何收益或虧損則於損益內確認。於損益內確認之損益淨額不包括該等投資所賺取之任何股息或利息，因該等損益乃根據附註1(v)(iii)及1(v)(iv)所載之政策確認。

本集團及／或本公司有能力及意向持有至到期之有期債務證券，歸類為持有至到期證券。持有至到期證券按已攤銷成本減任何減值虧損列賬（參看附註1(l)）。

不符合以上任何類別之證券投資乃分類為可供出售證券。於各呈報期間結束時，均會重新計量公允值，而所產生之任何收益或虧損則於其他全面收入內確認並分別累計在公允值儲備之權益內。作為例外情況，就相同工具在活躍市場並無報價及其公允值無法可靠計量之股本證券投資於財務狀況表內按成本減減值虧損確認（參看附註1(l)）。以實際利息法計算之來自股本證券之股息收入及來自債務證券之利息收入會按附註1(v)(iii)及1(v)(iv)所列政策分別於損益內確認。債務證券之攤銷成本變動產生之外匯收益及虧損亦於損益確認。

倘該等投資終止確認或發生減值（參看附註1(l)），則於權益確認之累計損益重新分類至損益。投資乃於本集團承諾購買／出售投資或投資屆滿當日確認／終止確認。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (h) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 1(k)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at cost less accumulated depreciation and impairment losses (see note 1(l)). Depreciation is calculated to write off the cost of investment property less its estimated residual value using the straight line method over its estimated useful life. Rental income from investment properties is accounted for as described in note 1(v)(ii).

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis.

##### (i) Other property, plant and equipment

Other property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 1(l)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 1(x)).

#### 1. 重要會計政策 (續)

##### (h) 投資物業

自有或以租約業權持有之土地及／或樓宇(參看附註1(k))，凡其以賺取租金收入及／或實現資本增值為目的，皆列為投資物業。此等包括持作現時尚未決定未來用途之土地及現正興建或開發作為未來投資物業用途之物業。

投資物業按成本減累計折舊及減值虧損(參看附註1(l))列賬。折舊乃採用直線法按其估計可使用年期計算，以撇銷投資物業之成本(減去其估計剩餘價值)。投資物業之租金收入按附註1(v)(ii)所述列賬。

倘本集團以經營租賃持有物業權益以賺取租金收入及／或為資本增值，有關權益會按每項物業基準分類並入賬列作投資物業。

##### (i) 其他物業、廠房及設備

其他物業、廠房及設備按成本減累計折舊及減值虧損(參看附註1(l))列賬。

物業、廠房及設備等自建項目之成本包括物料、直接勞動力、初步估算(如相關)拆卸及搬遷有關項目並於該等項目所在地恢復現場之成本，及適當比例之生產間接成本及借貸成本(參看附註1(x))。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(i) Other property, plant and equipment** *(Continued)*

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained profits and is not reclassified to profit or loss.

Depreciation is calculated to write off the cost or valuation of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- Freehold land is not depreciated.
- Buildings situated on freehold land are depreciated over their estimated useful life, being no more than 50 years after the date of completion.
- Leasehold land classified as held under finance leases is depreciated over the unexpired term of lease.
- Buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion.
- Leasehold improvements 1 – 5 years
- Motor vehicles 5 – 10 years
- Office equipment and other fixed assets 3 – 5 years

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

**1. 重要會計政策 (續)****(i) 其他物業、廠房及設備 (續)**

物業、廠房及設備項目報廢或出售產生之收益或虧損為出售所得款項淨額與有關賬面值之差額，並於報廢或出售當日於損益確認。任何相關重估盈餘由重估儲備轉撥至保留溢利而不會重新分類至損益。

折舊乃採用直線法按其估計可使用年期計算，以撇銷物業、廠房及設備項目之成本或估計（減去其估計剩餘價值（如有）），茲述如下：

- 永久業權土地不會折舊。
- 位於永久業權土地之樓宇按其估計可使用年期折舊，為不多於完成日期後五十年。
- 分類屬融資租賃之租賃土地按未到期租約折舊。
- 位於租賃土地之樓宇按未到期租約及其估計可使用年期（較短者）折舊，為不多於完成日期後五十年。
- 租賃裝修 1 – 5年
- 汽車 5 – 10年
- 辦公室設備及其他固定資產 3 – 5年

倘物業、廠房及設備項目之各部分有不同之可使用年期，則項目成本或估值乃按合理基準分配至各部分，而各部分會作為單獨項目而折舊。資產之可使用年期及其剩餘價值（如有）均每年審閱。

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### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Intangible assets (other than goodwill)

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources and the intention to complete development. The expenditure capitalised includes the costs of materials, direct labour, and an appropriate proportion of overheads and borrowing costs, where applicable (see note 1(x)). Capitalised development costs are stated at cost less accumulated amortisation and impairment losses (see note 1(l)). Other development expenditure is recognised as an expense in the period in which it is incurred.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 1(l)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

– Trademarks with finite useful lives	5 – 10 years
– Agency rights and patents	5 – 10 years
– Software licences	5 – 10 years
– Favorable lease terms acquired in a business combination	28 years

Both the period and method of amortisation are reviewed annually.

#### 1. 重要會計政策 (續)

##### (j) 無形資產 (商譽除外)

研究活動支出於其產生期間確認為開支。倘產品或程序在技術上及商業上可行，且本集團有充足資源及意願完成開發，則開發活動支出會撥作資本。撥作資本之開支包括材料成本、直接勞動力成本及適當比例之間接成本及借貸成本(如適用)(參看附註1(x))。撥作資本之開發成本按成本減累計攤銷及減值虧損(參看附註1(l))列賬。其他開發支出於其產生期間內確認為開支。

本集團所收購之其他無形資產按成本減累計攤銷(有確定之估計可使用年期)及減值虧損(參看附註1(l))列賬。就內部產生商譽及品牌之開支於產生期間確認為支出。

有確定可使用年期之無形資產之攤銷按資產估計可使用年期計入損益。以下有確定可使用年期之無形資產自其可供使用當日起攤銷及其估計可使用年期如下：

– 有確定可使用年期之商標	5 – 10年
– 代理權及專利	5 – 10年
– 軟件特許權	5 – 10年
– 業務合併所獲得優惠租約	28年

攤銷期間及方法均會每年審閱。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(j) Intangible assets (other than goodwill)***(Continued)*

Intangible assets are not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above.

The fair value of patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of the patent or trademark being owned.

The fair value of favorable lease terms acquired in a business combination is determined based on the present value of the estimated lease payments using quoted market prices for similar leases and the present value of the leases payments of the acquired business.

**(k) Leased assets**

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

**1. 重要會計政策 (續)****(j) 無形資產 (商譽除外) (續)**

被評為無確定可使用年期之無形資產不予攤銷，惟有關無形資產為無確定可使用年期之結論會每年審閱，以釐定是否有事件及情況繼續支持該資產被評為無確定可使用年期。倘確定可使用年期之結論不再成立，可使用年期由無限期被評為有限期之變動，將由變動日期起，根據上文所載有限期無形資產之攤銷政策處理。

於業務合併收購之專利權及商標之公允值，乃按已避免作為被擁有之專利權及商標之估計已貼現版權費釐定。

於業務合併收購之優惠租約之公允值，乃按根據類似租約所報市場價格計算之估計租賃款項之現值及所收購業務之租賃款項之現值釐定。

**(k) 租賃資產**

由一項交易或一連串交易組成之安排為一項租賃或包含租賃，倘本集團決定該安排容許於一段經同意之時間使用特定資產以獲取一筆付款或一連串付款之權利。該決定以安排之內容估值釐定，不計安排是否為法律形式之租賃。

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (k) Leased assets (Continued)

###### (i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property is classified as investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease; and
- land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

#### 1. 重要會計政策 (續)

##### (k) 租賃資產 (續)

###### (i) 租予本集團之資產分類

由本集團根據租約持有之資產，其轉移擁有權之所有重大風險及回報予本集團，乃屬融資租賃分類。如租約並非轉移擁有權之所有重大風險及回報予本集團，乃屬經營租賃，除下列項目外：

- 於經營租賃下持有之物業，如符合投資物業之界定，乃以物業按物業為基準分類為投資物業，及如分類為投資物業，將列作於融資租賃下持有列賬；及
- 於經營租賃下持作自用之土地，其公允值不可於租賃開始時與於位處該土地之樓宇之公允值分別計量，乃作為於融資租賃下持有列賬，除非樓宇亦明顯於經營租賃下持有。就此而言，租賃開始時間為該租賃首次由本集團訂立時，或從前承租人接管時。



(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(k) Leased assets** *(Continued)***(ii) Assets acquired under finance leases**

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are recognised as property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost or valuation of the assets over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset, as set out in note 1(i). Impairment losses are accounted for in accordance with the accounting policy as set out in note 1(l). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

**(iii) Operating lease charges**

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property (see note 1(h)).

**1. 重要會計政策 (續)****(k) 租賃資產 (續)****(ii) 於融資租賃下收購之資產**

當本集團於融資租賃下收購資產使用權，代表已出租資產公允值之數額，或該等資產現有最少租賃付款之價值（如更低），確認為物業、廠房及設備及相應負債，扣除融資費用，並於融資租賃下紀錄為義務。折舊以與資產成本或估值註銷相關租賃條款之速率計量，或當本集團可能會取得資產擁有權時，以資產使用年期計量（載於附註1(i)）。減值虧損根據載於附註1(l)之會計政策列賬。為租賃付款一部分之財務費用以租賃年期列入損益，以於每一會計期間之義務餘額產生較固定之週期率。或然租金於其產生之會計期間列入損益。

**(iii) 經營租賃支出**

倘本集團透過經營租賃使用資產，則租賃付款會於租賃期涵蓋之會計期間內按等額分期在損益列支，惟倘其他基準更能清楚地反映租賃資產帶來利益之模式則除外。已收租金優惠於損益中確認為已付租金總淨額之一部分。或然租金於產生之會計期間於損益列支。

收購經營租賃項下之土地成本按直線法於租賃期攤銷，惟倘物業被分類為投資物業（參看附註1(h)）。

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (I) Impairment of assets

##### (i) Impairment of investments in debt and equity securities and other receivables

Investments in debt and equity securities and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

#### 1. 重要會計政策 (續)

##### (I) 資產減值

##### (i) 債務及股本證券投資及其他應收款項之減值

債務及股本證券投資及其他流動及非流動應收款項若以成本或攤銷成本列示，或歸類為可供出售證券，將會於各報告期末被審閱以確定是否有減值之客觀跡象。減值之客觀跡象包括本集團發現以下一項或多項虧損事項之顯著數據：

- 債務人有重大財務困難；
- 違反合約，如拖欠償還利息或本金；
- 債務人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境有重大改變而對債務人有不利影響；及
- 股本工具投資之公允值大幅或長期下跌至低於其成本值。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)*

- (I) **Impairment of assets** *(Continued)*
- (i) **Impairment of investments in debt and equity securities and other receivables** *(Continued)*

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For investments in associates and joint ventures accounted for under the equity method in the consolidated financial statements (see note 1(e)), the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with note 1(I)(ii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with note 1(I)(ii).
- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities carried at cost are not reversed.
- For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

**1. 重要會計政策 (續)**

- (I) **資產減值 (續)**
- (i) **債務及股本證券投資及其他應收款項之減值 (續)**

如存在任何上述跡象，任何確定之減值虧損會按如下方式確認：

- 就根據權益法於綜合財務報表入賬之於附屬公司及合營公司之投資(參看附註1(e))而言，減值虧損乃按附註1(I)(ii)之投資可收回數額及其賬面值之間之差額計量。倘根據附註1(I)(ii)用以釐定可收回數額之估計出現有利變動，有關減值虧損將獲撥回。
- 就以成本列賬之無報價證券而言，減值虧損是以金融資產之賬面值及估計未來現金流(如貼現之影響重大，以類似之金融資產以現行市場回報率貼現)之差異計算。以成本列賬之股本證券減值虧損不會被撥回。
- 以攤銷成本列賬之應收貿易賬款及其他即期應收款項及其他金融資產，倘貼現之影響重大，減值虧損是以資產之賬面值及估計未來現金流之現值(以金融資產之原有有效利率貼現，即初始確認該資產計算之有效利率)之差異計算。如按攤銷成本列賬之金融資產具備類似之風險特徵，例如類似之逾期情況及並未單獨被評估為減值，則有關評估會同時進行。金融資產之未來現金流量會根據與被評估資產具有類似信貸風險特徵資產之過往虧損情況來一同減值。

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#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (l) Impairment of assets (Continued)

##### (i) Impairment of investments in debt and equity securities and other receivables (Continued)

- If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.
  
- For available-for-sale securities, the cumulative loss that has been recognised in the fair value reserve is reclassified to profit or loss. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities are not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognised in other comprehensive income.

Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in profit or loss.

#### 1. 重要會計政策 (續)

##### (l) 資產減值 (續)

##### (i) 債務及股本證券投資及其他應收款項之減值 (續)

- 假若減值虧損在以後期間減少及其減少與減值虧損確認後發生之事項有客觀聯繫，減值虧損會被轉撥至損益。所撥回之減值虧損不應讓資產之賬面值超出若在以往年度並無確認減值虧損則會釐定之金額。

- 就可供出售證券而言，已於公允值儲備內確認之累計虧損將重新分類至損益。在損益確認之累計虧損金額乃收購成本（減去任何本金還款及攤銷）及現有公允值之差異，減去任何以往在損益確認該資產之減值虧損。

可供出售股本證券之減值虧損如已在損益內確認，則不會在損益撥回。該資產之公允值於其後增加會直接於其他全面收入確認。

假若其後增加之公允值與減值虧損被確認後發生之事項有客觀聯繫，則可供出售債券之減值虧損撥回會確認在損益。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(I) Impairment of assets** *(Continued)***(i) Impairment of investments in debt and equity securities and other receivables** *(Continued)*

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors and bills receivable included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors and bills receivable directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

**(ii) Impairment of other assets**

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- investment property;
- other property, plant and equipment (other than properties carried at revalued amounts);
- intangible assets;
- goodwill; and
- investments in subsidiaries, associates and joint ventures in the Company's statement of financial position.

**1. 重要會計政策 (續)****(I) 資產減值 (續)****(i) 債務及股本證券投資及其他應收款項之減值 (續)**

減值虧損應從相應之資產中直接撤銷，但包含在應收貿易賬款及其他應收款項中之應收貿易債項及應收票據的減值虧損，基於可收回性被視為難以預料而並非微乎其微，故屬例外。在此情況下，呆賬之減值虧損以撥備賬記錄。倘本集團確認能收回賬款之機會微乎其微，則視為不可收回金額會直接從應收貿易債項及應收票據中撤銷，而在撥備賬中持有有關該債務之任何金額會被撥回。若之前計入撥備賬之款項在其後收回，則相關撥備會於撥備賬作出對應之撥回。撥備賬之其他變動及任何先前直接撤銷之數額若隨後收回，均於損益內確認。

**(ii) 其他資產減值**

本集團於每個報告期末對內部及外界資訊進行評估，以決定是否有任何跡象顯示下列資產可能出現減值虧損，或有任何跡象顯示過往已確認之減值虧損不再存在或已經減少（商譽除外）：

- 投資物業；
- 其他物業、廠房及設備（按重估金額列賬之物業除外）；
- 無形資產；
- 商譽；及
- 本公司財務狀況表內於附屬公司、聯營公司及合營公司之投資。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (I) Impairment of assets (Continued)

##### (ii) Impairment of other assets (Continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

##### — Calculation of recoverable amount

The recoverable amount of an asset is the greater of its 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. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

##### — Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable), or value in use (if determinable).

#### 1. 重要會計政策 (續)

##### (I) 資產減值 (續)

##### (ii) 其他資產減值 (續)

倘出現上述任何減值跡象，則該資產之可收回金額須予以評估。此外，對於商譽及尚未可供使用及無確定可使用年期之無形資產，每年均會評估可收回金額以確定是否有任何減值跡象。

##### — 計算可收回金額

資產之可收回金額按其公允值減出售成本與使用價值之較高者釐定。在評估使用價值時，會採用反映當時市場對貨幣之時間值及資產特定風險評估之除稅前貼現率，將估計未來現金流量貼現至現值。倘資產之現金流入基本上不能獨立於其他資產之現金流入時，則須就可獨立地產生現金流入之最小資產組合（即一個現金產生單位）確定可收回金額。

##### — 確認減值虧損

當資產或其屬於之現金產生單位之賬面值高於其可收回金額時，便會在損益中確認減值虧損。確認之減值虧損會首先減少該現金產生單位（或一組單位）商譽之賬面值，然後按比例減少該單位（或一組單位）中其他資產的賬面值，但減值不會使個別資產之賬面值減至低於其可計量之公允值減出售成本（若能計量），或（若能確定）其使用價值。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)*

- (I) Impairment of assets *(Continued)*
- (ii) Impairment of other assets *(Continued)*
- Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

**(iii) Interim financial reporting and impairment**

Under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with HKAS 34, Interim financial reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes 1(I)(i) and 1(I)(ii)).

Impairment losses recognised in an interim period in respect of goodwill, available-for-sale equity securities and unquoted equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates. Consequently, if the fair value of an available-for-sale equity security increases in the remainder of the annual period, or in any other period subsequently, the increase is recognised in other comprehensive income and not profit or loss.

**1. 重要會計政策 (續)**

- (I) 資產減值 (續)
- (ii) 其他資產減值 (續)
- 減值虧損撥回

就商譽以外之資產而言，倘用以釐定可收回金額之估計數據出現有利變動，則減值虧損須予以撥回。就商譽所確認之減值虧損將不會撥回。

減值虧損撥回僅以該等減值虧損從未於過往年度確認時所釐定之資產賬面值為限。減值虧損撥回於確認撥回之年度計入損益。

**(iii) 中期財務報告及減值**

根據香港聯合交易所有限公司證券上市規則，本集團須遵守香港會計準則第34號「中期財務報告」編製財政年度內首六個月之中期財務報告。本集團於中期末採用之減值測試、確認及撥回標準與財政年度末所採用者相同（參看附註1(I)(i)及1(I)(ii)）。

就商譽及以成本列賬之可供出售股本證券及無報價股本證券於中期確認之減值虧損不可於往後期間撥回。即使在與中期相關之財政年度末減值評估時，並無確認虧損或虧損減少亦不能撥回。因此，倘可供出售股本證券公允值於財政年度餘下期間或往後期間增加，該增加於其他全面收入確認，而非於損益內確認。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (m) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the first-in, first-out formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The fair value of inventories acquired in a business combination is determined based on their estimated selling price in the ordinary course of business less the estimated costs of sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

#### 1. 重要會計政策 (續)

##### (m) 存貨

存貨以成本及可變現淨值之較低者列賬。

成本乃使用先進先出法計算，並包括所有採購成本、加工成本及其他使存貨達致其現時地點及狀況而產生之成本。

可變現淨值指正常業務過程中之估計售價減估計完成成本及估計促成銷售之必要成本。

倘售出存貨，則該等存貨之賬面值在相關收益確認之期間確認為支出。任何撇減存貨至可變現淨值之金額及存貨之所有虧損於撇減或出現虧損之期間內確認為支出。因可變現淨值增加而轉回任何撇減存貨之金額於出現撥回之期間沖減列作支出之存貨金額。

於業務合併收購之存貨之公允值，乃根據其於日常業務過程中之估計出售價格減估計銷售成本後，以及基於完成出售存貨所需之努力定出之合理毛利釐定。



(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(n) Trade and other receivables**

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts (see note 1(l)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

**(o) Convertible notes**

Convertible notes that can be converted to equity share capital at the option of the holder, where the number of shares that would be issued on conversion and the value of the consideration that would be received at that time do not vary, are accounted for as compound financial instruments which contain both a liability component and an equity component.

At initial recognition the liability component of the convertible notes is measured as the present value of the future interest and principal payments, discounted at the market rate of interest applicable at the time of initial recognition to similar liabilities that do not have a conversion option. Any excess of proceeds over the amount initially recognised as the liability component is recognised as the equity component. Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components in proportion to the allocation of proceeds.

The liability component is subsequently carried at amortised cost. The interest expense recognised in profit or loss on the liability component is calculated using the effective interest method. The equity component is recognised in the capital reserve until either the note is converted or redeemed.

**1. 重要會計政策 (續)****(n) 應收貿易賬款及其他應收款項**

應收貿易賬款及其他應收款項首先以公允值列賬，其後以實際利率法計算的攤銷成本減呆賬之減值撥備（參看附註1(l)）列賬；惟倘應收款項為給予關連方而並無固定償還條款之免息貸款或其貼現影響並不重大則除外。在該等情況下，應收款項將按成本減呆賬減值撥備列賬。

**(o) 可換股票據**

倘於轉換時將予發行之股份數目及屆時將可收取之代價價值並無差別，可按持有人選擇轉換為權益股本之可換股票據，作為同時含有負債組成部分及權益組成部分之複合金融工具入賬。

初步確認時，可換股票據之負債組成部分以將來支付利息及本金，以初步確認時適用之相類似債務（惟不含轉換權）之市場利率貼現而得出之現值計量。任何高於初步確認負債組成部分之所得款項將會確認為權益組成部分。有關發行複合金融工具之交易成本將按所得款項之分配比例分配到負債及權益組成部分。

負債組成部分其後將以攤銷成本計賬。負債組成部分之利息開支將按實際利率法計算並確認在損益中。權益組成部分將確認在資本儲備中，直至票據被轉換或贖回。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (o) Convertible notes (Continued)

If the note is converted, the capital reserve, together with the carrying amount of the liability component at the time of conversion, is transferred to share capital and share premium as consideration for the shares issued. If the note is redeemed, the capital reserve is released directly to retained profits.

##### (p) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

##### (q) Trade and other payables

Trade and other payables are initially recognised at fair value and are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

##### (r) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that 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 for the purpose of the consolidated cash flow statement.

#### 1. 重要會計政策 (續)

##### (o) 可換股票據 (續)

當票據被轉換時，資本儲備及轉換時之負債組成部分賬面值將按發行股份之代價轉入股本及股本溢價中。當票據被贖回時，資本儲備將直接轉入保留溢利中。

##### (p) 計息貸款

計息貸款初步以公允價值減應佔交易成本確認。初步確認後，計息貸款以攤銷成本列賬，而初步確認之金額與贖回價值之間之任何差額（連同任何應付利息及費用）按實際利息法在借貸期間於損益確認。

##### (q) 應付貿易賬款及其他應付款項

應付貿易賬款及其他應付款項初步以公允價值列賬，其後以攤銷成本列賬。如貼現影響並不重大，則以成本列賬。

##### (r) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、存放在銀行及其他金融機構之活期存款，以及可隨時兌換作確定數目現金之短期高流通投資，該等投資之到期日為獲得日期起三個月內，且價值變動風險不大。按要求償還且組成本集團現金管理一部分之銀行透支，亦會計入綜合現金流量表項下之現金及現金等價物。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(s) Employee benefits****(i) Short term employee benefits and contributions to defined contribution retirement plans**

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

**(ii) Share-based payments**

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the binomial lattice model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

**1. 重要會計政策 (續)****(s) 僱員福利****(i) 短期僱員福利及定額供款退休計劃之供款**

薪酬、年終花紅、有薪年假、定額供款退休計劃之供款及非貨幣福利成本於僱員提供與此相關服務之年度入賬。倘延遲支付或結付之影響重大，則此等數額以現值列賬。

**(ii) 以股份為基礎支付**

授予員工之購股權之公允值被確認為員工成本，在權益內之資本儲備計入相應增加數額。有關購股權之公允值乃採用二項式點陣期權定價模式，按購股權授予日及授予購股權之條款及條件而計算。當員工須符合歸屬條件才可無條件享有該等購股權，購股權之預計公允值總額在歸屬期內攤分入賬，並已考慮購股權歸屬之或然率。

在歸屬期內會審閱估計可歸屬購股權之數目。除非原本僱員支出符合資產確認之要求，任何已在往年確認之累計公允值導致之調整須在回顧年度內之損益扣除／計入，並在資本儲備作相應調整。在歸屬日，除非因未能符合歸屬條件引致權利喪失純粹與本公司股份之市價有關，確認為支出之金額按歸屬購股權之實際數目作調整（並在資本儲備作相應調整）。權益金額在資本儲備確認，直至當購股權被行使時（轉入股份溢價賬），或當購股權之有效期屆滿時（直接轉入保留盈利）。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (s) Employee benefits (Continued)

###### (iii) Termination benefits

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

##### (t) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

#### 1. 重要會計政策 (續)

##### (s) 僱員福利 (續)

###### (iii) 終止福利

終止福利於本集團不能取消提供該等福利時及集團確認涉及終止福利付款之重組成本時(以較早者為準)予以確認。

##### (t) 所得稅

年內所得稅項包括本期稅項及遞延稅項資產與負債之變動。本期稅項及遞延稅項資產與負債之變動均在損益內確認，惟與於其他全面收入確認或直接確認為權益項目相關者，則相關稅項金額分別於其他全面收入確認或直接確認為權益。

本期稅項是按年內應課稅收入根據在報告期末已執行或實質上已執行之稅率計算之預期應付稅項，加上以往年度應付稅項之任何調整。

遞延稅項資產與負債分別由可抵扣及應課稅之暫時差異產生。暫時差異是指資產與負債就財務報告而言之賬面值與該等資產與負債之稅基之差異。遞延稅項資產亦可由未利用稅項虧損及未利用稅項抵免產生。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(t) Income tax** *(Continued)*

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

**1. 重要會計政策 (續)****(t) 所得稅 (續)**

除若干有限例外情況外，所有遞延稅項負債及所有遞延稅項資產（僅限於很可能獲得利用該資產來抵扣未來應課稅溢利）均作確認。支持確認由可抵扣暫時差異所產生遞延稅項資產之未來應課稅溢利包括因撥回目前存在之應課稅暫時差異而產生之數額；惟該等撥回之差異必須與同一稅務機關及同一應課稅實體有關，並預期在可抵扣暫時差異預計撥回之同一期間或遞延稅項資產所產生稅項虧損可向後期或向前期結轉之期間內撥回。在決定目前存在之應課稅暫時差異是否足以支持確認由未利用稅項虧損及未利用稅項抵免所產生之遞延稅項資產時，亦會採用同一準則，即倘若該等差異與同一稅務機關及同一應課稅實體有關，並預期在能夠使用該等虧損及稅款抵免之同一期間內撥回，則會確認與該等差異有關之遞延稅項資產。

不確認為遞延稅項資產及負債之暫時差異是產生自以下之有限例外情況：不可扣稅之商譽；不影響會計或應課稅溢利之資產或負債之初始確認（如屬業務合併之一部分則除外）；以及有關於附屬公司投資之暫時差異（倘屬應課稅差異，僅限於本集團可以控制撥回之時間，而且在可預見將來不大可能撥回之差異；或倘屬可抵扣差異，則僅限於很可能在將來撥回之差異）。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (t) Income tax (Continued)

Where investment properties are carried at their fair value in accordance with the accounting policy set out in note 1(h), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

#### 1. 重要會計政策 (續)

##### (t) 所得稅 (續)

倘投資物業根據附註1(h)所載之會計政策按其公允值列賬，已確認之遞延稅項金額乃採用於報告日期按賬面值出售該等資產所適用之稅率計量，除非該物業可折舊及以商業模式持有，而其目的在於一段時間內耗用而非透過出售以獲取該物業內含絕大部分經濟利益，則作別論。在所有其他情況下，遞延稅項金額是按照資產及負債賬面值之預期變現或清償方式，根據在報告期末已執行或實質上已執行之稅率量。遞延稅項資產及負債均不貼現計算。

遞延稅項資產之賬面值會在各報告期末評估，倘本集團預期不再可能獲得足夠應課稅溢利以抵扣相關之稅務利益，則會調低該遞延稅項資產之賬面值，倘日後可能獲得足夠之應課稅溢利，則有關調減額會撥回。

因分派股息而額外產生之所得稅在支付相關股息之責任確立時確認。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(t) Income tax** *(Continued)*

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
  - the same taxable entity; or
  - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

**1. 重要會計政策 (續)****(t) 所得稅 (續)**

本期稅項結餘及遞延稅項結餘及有關變動會分開呈列，且不會予以抵銷。倘本公司或本集團擁有合法執行之權利以本期稅項負債抵銷本期稅項資產並符合以下附帶條件，則本期稅項資產與本期稅項負債，以及遞延稅項資產與遞延稅項負債可分別互相抵銷：

- 倘屬本期稅項資產與負債，本公司或本集團計劃按淨額基準結算，或同時變現該資產及清償該負債；或
- 倘屬遞延稅項資產與負債，該等資產及負債必須與同一稅務機關就以下其中一項徵收之所得稅有關：
  - 同一應課稅實體；或
  - 不同應課稅實體，而該等實體計劃在日後每個預計須清償大額遞延稅項負債或可以收回大額遞延稅項資產之期間，按淨額基準變現本期稅項資產及清償本期稅項負債，或同時變現該資產和清償該負債。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (u) Provisions and contingent liabilities

##### (i) Contingent liabilities assumed in business combinations

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with note 1(u)(ii). Contingent liabilities assumed in a business combination that cannot be reliably fair valued or were not present obligations at the date of acquisition are disclosed in accordance with note 1(u)(ii).

##### (ii) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a 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 expenditure 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 of economic benefits 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 of economic benefits is remote.

#### 1. 重要會計政策 (續)

##### (u) 撥備及或然負債

##### (i) 業務合併中承擔之或然負債

業務合併中承擔之或然負債（於收購日當時之債項）初步以公允值確認，惟公允值須能可靠計量。當按公允值初步確認後，該或然負債將以初步確認之數額減累計攤銷（如適用）與根據附註1(u)(ii)釐定之數額之較高者確認。不能可靠地以公允值計量或並非於收購日當時之債項的業務合併中承擔之或然負債會根據附註1(u)(ii)披露。

##### (ii) 其他撥備及或然負債

倘本集團或本公司須就已發生之事件承擔法律或推定責任，因而預期會導致經濟效益外流以清償責任，則在可以作出可靠估計時，本集團會就該時間或數額不定之其他負債計提準備。倘貨幣時間值重大，則按預計清償責任所需支出之現值計提準備。

倘經濟效益外流之可能性較低，或無法對有關數額作出可靠估計，便會將該責任披露為或然負債，惟經濟效益外流之可能性極低則除外。倘本集團之責任須視乎某宗或多宗未來事件是否發生才能確定是否存在，亦會披露為或然負債，惟經濟效益外流之可能性極低則除外。



(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(v) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

**(i) Sale of goods**

Revenue is recognised when goods are handed over to individual customers at retail outlets or delivered at the wholesale or corporate customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

**(ii) Rental income from operating leases**

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

**(iii) Dividends**

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

**1. 重要會計政策 (續)****(v) 收益確認**

收益以已收或應收代價之公允值計量。倘經濟效益大有可能流入本集團，而收入及成本（如適用）又能可靠地計量時，則收益於損益確認如下：

**(i) 銷售貨品**

當貨品於零售門店移交予個人客戶或交付至批發或企業客戶處所時，即視客戶已接收貨品及所有權相關風險及回報，並確認收益。收益不包括增值稅或其他銷售稅，並已扣除任何營業折扣。

**(ii) 經營租賃之租金收入**

經營租賃之應收租金收入於相關租賃期內分期等額在損益內確認，除非另有基準能更清楚地反映源自運用租賃資產之利益模式。經營租賃協議涉及之激勵機制在損益內列作應收租賃淨付款總額之一部分。或然租金在產生之會計期間內確認為收入。

**(iii) 股息**

非上市投資之股息收入於股東獲得收款之權利時確認入賬。

上市投資之股息收入於投資之股價除息時確認入賬。

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (v) Revenue recognition (Continued)

##### (iv) Interest income

Interest income is recognised as it accrues using the effective interest method.

##### (v) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

##### (w) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

#### 1. 重要會計政策 (續)

##### (v) 收益確認 (續)

##### (iv) 利息收入

利息收入於應計時以實際利率法確認。

##### (v) 政府補貼

當可以合理確定本集團將會收到政府補貼並會履行該補貼之附帶條件時，則在財務狀況表初次確認政府補貼。用於彌補本集團已產生費用之補貼於費用產生期間有系統地在損益內確認為收入。補償本集團資產成本之補貼在相關資產賬面值中扣除，其後於該項資產之可用年期以減少折舊費用方式於損益內實際確認。

##### (w) 外幣換算

年內之外幣交易按交易日之適用匯率換算。以外幣為單位之貨幣資產及負債按報告期末之適用匯率換算。

按歷史成本列賬並以外幣為計賬單位之非貨幣資產及負債，乃按交易當日之適用匯率換算。以公允值列賬並以外幣為計賬單位之非貨幣資產及負債按計量其公允值當日的匯率換算。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(w) Translation of foreign currencies** *(Continued)*

The results of foreign operations are translated into RMB at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items, including goodwill arising on consolidation of foreign operations acquired on or after 1 January 2005, are translated into RMB at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve. Goodwill arising on consolidation of a foreign operation acquired before 1 January 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

**(x) Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

**1. 重要會計政策 (續)****(w) 外幣換算 (續)**

外國實體之業績以接近交易當日外幣匯率的兌換率換算為人民幣。財務狀況表項目（包括於二零零五年一月一日或以後所收購外國業務合併入賬產生之商譽）於報告期末按收市的外幣匯率折算為人民幣，所產生的匯兌差額於其他全面收入確認及個別於匯兌儲備內的權益累計。於二零零五年一月一日之前所收購外國業務合併入賬產生之商譽以於收購外國業務當日應用之外幣匯率換算。

在出售外國實體確認出售損益時，與該外國業務相關的匯兌差額的累計金額從權益重新分類為損益。

**(x) 借貸成本**

與收購、建設或生產需要相當長時間才可以投入其擬定用途或銷售的資產直接相關的借貸成本，乃資本化為該資產成本之一部分。其他借貸成本則於產生的期間在損益內確認為支出。

屬於合資格資產成本一部分之借貸成本乃於資產之開支產生、借貸成本產生及有關使資產投入其擬定用途或銷售所需之準備工作進行時開始資本化。倘所有使合資格資產投入其擬定用途或銷售所需之必要活動大致上中斷或完成時，則暫停或停止將借貸成本資本化。

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### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (y) Non-current assets held for sale and discontinued operations

###### (i) Non-current assets held for sale

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

When the group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the above criteria for classification as held for sale are met, regardless of whether the group will retain a non-controlling interest in the subsidiary after the sale.

Immediately before classification as held for sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets (except for certain assets as explained below), or disposal groups, are recognised at the lower of their carrying amount and fair value less costs to sell. The principal exceptions to this measurement policy so far as the financial statements of the group and the company are concerned are deferred tax assets, assets arising from employee benefits, financial assets (other than investments in subsidiaries, associates and joint ventures). These assets, even if held for sale, would continue to be measured in accordance with the policies set out elsewhere in note 1.

#### 1. 重要會計政策 (續)

##### (y) 持作出售之非流動資產及終止經營業務

###### (i) 持作出售之非流動資產

倘非流動資產(或出售組別)之賬面值將極有可能透過出售交易(而非透過持續使用)收回，且有關非流動資產(或出售組別)於其現況下可供出售，則有關非流動資產(或出售組別)分類為持作出售。出售組別指將於同一交易中一併出售之一組資產，而與該等資產直接相關之負債亦會於該交易中轉移。

當本集團承諾進行出售計劃，而有關計劃涉及失去對附屬公司之控制權時，不論本集團是否將於出售後保留於該附屬公司之非控股權益，則於符合上述分類為持作出售之條件時，該附屬公司之所有資產及負債分類為持作出售。

緊接歸類為持作出售前，非流動資產(及於出售組別內之所有個別資產及負債)之計量均已根據有關歸類前之會計政策更新。然後，於首次歸類為持作出售時及直至出售，該等非流動資產(若干闡釋如下之資產除外)(或出售組別)以賬面值與公允值減銷售成本兩者之間之較低者列賬。就本集團及本公司之財務報表而言，此計量政策之例外主要與遞延稅項資產、僱員福利產生之資產、財務資產(附屬公司、聯營公司及合營公司之投資除外)有關。該等資產即使持作出售，仍會繼續根據附註1中別處所載有關政策計量。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(y) Non-current assets held for sale and discontinued operations** *(Continued)***(i) Non-current assets held for sale** *(Continued)*

Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in profit or loss. As long as a non-current asset is classified as held for sale, or is included in a disposal group that is classified as held for sale, the non-current asset is not depreciated or amortised.

**(ii) Discontinued operations**

A discontinued operation is a component of the group's business, 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 coordinated 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 (see (i) above), if earlier. It also occurs if the operation is abandoned.

Where an operation is classified as discontinued, a single amount is presented on the face of the statement of profit or loss (with the comparative figures re-presented), 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(s) constituting the discontinued operation.

**1. 重要會計政策 (續)****(y) 持作出售之非流動資產及終止經營業務 (續)****(i) 持作出售之非流動資產 (續)**

於首次歸類為持作出售及其後於持作出售時重新計量產生之減值虧損，於損益中確認。只要非流動資產歸類為持作出售，或被計入歸類為持作出售之出售組別中，則相關非流動資產無需折舊或攤銷。

**(ii) 終止經營業務**

終止經營業務乃本集團業務之一部分，其營運及現金流可與本集團其他業務清楚區分，代表按業務或地區劃分之獨立主要業務，或作為出售按業務或地區劃分之獨立主要業務之單一統籌計劃之一部分，或為純粹為轉售而收購之附屬公司。

倘業務被出售或符合分類為持作出售之條件（參見上文(i)段）（如較早），則分類為終止經營業務。撤出業務時，有關業務亦分類為終止經營業務。

倘業務分類為終止經營業務，則於損益表按單一數額呈列（並將比較數字重列），其中包含：

- 終止經營業務之除稅後溢利或虧損；及
- 就構成終止經營業務之資產或出售組別計量公允值減銷售成本，或於出售有關資產或出售組別時確認之除稅後收益或虧損。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 1. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (z) Related parties

(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 Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).

#### 1. 重要會計政策 (續)

##### (z) 關連方

(a) 倘一名人士符合下列條件，則該人士（或該人士家庭的近親成員）屬與本集團有關連：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 屬本集團或本集團母公司主要管理人員的成員。

(b) 倘出現下列情況，一間實體屬與本集團有關連：

- (i) 該實體與本集團為同一集團的成員（即每一間母公司、附屬公司及同系附屬公司相互關連）。
- (ii) 一間實體屬另一間實體的聯營公司或合營公司（或屬某集團成員的聯營公司或合營公司，其中另一間實體為該集團成員）。
- (iii) 兩間實體皆為同一名第三方的合營公司。
- (iv) 一間實體為第三方實體的合營公司及另一實體為第三方實體的聯營公司。
- (v) 該實體乃以本集團或本集團關連實體為受益人的僱員退休後福利計劃。
- (vi) 該實體被屬(a)項的人士控制或共同控制。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**1. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(z) Related parties** *(Continued)*

- (b) An entity is related to the Group if any of the following conditions applies: *(Continued)*
- (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 group or to the group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

**(aa) 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 purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and 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.

**1. 重要會計政策 (續)****(z) 關連方 (續)**

- (b) 倘出現下列情況，一間實體屬與本集團有關連：(續)
- (vii) 屬(a)(i)項的人士對該實體有重大影響或屬該實體（或屬該實體的母公司）主要管理人員的成員。
- (viii) 該實體或其所屬集團的任何成員向該集團或該集團的母公司提供主要管理人員服務。

個人的近親家庭成員指預期可對該個人與實體進行交易時作出影響，或受該個人影響的家庭成員。

**(aa) 分部報告**

經營分部及財務報表所呈報的各分部項目金額，乃根據就分配資源予本集團各業務及地區分部及評估其表現而定期提供予本集團最高層管理人員的財務資料而確定。

就財務報告而言，個別重要經營分部不會綜合呈報，除非此等分部具有類似經濟特徵以及在產品及服務性質、生產程序性質、客戶類型或類別、分銷產品或提供服務所採用的方式及監管環境性質方面類似。倘個別並非屬重大的經營分部共同擁有上述大部分特徵，則可綜合計算。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

## 2. ACCOUNTING JUDGEMENT AND ESTIMATES

Notes 13, 17, 18, 24 and 30 contain information about the assumptions and their risk factors relating to impairment of goodwill, impairment of trade and other receivables, net realisable value of inventories, fair value of share options granted and fair value of financial instruments. Other key sources of estimation uncertainty are as follows:

### Income tax

Determining income tax provisions involves judgement regarding the future tax treatment of certain transactions. The management evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatment of these transactions is reconsidered periodically to take into account changes in tax legislation. Deferred tax assets are recognised for deductible temporary differences. As those deferred tax assets can only be recognised to the extent that it is probable that future taxable profit will be available against which they can be utilised, management's judgement is required to assess the probability of future taxable profits. Management's assessment is reviewed and additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax asset to be recovered.

## 3. REVENUE AND SEGMENT REPORTING

### (a) Revenue

The principal activities of the Group are retail and wholesale of watches and jewellery.

Turnover represents the sales value of goods sold to customers, net of value added tax and is after deduction of any sales discounts and returns.

The Group's customer base is diversified and includes no customer with whom transactions have exceeded 10% of the Group's revenues.

Further details regarding the Group's principal activities are disclosed below:

## 2. 會計判斷及估計

附註13、17、18、24及30載有與商譽減值、應收貿易賬款及其他應收款項減值、存貨可變現淨值、授出購股權之公允值以及金融工具之公允值有關之假設及其風險因素。以下為其他主要估計不明朗因素來源：

### 所得稅

釐定所得稅撥備涉及對若干交易之日後稅務處理判斷。管理層謹慎評估交易的稅務涵義並因此設立稅務撥備。該等交易稅務處理在考慮稅務法律所有變動後定期重新決定。可扣稅項暫時差異確認為遞延稅項資產。由於該等遞延稅項資產只可在日後可能有應課稅溢利可供使用的情況下才可確認，故需要管理層的判斷評估日後應課稅溢利的可能性。管理層評估會定期評估，而倘日後應課稅溢利可補償遞延稅項資產，則確認額外遞延稅項資產。

## 3. 銷售額及分部報告

### (a) 銷售額

本集團之主要業務為零售及批發手錶和珠寶。

銷售額指售予客戶貨品的銷售價值減去增值稅，並扣除任何銷售折扣及退貨。

本集團的客戶基礎多元化，並無客戶的交易佔本集團收益的10%以上。

本集團主要業務之其他詳情於下文披露：



(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**3. REVENUE AND SEGMENT REPORTING***(Continued)***(b) Segment reporting**

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geography (mainly in Mainland China, Hong Kong and Taiwan).

In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purpose of resource allocation and performance assessment, the Group has presented the following five reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Retail segments (includes three segments for watches retail in Mainland China, Taiwan and Hong Kong and one segment Harvest Max Holdings Limited ("Harvest Max") for jewellery and watches retail in Hong Kong): given the importance of the retail division to the Group, the Group's retail business is segregated further into four reportable segments on a geographical and products and services basis, as the divisional managers for each of these regions report directly to the senior executive team. All segments primarily derive their retail revenue through their own retail network. As disclosed in note 28, the segment Harvest Max is classified as a discontinued operation.
- Wholesale segment: this segment distributes numerous world renowned brand watches in Mainland China.

**3. 銷售額及分部報告 (續)****(b) 分部報告**

本集團透過生產線(產品及服務)及按地區(主要位於中國內地、香港及台灣)成立之分部管理業務。

按與向本集團最高層行政管理人員就資源分配及表現評估之內部報告資料一致之方式，本集團已呈列下列五個呈報分部。本集團並無合併營運分部，以組成以下之呈報分部。

- 零售分部(分別包括中國內地、台灣及香港之三個手錶零售分部以及一個有關於香港從事珠寶及鐘錶零售的分部豐溢控股有限公司(「豐溢」)): 鑒於本集團零售分部之重要性，本集團之零售業務進一步按地區以及產品及服務分為四個呈報分部，原因為該等地區之各分區經理均直接向高層行政團隊匯報。所有分部均主要透過其本身之零售網絡而產生其零售收益。如附註28所披露，豐溢分部被分類為終止經營業務。
- 批發分部: 本分部於中國內地分銷多款國際知名品牌名錶。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

### 3. REVENUE AND SEGMENT REPORTING

(Continued)

#### (b) Segment reporting (Continued)

##### Discontinued operation – Harvest Max

The operation results of Harvest Max continued to deteriorate in 2016. During the fourth quarter of 2016, the Group's executive directors have approved a plan to dispose of Harvest Max. Subsequent to the approval of the disposal plan, management of the Group are actively seeking opportunities to sell either the equity interests or assets of Harvest Max and considered that the disposal of Harvest Max would be expected to qualify for recognition as a completed sale within one year from the date of classification. Hence, the assets and liabilities of Harvest Max were classified as held for sale and a single amount in the statements of profit or loss was presented in respect of Harvest Max's net loss for the year (with comparative figures re-presented) following the requirements as set out in note 1(y).

As disclosed below, the Group is currently seeking a sale of Harvest Max together with a number of its PRC subsidiaries to its major shareholder and it is expected that, if the sale is not approved by shareholders, the Group will continue to actively search for buyers and expect to dispose of Harvest Max within 2017.

##### Very substantial disposal – Harvest Max and a number of mainland PRC subsidiaries

In addition to the disposal plan of Harvest Max, pursuant to an announcement dated 30 December 2016, the Company is contemplating a sale of its equity interests in Shanghai Xinyu Fine Watch Services Co., Ltd. and its subsidiaries ("Xinyu Group") and Harvest Max (collectively, the "Disposal Group").

Xinyu Group comprises the Group's mainland China retail segment, wholesale segment and watch repair and maintenance business (collectively, the "Mainland China Watch Business"). As the scale of Mainland China Watch Business is substantial to the Group, the proposed sale of the equity interests in the Disposal Group constitutes a very substantial disposal ("VSD") transaction and is subject to independent shareholders' approval.

### 3. 銷售額及分部報告 (續)

#### (b) 分部報告 (續)

##### 終止經營業務 – 豐溢

二零一六年豐溢經營業績持續惡化。二零一六年第四季度，本集團執行董事已批准出售豐溢的計劃。在出售計劃獲得批准後，本集團管理層正積極尋求機會出售豐溢的股權或資產，並認為出售豐溢預計將在從分類之日起一年內獲得認可並完成出售。因此，豐溢的資產及負債被分類為持作出售，並且根據以下載於附註1(y)的規定，在損益表中列示了豐溢本年淨虧損的單項金額（重列比較數字）。

如下文所披露，本集團目前正在尋求向其主要股東出售豐溢及其若干中國附屬公司，預計如果該項出售未能獲股東批准，本集團將繼續積極尋找買家，並期望在二零一七年內出售豐溢。

##### 非常重大出售事項 – 豐溢及多家中國內地附屬公司

除豐溢的出售計劃外，本公司根據二零一六年十二月三十日刊發之公告，計劃出售其在上海新宇鐘錶集團有限公司及其附屬公司（「新宇集團」）與豐溢之股權（統稱為「出售組合」）。

新宇集團包括本集團的中國內地零售分部、批發分部及鐘錶維修業務（統稱為「中國內地鐘錶業務」）。由於對本集團而言，中國內地鐘錶業務規模重大，建議出售在出售組合之股權構成非常重大出售事項交易，須經獨立股東批准。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**3. REVENUE AND SEGMENT REPORTING***(Continued)***(b) Segment reporting** *(Continued)*

Very substantial disposal – Harvest Max and a number of mainland PRC subsidiaries *(Continued)*

Currently, the VSD transaction is still pending for independent shareholders' approval. Given that the shareholdings of the Company are diversified, it is hard to predict with a high degree of certainty whether or not the shareholders will approve this transaction. Therefore, directors of the Group consider the VSD transaction does not meet the 'highly probable' criteria as set out in IFRS5, *Non-current Assets Held for Sale and Discontinued Operations* and accordingly, the assets and liabilities relating to the Mainland China Watch Business are not classified as held for sale in the consolidated statement of financial position as at 31 December 2016.

**(i) Segment results and assets**

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the profit or loss and assets attributable to each reportable segment on the following basis:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments. However, other than reporting inter-segment sales, assistance provided by one segment to another, including sharing of assets, is not measured.

The measure used for reporting segment profit is "gross profit".

Segment assets represent inventories only, without eliminating the unrealised inter-segment profits.

**3. 銷售額及分部報告 (續)****(b) 分部報告 (續)**

非常重大出售事項 – 豐溢及多家中國內地附屬公司 *(續)*

目前，該非常重大出售事項交易仍有待獨立股東批准。鑒於本公司股權分散，難以準確預測股東是否批准本次交易。因此，本集團董事認為，非常重大出售事項交易不符合國際財務報告準則第5號「持作出售之非流動資產和終止經營業務」所載『高度可能』之標準，因此，於二零一六年十二月三十一日，在合併財務報表中，與中國內地鐘錶業務有關的資產及負債未分類為持作出售。

**(i) 分部業績及資產**

為評估分部表現及於分部間分配資源，本集團最高層行政管理人員按下列基準監察各個呈報分部之損益及資產：

收益及開支乃參考有關分部產生之銷售額及該等分部產生之開支分配至呈報分部。然而，除呈報分部間銷售額外，某一分部向另一分部提供之協助（包括共用資產）並不計算在內。

用於呈報分部溢利之表示方式為「毛利」。

分部資產僅指存貨，並未撇除未實現之分部間溢利。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

### 3. REVENUE AND SEGMENT REPORTING

(Continued)

#### (b) Segment reporting (Continued)

##### (i) Segment results and assets (Continued)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below.

### 3. 銷售額及分部報告 (續)

#### (b) 分部報告 (續)

##### (i) 分部業績及資產 (續)

期內，有關向本集團最高層行政管理人員提供之資源分配及分部表現評估之本集團呈報分部之資料載列如下。

		Continuing operations										Discontinued operations				Total	
		持續經營業務										終止經營業務					
		Retail			Wholesale			All others				Sub-total		Harvest Max			
		零售		批發	所有其他				小計		豐溢		總計				
Mainland China		Hong Kong		Taiwan													
中國內地		香港		台灣													
2016		2015		2016		2015		2016		2015		2016		2015			
二零一六年		二零一五年		二零一六年		二零一五年		二零一六年		二零一五年		二零一六年		二零一五年			
RMB'000		RMB'000		RMB'000		RMB'000		RMB'000		RMB'000		RMB'000		RMB'000			
人民幣千元		人民幣千元		人民幣千元		人民幣千元		人民幣千元		人民幣千元		人民幣千元		人民幣千元			
Revenue from external customers	來自外部客戶之收益	5,608,866	5,786,672	1,770,824	1,898,540	167,152	178,279	3,193,651	3,389,379	582,885	539,991	11,323,378	11,792,861	1,010,773	1,509,863	12,334,151	13,302,724
Inter-segment revenue	分部間收益	-	-	-	-	-	-	4,207,550	3,826,708	45,031	32,398	4,252,581	3,859,106	-	-	4,252,581	3,859,106
Reportable segment revenue	呈報分部收益	5,608,866	5,786,672	1,770,824	1,898,540	167,152	178,279	7,401,201	7,216,087	627,916	572,389	15,575,959	15,651,967	1,010,773	1,509,863	16,586,732	17,161,830
Reportable segment gross profit	呈報分部毛利	1,606,349	1,633,648	256,707	358,979	44,131	43,934	352,613	387,925	158,930	162,748	2,418,730	2,647,234	872,873	1,253,313	3,291,603	3,900,547
Reportable segment assets	呈報分部資產	2,560,035	2,897,438	1,275,659	1,451,378	172,111	180,223	1,532,301	1,646,956	111,159	136,912	5,651,265	6,312,907	82,513	103,720	5,733,778	6,416,627

Harvest Max is mainly engaged in jewellery and watches retail business in Hong Kong. During the year ended 31 December 2016, an impairment loss of RMB271,788,000 was recognised to fully provide against of the goodwill allocated to this segment (note 13).

Results and assets of the segment below the quantitative thresholds ("All others") are mainly attributable to a watch accessories manufacturing business and a watch repairing and maintenance business.

豐溢主要於香港從事珠寶及鐘錶零售業務，截至二零一六年十二月三十一日止年度，就分配予該分部的商譽全額確認減值虧損人民幣271,788,000元(附註13)。

低於數量化最低要求之分部業績及資產(「所有其他」)主要來自本公司之手錶配套產品製造業務及手錶維修業務。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

### 3. REVENUE AND SEGMENT REPORTING

(Continued)

#### (b) Segment reporting (Continued)

#### (ii) Reconciliations of reportable segment revenues, profit or loss and assets

### 3. 銷售額及分部報告 (續)

#### (b) 分部報告 (續)

#### (ii) 呈報分部收益、損益及資產之對賬

		Continuing operations		Discontinued operations		Total	
		持續經營業務		終止經營業務		合計	
		2016	2015	2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Revenue	收益						
Total revenues for reportable segments	呈報分部總收益	14,948,043	15,079,578	1,010,773	1,509,863	15,958,816	16,589,441
Revenue for other segments	其他分部收益	627,916	572,389	-	-	627,916	572,389
Elimination of inter-segment revenue	抵銷分部間收益	(4,252,581)	(3,859,106)	-	-	(4,252,581)	(3,859,106)
Consolidated revenue	綜合收益	11,323,378	11,792,861	1,010,773	1,509,863	12,334,151	13,302,724
		Continuing operations		Discontinued operations		Total	
		持續經營業務		終止經營業務		合計	
		2016	2015	2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Profit	溢利						
Total gross profit for reportable segments	呈報分部總毛利	2,259,800	2,484,486	872,873	1,253,313	3,132,673	3,737,799
Profit for other segments	其他分部溢利	158,930	162,748	-	-	158,930	162,748
		2,418,730	2,647,234	872,873	1,253,313	3,291,603	3,900,547
Other revenue	其他收益	129,722	98,329	994	3,222	130,716	101,551
Other net loss	其他虧損淨額	(71,830)	(110,023)	(271,945)	(31,931)	(343,775)	(141,954)
Distribution costs	分銷成本	(1,659,738)	(1,710,414)	(872,292)	(1,253,490)	(2,532,030)	(2,963,904)
Administrative expenses	行政費用	(342,061)	(319,677)	(11,323)	(9,787)	(353,384)	(329,464)
Other operating expenses	其他經營費用	(169)	(13,970)	(42,151)	-	(42,320)	(13,970)
Finance costs	財務成本	(202,923)	(205,765)	-	-	(202,923)	(205,765)
Share of profits of joint ventures	應佔合營公司溢利	1,617	411	-	-	1,617	411
Consolidated profit/(loss) before taxation	綜合除稅前溢利/(虧損)	273,348	386,125	(323,844)	(38,673)	(50,496)	347,452

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 3. REVENUE AND SEGMENT REPORTING

(Continued)

##### (b) Segment reporting (Continued)

##### (ii) Reconciliations of reportable segment revenues, profit or loss and assets (Continued)

#### 3. 銷售額及分部報告 (續)

##### (b) 分部報告 (續)

##### (ii) 呈報分部收益、損益及資產之對賬 (續)

Assets	資產	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Total assets for reportable segments (inventories)	呈報分部總資產 (存貨)	5,622,619	6,279,715
Assets for All others (inventories)	所有其他資產 (存貨)	111,159	136,912
Elimination of unrealised inter-segment profit	抵銷未變現分部間溢利	(43,853)	(40,277)
		5,689,925	6,376,350
Trade and other receivables	應收貿易賬款及其他應收款項	1,414,773	1,329,175
Cash and cash equivalents	現金及現金等價物	2,942,229	1,910,351
Tax recoverable	可收回稅項	3,575	-
Investment properties	投資物業	37,311	39,298
Other property, plant and equipment	其他物業、廠房及設備	1,564,100	1,465,261
Intangible assets	無形資產	73,758	79,756
Goodwill	商譽	455,827	770,222
Interest in joint ventures	於合營公司之權益	58,323	58,200
Other investments	其他投資	200,903	63,487
Deferred tax assets	遞延稅項資產	142,394	106,638
Consolidated total assets	綜合總資產	12,583,118	12,198,738

##### (iii) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's investment properties, other property, plant and equipment, intangible assets, goodwill, interests in joint ventures and other investments ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, the location of the operation to which they are allocated, in the case of intangible assets and goodwill, and the location of operations, in the case of interests in joint ventures and other investments.

##### (iii) 地區資料

下表載列有關(i)本集團來自外界客戶的收益及(ii)本集團的投資物業、其他物業、廠房及設備、無形資產、商譽、於合營公司的權益及其他投資(「指定非流動資產」)所在地區的資料。客戶所在地區按提供服務或貨品付運地點劃分；就物業、廠房及設備而言，指定非流動資產的所在地區按資產實際所在地點劃分；就無形資產及商譽而言，按其分配的營運地點劃分；就於合營公司的權益及其他投資而言，按營運所在地點劃分。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

### 3. REVENUE AND SEGMENT REPORTING

(Continued)

#### (b) Segment reporting (Continued)

#### (iii) Geographic information (Continued)

The Group's business is mainly managed in three principal economic environments, Mainland China, Hong Kong and Taiwan.

### 3. 銷售額及分部報告 (續)

#### (b) 分部報告 (續)

#### (iii) 地區資料 (續)

本集團主要在三個主要經濟地區，即中國內地、香港及台灣進行業務。

		2016 二零一六年	2015 二零一五年 (Restated) (已重列)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue from external customers	來自外界客戶的收益		
Mainland China	中國內地	9,385,402	9,583,577
Hong Kong and Macau	香港及澳門	1,770,824	2,031,005
Hong Kong (discontinued operations)	香港 (終止經營業務)	1,010,773	1,509,863
Taiwan	台灣	167,152	178,279
Total	總計	12,334,151	13,302,724

		2016 二零一六年	2015 二零一五年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Specified non-current assets	指定非流動資產		
Mainland China	中國內地	1,713,812	1,767,067
Hong Kong	香港	549,021	668,774
Taiwan	台灣	141,779	40,383
Total	總計	2,404,612	2,476,224

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

### 4. OTHER REVENUE AND NET LOSS

### 4. 其他收益及虧損淨額

		2016 二零一六年	2015 二零一五年 (Restated) (已重列)
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Other revenue</b>	<b>其他收益</b>		
Continuing operations	持續經營業務		
Interest income	利息收入	15,960	15,860
Government grants	政府補貼	43,490	30,644
Rental income	租金收入	9,615	7,242
Dividend income from unlisted investments	非上市投資股息收入	25,554	25,443
Others	其他	35,103	19,140
		129,722	98,329
Discontinued operations	終止經營業務		
Others	其他	994	3,222
		130,716	101,551



NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

4. OTHER REVENUE AND NET LOSS (Continued) 4. 其他收益及虧損淨額 (續)

Other net loss	其他虧損淨額	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 (Restated) (已重列) RMB'000 人民幣千元
Continuing operations	持續經營業務		
Impairment of goodwill (note 13)	商譽減值 (附註13)	(42,607)	(13,111)
Net foreign exchange loss (note 5(c))	外匯兌換虧損淨額 (附註5(c))	(11,381)	(33,632)
Net (loss)/gain on repurchase of senior notes (note 22)	購回優先票據之(虧損)/收益淨額 (附註22)	(16,509)	833
Net (loss)/gain on disposal of fixed assets (note 11)	出售固定資產之(虧損)/收益淨額 (附註11)	(1,333)	213
Impairment loss on available-for-sale securities (note 9(b))	可供出售證券之減值虧損 (附註9(b))	-	(63,284)
Loss on disposal of subsidiaries	出售附屬公司之虧損	-	(1,042)
		(71,830)	(110,023)
Discontinued operations	終止經營業務		
Impairment of goodwill (note 13)	商譽減值 (附註13)	(271,788)	(31,845)
Net foreign exchange loss (note 5(c))	外匯兌換虧損淨額 (附註5(c))	-	(86)
Net loss on disposal of fixed assets (note 11)	出售固定資產之虧損淨額 (附註11)	(157)	-
		(271,945)	(31,931)
		(343,775)	(141,954)

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 5. PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation is arrived at after (crediting)/charging:

##### (a) Finance costs

		2016 二零一六年	2015 二零一五年 (Restated) (已重列)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Continuing operations	持續經營業務		
Interest on bank loans wholly repayable within five years	須於五年內全數償還之銀行貸款利息	65,840	41,004
Interest on loans over five years	五年以上之貸款利息	105	118
Interest on convertible bonds	可換股債券之利息	-	2,960
Interest on senior notes (note 22)	優先票據利息 (附註22)	122,476	145,246
Bank charges	銀行費用	14,502	16,437
		202,923	205,765

##### (b) Staff costs

		2016 二零一六年	2015 二零一五年 (Restated) (已重列)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Continuing operations	持續經營業務		
Salaries, wages and other benefits	薪金、工資及其他利益	627,068	621,952
Contributions to defined contribution retirement plans	定額供款退休計劃供款	95,164	100,470
		722,232	722,422
Discontinued operations	終止經營業務		
Salaries, wages and other benefits	薪金、工資及其他利益	44,026	78,448
Contributions to defined contribution retirement plans	定額供款退休計劃供款	2,119	3,618
		46,145	82,066

## NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

## 5. PROFIT/(LOSS) BEFORE TAXATION

(Continued)

## (c) Other items

## 5. 除稅前溢利／(虧損) (續)

## (c) 其他項目

		2016 二零一六年  RMB'000 人民幣千元	2015 二零一五年 (Restated) (已重列) RMB'000 人民幣千元
Continuing operations	持續經營業務		
Amortisation of intangible assets	攤銷無形資產	10,404	11,829
Depreciation of fixed assets	固定資產折舊	139,143	149,527
Recognition of impairment losses	減值虧損確認		
– trade and other receivables	– 應收貿易賬款及其他應收款項	169	15,095
– available-for-sale securities (note 9(b))	– 可供出售證券 (附註9(b))	–	63,284
– goodwill (note 13)	– 商譽 (附註13)	42,607	13,111
		42,776	91,490
Net foreign exchange loss	外匯兌換虧損淨額	(11,381)	(33,632)
Operating lease charges in respect of properties	物業經營租賃費用		
– minimum lease payments	– 最低租賃款項	264,483	282,661
– contingent rents	– 或然租金	438,261	461,623
Auditors' remuneration	核數師酬金	3,510	3,390
Rental income from investment properties	來自投資物業之租金收入	4,286	4,254
Cost of inventories <sup>#</sup>	存貨成本 <sup>#</sup>	8,904,648	9,145,627

<sup>#</sup> Cost of inventories includes RMB94,618,000 (2015: RMB69,173,000) relating to staff costs, depreciation and amortisation expenses and operating lease charges, which amount is also included in the respective total amounts disclosed separately above or in note 5(b) for each type of expenses.

<sup>#</sup> 存貨成本包括與員工成本、折舊及攤銷開支以及經營租賃支出有關的人民幣94,618,000元(二零一五年：人民幣69,173,000元)，該金額亦計入就各類開支於上文或附註5(b)單獨披露的各總金額。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 5. PROFIT/(LOSS) BEFORE TAXATION

(Continued)

##### (c) Other items (Continued)

#### 5. 除稅前溢利／(虧損) (續)

##### (c) 其他項目 (續)

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 (Restated) (已重列) RMB'000 人民幣千元
Discontinued operations	終止經營業務		
Depreciation of fixed assets	固定資產折舊	1,269	7,996
Impairment losses	減值虧損		
– prepayments and deposits <sup>#</sup>	– 預付款項及按金 <sup>#</sup>	42,151	–
– goodwill (note 13)	– 商譽 (附註13)	271,788	31,845
		313,939	31,845
Net foreign exchange loss	外匯兌換虧損淨額	–	(86)
Operating lease charges in respect of properties	物業經營租賃費用		
– minimum lease payments	– 最低租賃款項	14,433	18,589
		14,433	18,589
Auditors' remuneration	核數師酬金	590	590
Cost of inventories	存貨成本	137,900	256,550

<sup>#</sup> Harvest Max used to place deposits with a number of travel agency companies in Hong Kong. As disclosed in note 13, the number of PRC tourists visiting Hong Kong continued to decrease in 2016 and certain travel agency companies ceased cooperating with the Group. Whilst the Group has made various efforts, including taking legal action, to recover the deposits, it is estimated that certain deposits due from the travel agency companies may not be collectible. An impairment provision of RMB42,151,000 was made against the doubtful deposit balances as at 31 December 2016.

<sup>#</sup> 豐溢此前於香港多家旅行社存入按金。如附註13所披露，二零一六年中國內地訪港遊客人數持續減少，部分旅行社公司已停止與本集團合作。儘管本集團已作出各種努力（包括採取法律行動）收回按金，但預計若干應收旅行社公司按金可能無法收回。於二零一六年十二月三十一日，針對該等按金結餘呆賬作出人民幣42,151,000元的減值撥備。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

6. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(a) Continuing operations

(i) Taxation in the consolidated statement of profit or loss represents:

6. 綜合損益表之所得稅

(a) 持續經營業務

(i) 綜合損益表內之稅項為：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<b>Current tax</b>	<b>本期稅項</b>		
Provision for Hong Kong profits tax for the year	本年度香港利得稅撥備	10,560	26,562
Provision for Mainland China income tax for the year	本年度中國內地所得稅撥備	179,212	148,575
Provision for Taiwan and Macau income tax for the year	本年度台灣及澳門所得稅撥備	176	250
Under-provision in respect of prior years	過往年度撥備不足	3,421	2,183
<b>Sub-total</b>	<b>小計</b>	<b>193,369</b>	<b>177,570</b>
<b>Deferred tax</b>	<b>遞延稅項</b>		
Origination and reversal of temporary differences (note 25)	暫時差異之產生及撥回 (附註25)	31,497	(23,438)
<b>Sub-total</b>	<b>小計</b>	<b>31,497</b>	<b>(23,438)</b>
<b>Total</b>	<b>總計</b>	<b>224,866</b>	<b>154,132</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 6. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Continued)

##### (a) Continuing operations (Continued)

(ii) Reconciliation between tax expense and accounting profit at applicable tax rates:

#### 6. 綜合損益表之所得稅 (續)

##### (a) 持續經營業務 (續)

(ii) 稅項開支與按適用稅率計算之會計溢利對賬：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Profit before taxation	除稅前溢利	273,348	386,125
Notional tax on profit before taxation, calculated at the rates applicable to profits in the jurisdictions concerned	除稅前溢利之名義稅項，按有關司法權區之溢利適用稅率計算	121,771	142,359
Tax effect of non-deductible revenue	不可扣稅收益之稅項影響	(7,550)	(6,357)
Tax effect of non-deductible expenses	不可扣稅開支之稅項影響	5,873	3,459
Under-provision in respect of prior years	過往年度撥備不足	3,421	2,183
Withholding tax on profits distributions <sup>#</sup>	利潤分配之預扣稅 <sup>#</sup>	80,000	-
Effect of tax losses not recognised	並未確認之稅項虧損之稅項影響	21,351	12,488
Actual tax expense	實際稅項開支	224,866	154,132

<sup>#</sup> During the year ended 31 December 2016, due to the fluctuations of the foreign currency exchange rate in RMB against USD and HKD, the Group determined to require certain PRC subsidiaries of the Company to distribute cash dividend of RMB 1.6 billion to overseas subsidiaries of the Group. On 1 November 2016, cash dividends of RMB 478 million were declared and the corresponding withholding tax of RMB23.9 million were paid before the end of 2016. As at 31 December 2016, a deferred tax liability of RMB56.1 million has been recognised in respect of the cash dividends of RMB1,122 million which is planned to be declared and paid in 2017.

<sup>#</sup> 截至二零一六年十二月三十一日止年度期間，鑒於人民幣兌美元及港元外匯匯率波動，本集團決定要求本公司的若干中國附屬公司向本集團的海外附屬公司派發現金股息人民幣16億元。於二零一六年十一月一日，已宣派現金股息人民幣478,000,000元，於二零一六年末支付的相應預扣稅為人民幣23,900,000元。於二零一六年十二月三十一日，遞延稅負債人民幣56,100,000元已於現金股息人民幣1,122,000,000元中確認，而現金股息計劃於二零一七年宣派和支付。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**6. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

(Continued)

(b) Discontinued operations

(i) Taxation in the consolidated statement of profit or loss represents:

**6. 綜合損益表之所得稅 (續)**

(b) 終止經營業務

(i) 綜合損益表內之稅項為：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current tax	本期稅項		
Provision for Hong Kong profits tax for the year	本年度香港利得稅撥備	-	4,254
Over-provision in respect of prior years	過往年度過度撥備	(31)	(156)
<b>Sub-total</b>	<b>小計</b>	<b>(31)</b>	<b>4,098</b>
Deferred tax	遞延稅項		
Origination and reversal of temporary differences (note 25)	暫時差異之產生及撥回 (附註25)	207	(942)
<b>Sub-total</b>	<b>小計</b>	<b>207</b>	<b>(942)</b>
<b>Total</b>	<b>總計</b>	<b>176</b>	<b>3,156</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 6. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Continued)

##### (b) Discontinued operations (Continued)

(ii) Reconciliation between tax expense and accounting loss at applicable tax rates:

#### 6. 綜合損益表之所得稅 (續)

##### (b) 終止經營業務 (續)

(ii) 稅項開支與按適用稅率計算之會計虧損對賬：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Loss before taxation	除稅前虧損	(323,844)	(38,673)
Notional tax on loss before taxation, calculated at the rates applicable to profits in the jurisdictions concerned	除稅前虧損之名義稅項，按有關司法權區之溢利適用稅率計算	(8,589)	(1,127)
Tax effect of non-taxable income	毋須繳稅收入之稅項影響	(4)	(4)
Tax effect of non-deductible expenses	不可扣稅開支之稅項影響	153	7
Over-provision in respect of prior years	過往年度過度撥備	(31)	(156)
Effect of tax losses not recognised	並未確認之稅項虧損之稅項影響	8,647	4,436
Actual tax expense	實際稅項開支	176	3,156



(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

## 6. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS

*(Continued)*

Pursuant to the rules and regulations of the Cayman Islands, the Company is exempt from income tax in the Cayman Islands. In addition, subsidiaries located in jurisdictions other than Hong Kong, Mainland China, Taiwan and Macau, are not subject to any income tax in these jurisdictions.

The provision for Hong Kong profits tax for 2016 is calculated at 16.5% (2015: 16.5%) of the estimated assessable profits for the year.

The applicable income tax rate of the Group's Mainland China subsidiaries is 25% in 2016 (2015: 25%).

The provision for Taiwan income tax for 2016 is calculated at 17% (2015: 17%) of the estimated assessable profits for the year end.

The provision for Macau income tax is calculated based on progressive rates up to 12% and the assessable profits for the year ended 31 December 2016 (2015: 12%).

## 6. 綜合損益表之所得稅 (續)

根據開曼群島規則及法規，本公司獲豁免繳納開曼群島所得稅。此外，位於香港、中國內地、台灣及澳門以外司法權區的附屬公司亦毋須繳納該等司法權區的任何所得稅。

二零一六年之香港利得稅撥備乃按年內之估計應課稅溢利之16.5% (二零一五年：16.5%) 計算。

於二零一六年，本集團中國內地附屬公司的適用所得稅率為25% (二零一五年：25%)。

二零一六年台灣所得稅撥備以年末估計應課稅溢利之17% (二零一五年：17%) 計算。

澳門之所得稅撥備以截至二零一六年十二月三十一日止年度之應課稅溢利按最高達12% (二零一五年：12%) 之累進稅率計算。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 7. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

#### 7. 董事酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露之董事酬金如下：

		Salaries, allowances, share award scheme and other benefits <sup>#</sup>	Contributions to retirement benefit plans	Total	
	Directors' fee	薪金、津貼、 股份獎勵計劃 及其他利益 <sup>#</sup>	退休福利 計劃供款	總計	
	RMB'000	RMB'000	RMB'000	RMB'000	
	人民幣千元	人民幣千元	人民幣千元 (note 23) (附註23)	人民幣千元	
Year ended 31 December 2016	截至二零一六年 十二月三十一日止年度				
<b>Executive Directors</b>	<b>執行董事</b>				
Mr. Zhang Yuping	張瑜平先生	215	6,239	16	6,470
Mr. Huang Yonghua	黃永華先生	107	3,293	—	3,400
Mr. Lee Shu Chung Stan	李樹忠先生	107	4,619	16	4,742
<b>Non-executive Directors</b>	<b>非執行董事</b>				
Mr. Shi Zhongyang	史仲陽先生	89	—	—	89
Ms. Chen Jun	陳軍女士	45	—	—	45
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>				
Mr. Cai Jianmin	蔡建民先生	89	—	—	89
Mr. Wong Kam Fai, William	黃錦輝先生	89	—	—	89
Mr. Liu Xueling	劉學靈先生	89	—	—	89
<b>Total</b>	<b>總計</b>	<b>830</b>	<b>14,151</b>	<b>32</b>	<b>15,013</b>

<sup>#</sup> As disclosed in note 24(c), during the year ended 31 December 2016, the Company granted certain shares to its directors under the share award scheme and the corresponding expenses of RMB 1.9 million were included in the salaries, allowance, share award scheme and other benefits.

<sup>#</sup> 如附註24(c)所披露，截至二零一六年十二月三十一日止年度，本公司根據股份獎勵計劃向其董事授出若干股份，相應開支人民幣1.9百萬元計入薪金、津貼、股份獎勵計劃及其他利益。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 7. DIRECTORS' EMOLUMENTS (Continued)

#### 7. 董事酬金 (續)

		Salaries, allowances and other benefits	Contributions to retirement benefit plans	Total	
	Directors' fee	薪金、津貼 及其他利益	退休福利 計劃供款	總計	
	RMB'000	RMB'000	RMB'000	RMB'000	
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
			(note 23)		
			(附註23)		
Year ended 31 December 2015	截至二零一五年 十二月三十一日止年度				
Executive Directors	執行董事				
Mr. Zhang Yuping	張瑜平先生	201	5,791	15	6,007
Mr. Huang Yonghua	黃永華先生	100	2,847	-	2,947
Mr. Lee Shu Chung Stan	李樹忠先生	100	2,011	15	2,126
Non-executive Director	非執行董事				
Mr. Shi Zhongyang	史仲陽先生	84	-	-	84
Independent Non-executive Directors	獨立非執行董事				
Mr. Cai Jianmin	蔡建民先生	84	-	-	84
Mr. Wong Kam Fai, William	黃錦輝先生	84	-	-	84
Mr. Liu Xueling	劉學靈先生	84	-	-	84
Total	總計	737	10,649	30	11,416

Save as disclosed above, no directors' remuneration has been paid or is payable by the Group during the two years ended 31 December 2016 and 2015. There was no arrangement under which a director waived or agreed to waive any remuneration during the two years ended 31 December 2016 and 2015.

除上文所披露者外，截至二零一六年及二零一五年十二月三十一日止兩個年度，本集團並無任何已付或應付董事酬金。董事並無放棄或同意放棄任何截至二零一六年及二零一五年十二月三十一日止兩個年度之酬金安排。

During the two years ended 31 December 2016 and 2015, there were no amounts paid or payable by the Group to the directors or any of the five highest paid individuals set out in note 8 below as an inducement to join or upon joining the Group or as compensation for loss of office.

截至二零一六年及二零一五年十二月三十一日止兩個年度，本集團並無已付或應付款項予董事或任何五名最高薪人士（載於下文附註8），作為加入本集團之獎勵或作為離職之補償。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 8. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (2015: three) are directors whose emoluments are disclosed in note 7. The aggregate of the emoluments in respect of the other two (2015: two) individuals are as follows:

#### 8. 最高薪人士

五名最高薪人士當中，三名（二零一五年：三名）為董事，其薪酬於附註7披露。其餘兩名（二零一五年：兩名）人士之薪酬總計如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Salaries and other emoluments	薪金及其他酬金	11,783	2,744
Contributions to retirement benefit plans	退休福利計劃供款	16	15
Bonuses	花紅	1,336	47,031
		13,135	49,790

The emoluments of the two (2015: two) individuals, other than directors, with the highest emoluments are within the following bands:

擁有最高酬金之兩名（二零一五年：兩名）人士（董事除外）之酬金介乎下列範圍：

		2016 二零一六年 Number of individuals 人數	2015 二零一五年 Number of individuals 人數
HKD	港元		
Nil – 1,000,000	零 – 1,000,000	–	–
3,000,001 – 3,500,000	3,000,001 – 3,500,000	1	–
11,000,001 – 11,500,000	11,000,001 – 11,500,000	1	1
47,500,001 – 48,000,000	47,500,001 – 48,000,000	–	1

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 9. OTHER COMPREHENSIVE INCOME

##### (a) Tax effect relating to other comprehensive income

The foreign exchange loss suffered in 2016 by the Group's subsidiaries in mainland China on certain loans from their Hong Kong holding company which are recorded as "investments in subsidiaries" in the holding company's financial statements is recognised in other comprehensive income in the Group's consolidated financial statements. The related tax effect of RMB10,350,000 (2015: RMB20,795,000) is credited to other comprehensive income.

##### (b) Components of other comprehensive income, including reclassification adjustments

Available-for-sale securities:

#### 9. 其他全面收入

##### (a) 有關其他全面收入的稅務影響

本集團中國內地附屬公司於二零一六年就來自其香港控股公司的若干貸款產生的外匯虧損（於該控股公司之財務報表內錄為「於附屬公司之投資」）於本集團綜合財務報表內的其他全面收入確認。相關稅項影響人民幣10,350,000元（二零一五年：人民幣20,795,000元）計入其他全面收益。

##### (b) 其他全面收入組成部分（包括重新分類調整）

可供出售證券：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Changes in fair value recognised during the period (note 16)	期內確認之公允值變動（附註16）	129,923	(64,499)
Reclassification adjustments for amounts transferred to profit or loss:	重新調整分類而轉入損益之金額：		
– impairment losses (note 4, note 5(c))	– 減值虧損（附註4、附註5(c)）	–	63,284
Net movement in the fair value reserve during the year recognised in other comprehensive income	於其他全面收入確認之年內公允值儲備變動淨額	129,923	(1,215)

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 10. (LOSSES)/EARNINGS PER SHARE

##### (a) Basic (losses)/earnings per share

The calculation of basic (losses)/earnings per share is based on the (loss)/profit attributable to equity shareholders of the Company of RMB(321,378,000) (2015: RMB144,868,000) and the weighted average of 4,776,144,537 ordinary shares (2015: 4,779,400,342 ordinary shares) in issue during the year, calculated as follows:

##### (i) Weighted average number of ordinary shares

		2016 二零一六年	2015 二零一五年
Issued ordinary shares at 1 January	於一月一日之已發行普通股	4,779,810,959	4,799,130,959
Effect of shares repurchased (note 26(c)(i))	股份購回之影響 (附註26(c)(i))	-	(16,676,373)
Effect of shares purchased under share award scheme	根據股份獎勵計劃購買 股份之影響	(3,666,422)	(3,054,244)
Weighted average number of ordinary shares at 31 December	於十二月三十一日 普通股加權平均股數	4,776,144,537	4,779,400,342

##### (ii) Consolidated (loss)/profit attributable to ordinary equity shareholders of the Company

#### 10. 每股(虧損)/盈利

##### (a) 每股基本(虧損)/盈利

每股基本(虧損)/盈利乃根據本公司股份持有人應佔(虧損)/溢利人民幣(321,378,000)元(二零一五年：人民幣144,868,000元)及年內已發行加權平均股數4,776,144,537股普通股(二零一五年：4,779,400,342股普通股)計算，計算如下：

##### (i) 普通股加權平均股數

		2016 二零一六年	2015 二零一五年
Issued ordinary shares at 1 January	於一月一日之已發行普通股	4,779,810,959	4,799,130,959
Effect of shares repurchased (note 26(c)(i))	股份購回之影響 (附註26(c)(i))	-	(16,676,373)
Effect of shares purchased under share award scheme	根據股份獎勵計劃購買 股份之影響	(3,666,422)	(3,054,244)
Weighted average number of ordinary shares at 31 December	於十二月三十一日 普通股加權平均股數	4,776,144,537	4,779,400,342

##### (ii) 本公司普通股股東應佔綜合(虧損)/溢利

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
(Loss)/profit attributable to equity shareholders	股份持有人應佔(虧損)/溢利		
- continuing operations	- 持續經營業務	(10,134)	184,255
- discontinued operations	- 終止經營業務	(311,244)	(39,387)
		(321,378)	144,868

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 10. (LOSSES)/EARNINGS PER SHARE (Continued)

##### (a) Basic (losses)/earnings per share (Continued)

##### (iii) (Losses)/earnings per share

#### 10. 每股(虧損)/盈利(續)

##### (a) 每股基本(虧損)/盈利(續)

##### (iii) 每股(虧損)/盈利

		2016 二零一六年	2015 二零一五年
Basic (losses)/earnings per share	每股基本(虧損)/盈利		
- continuing operations	- 持續經營業務	RMB(0.002) 人民幣(0.002)元	RMB0.038 人民幣0.038元
- discontinued operations	- 終止經營業務	RMB(0.065) 人民幣(0.065)元	RMB(0.008) 人民幣(0.008)元
		RMB(0.067) 人民幣(0.067)元	RMB0.030 人民幣0.030元

##### (b) Diluted (losses)/earnings per share

The calculation of diluted (losses)/earnings per share is based on the diluted (loss)/profit attributable to equity shareholders of the Company of RMB(321,378,000) (2015: RMB144,868,000) and the weighted average number of ordinary shares outstanding of 4,776,144,537 shares (2015: 4,779,400,342 shares).

The calculation of diluted (losses)/earnings per share amount for the year ended 31 December 2016 and 2015 did not include the potential effects of the deemed issue of shares under the Company's shares option scheme for nil consideration into ordinary shares as it has anti-dilutive effect on the basic losses/(earnings) per share amount during the year.

##### (b) 每股攤薄(虧損)/盈利

每股攤薄(虧損)/盈利金額乃根據本公司股份持有人應佔攤薄(虧損)/溢利人民幣(321,378,000)元(二零一五年: 人民幣144,868,000元)及尚餘之普通股加權平均股數4,776,144,537股(二零一五年: 4,779,400,342股)計算。

截至二零一六年及二零一五年十二月三十一日止年度之每股攤薄(虧損)/盈利金額之計量並無包括於本公司購股權計劃下視作發行股份無償轉換為普通股之潛在影響，此乃由於其對年內每股基本(虧損)/盈利金額具有反攤薄影響。

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### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

## 11. INVESTMENT PROPERTIES, OTHER PROPERTY, PLANT AND EQUIPMENT 11. 投資物業、其他物業、廠房及設備

		Land and buildings 土地及建築物 RMB'000 人民幣千元	Leasehold improvements 租賃裝修 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Office equipment and other fixed assets 辦公室設備及其他固定資產 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Sub-total 小計 RMB'000 人民幣千元	Investment properties 投資物業 RMB'000 人民幣千元	Total 固定資產總值 RMB'000 人民幣千元
<b>Cost:</b>	<b>成本值：</b>								
At 1 January 2015	於二零一五年一月一日	933,258	461,044	26,980	153,471	309,126	1,883,879	50,961	1,934,840
Exchange adjustments	匯兌調整	3,314	1,933	1,314	1,121	-	7,682	-	7,682
Additions	增置	71,049	30,806	32,931	20,001	60,617	215,404	-	215,404
Additions through acquisition of subsidiaries	透過收購附屬公司增置	-	328	189	3,367	-	3,884	-	3,884
Transfer from construction in progress	由在建工程轉入	1,285	10,481	-	116	(11,882)	-	-	-
Disposals	出售	-	(18,591)	(1,819)	(18,695)	-	(39,105)	-	(39,105)
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	1,008,906	486,001	59,595	159,381	357,861	2,071,744	50,961	2,122,705
Exchange adjustments	匯兌調整	8,877	2,808	2,381	5,148	-	19,214	-	19,214
Additions	增置	98,606	18,917	808	33,066	79,212	230,609	-	230,609
Transfer from construction in progress	由在建工程轉入	-	8,677	-	961	(9,638)	-	-	-
Disposals	出售	-	(17,373)	(3,090)	(12,642)	-	(33,105)	-	(33,105)
Reclassification to assets classified as held for sale (note 28)	重新分類至已分類為持作出售資產 (附註28)	-	(10,925)	-	(4,252)	-	(15,177)	-	(15,177)
At 31 December 2016	於二零一六年十二月三十一日	1,116,389	488,105	59,694	181,662	427,435	2,273,285	50,961	2,324,246
<b>Accumulated depreciation:</b>	<b>累計折舊：</b>								
At 1 January 2015	於二零一五年一月一日	(115,844)	(263,181)	(19,707)	(80,478)	-	(479,210)	(9,675)	(488,885)
Exchange adjustments	匯兌調整	(568)	(1,129)	(666)	(42)	-	(2,405)	-	(2,405)
Charge for the year	年度折舊	(35,296)	(85,969)	(7,267)	(27,003)	-	(155,535)	(1,988)	(157,523)
Written back on disposals	出售撥回	-	18,537	1,624	10,506	-	30,667	-	30,667
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	(151,708)	(331,742)	(26,016)	(97,017)	-	(606,483)	(11,663)	(618,146)
Exchange adjustments	匯兌調整	(796)	(1,919)	(950)	(2,931)	-	(6,596)	-	(6,596)
Charge for the year	年度折舊	(37,913)	(62,370)	(10,080)	(28,062)	-	(138,425)	(1,987)	(140,412)
Written back on disposals	出售撥回	-	14,383	2,785	9,974	-	27,142	-	27,142
Reclassification to assets classified as held for sale (note 28)	重新分類至已分類為持作出售資產 (附註28)	-	9,781	-	2,495	-	12,276	-	12,276
At 31 December 2016	於二零一六年十二月三十一日	(190,417)	(371,867)	(34,261)	(115,541)	-	(712,086)	(13,650)	(725,736)
<b>Net book value:</b>	<b>賬面淨值：</b>								
At 31 December 2016	於二零一六年十二月三十一日	925,972	116,238	25,433	66,121	427,435	1,561,199	37,311	1,598,510
At 31 December 2015	於二零一五年十二月三十一日	857,198	154,259	33,579	62,364	357,861	1,465,261	39,298	1,504,559



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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 11. INVESTMENT PROPERTIES, OTHER PROPERTY, PLANT AND EQUIPMENT

(Continued)

- (i) Land owned by the Group is located in Taiwan, which has an indefinite useful life and therefore is not depreciated. The carrying amount of the land located in Taiwan as at 31 December 2016 is RMB83,316,000 (2015: RMB6,824,000).
- (ii) The buildings owned by the Group are located in Mainland China, Hong Kong and Taiwan.
- (iii) As at 31 December 2016, land and buildings in Taiwan with carrying amounts of RMB113,839,000 were pledged to banks as security for certain loan facilities (see note 21).
- (iv) As at 31 December 2016, the Group was in the process of obtaining a property ownership certificate for one building in Taiyuan with a carrying amount of approximately RMB11,122,000 (2015: RMB11,427,000).
- (v) Investment properties

#### 11. 投資物業、其他物業、廠房及設備 (續)

- (i) 本集團擁有之土地位於台灣，擁有無限使用年期，因此並無折舊。於二零一六年十二月三十一日，位於台灣之土地賬面值為人民幣83,316,000元（二零一五年：人民幣6,824,000元）。
- (ii) 本集團擁有之建築物位於中國內地、香港及台灣。
- (ii) 於二零一六年十二月三十一日，位於台灣賬面值為人民幣113,839,000元之土地及樓宇已作為若干貸款之擔保而抵押予銀行（參看附註21）。
- (iv) 於二零一六年十二月三十一日，本集團處於申請獲得一幢位於太原物業所有權證之階段，該物業之賬面值約為人民幣11,122,000元（二零一五年：人民幣11,427,000元）。
- (v) 投資物業

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Net book value of investment properties	投資物業之賬面淨值	37,311	39,298
Fair value of investment properties	投資物業之公允值	80,329	102,210

As at 31 December 2016, the investment properties located in Wuhan and Urumqi in Mainland China were rented out under terms of operating leases. The fair value of the investment properties as at 31 December 2016, as determined by reference to recent market transactions of comparable properties, amounted to RMB80,329,000 (2015: RMB102,210,000). The fair value of the investment properties has not been evaluated by an independent external valuer.

於二零一六年十二月三十一日，位於中國內地之武漢及烏魯木齊之投資物業已根據經營租賃條款出租。於二零一六年十二月三十一日，該等投資物業經參考可比較物業近期市場交易所釐定的公允值為人民幣80,329,000元（二零一五年：人民幣102,210,000元）。該等投資物業的公允值並未經獨立外聘估值師估值。

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 12. INTANGIBLE ASSETS

#### 12. 無形資產

		Trademarks with indefinite useful lives 無確定使用 年期之商標 RMB'000 人民幣千元	Trademarks with finite useful lives 有確定使用 年期之商標 RMB'000 人民幣千元	Agency rights and patents 代理權 及專利權 RMB'000 人民幣千元	Software licences 軟件特許權 RMB'000 人民幣千元	Favorable lease terms 優惠租約 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost:	成本：						
At 1 January 2015	於二零一五年一月一日	11,834	8,744	1,199	36,078	61,214	119,069
Exchange adjustments	匯兌調整	734	-	-	20	-	754
Additions during the year	年內增置	-	-	-	5,614	-	5,614
Disposal during the year	年內出售	-	-	(1,199)	(569)	(1,306)	(3,074)
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	12,568	8,744	-	41,143	59,908	122,363
Exchange adjustments	匯兌調整	850	-	-	57	-	907
Additions during the year	年內增置	-	-	-	3,710	-	3,710
Disposal during the year	年內出售	-	-	-	(165)	-	(165)
At 31 December 2016	於二零一六年十二月三十一日	13,418	8,744	-	44,745	59,908	126,815
Accumulated amortisation:	累計攤銷：						
At 1 January 2015	於二零一五年一月一日	-	(6,929)	(1,199)	(15,918)	(8,422)	(32,468)
Exchange adjustments	匯兌調整	-	-	-	(2)	-	(2)
Charge for the year	年度攤銷	-	(621)	-	(7,400)	(3,808)	(11,829)
Written back on disposal	出售撥回	-	-	1,199	-	493	1,692
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	-	(7,550)	-	(23,320)	(11,737)	(42,607)
Exchange adjustments	匯兌調整	-	-	-	(49)	-	(49)
Charge for the year	年度攤銷	-	(601)	-	(8,088)	(1,715)	(10,404)
Written back on disposal	出售撥回	-	-	-	3	-	3
At 31 December 2016	於二零一六年十二月三十一日	-	(8,151)	-	(31,454)	(13,452)	(53,057)
Net book value:	賬面淨值：						
At 31 December 2016	於二零一六年十二月三十一日	13,418	593	-	13,291	46,456	73,758
At 31 December 2015	於二零一五年十二月三十一日	12,568	1,194	-	17,823	48,171	79,756

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

## 12. INTANGIBLE ASSETS (Continued)

The amortisation charges for trademarks with finite useful lives and patents and software licences are included in “Administrative expenses” in the consolidated statement of profit or loss.

The amortisation charge for the favorable lease terms is included in “Distribution costs” in the consolidated statement of profit or loss.

The basis of impairment tests for cash-generating units containing trademarks with indefinite useful lives is as follows:

The recoverable amount of the cash-generating unit is determined based on value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rate and growth rates. The Group prepares cash flow forecasts derived from the two-year financial budgets and extrapolates cash flows for the following eight years based on estimated annual growth rates in sales of 2% to 10% (2015: 5% to 10%), a growth rate in gross profit ratio of -1% to 1% (2015: 0%), and a discount rate of 10% (2015: 10%). The growth rates are determined by management based on the performance of the relevant cash-generating units and their estimated future developments in the market.

## 12. 無形資產 (續)

有確定使用年期之商標及專利權及軟件特許權之攤銷費用計入綜合損益表「行政費用」下。

優惠租約之攤銷費用計入綜合損益表「分銷成本」下。

就現金產生單位包括無確定使用年期之商標之減值測試基準如下：

現金產生單位之可收回數額乃按使用價值計算釐定。使用價值計算之重要假設為與貼現率及增長率有關之假設。本集團根據2%至10%之預期年度銷售增長率(二零一五年：5%至10%)、-1%至1%之毛利率增長率(二零一五年：0%)及10%之貼現率(二零一五年：10%)編製按兩年財政預算之現金流預測及推斷隨後八年之現金流，該等增長率乃由管理層根據相關現金產生單位之表現及其於市場上估計未來發展而釐定。

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#### 13. GOODWILL

#### 13. 商譽

RMB'000  
人民幣千元

Cost:	成本：	
At 1 January 2015	於二零一五年一月一日	840,521
Additions	增置	12,657
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	853,178
Reclassification to assets classified as held for sale (note 28)	重新分類至已分類為持作出售之資產 (附註28)	(303,633)
At 31 December 2016	於二零一六年十二月三十一日	549,545
Accumulated impairment losses:	累計減值虧損：	
At 1 January 2015	於二零一五年一月一日	(38,000)
Impairment charged during the year	年內計提減值	(44,956)
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	(82,956)
Impairment charged during the year	年內計提減值	(314,395)
Reclassification to assets classified as held for sale (note 28)	重新分類至已分類為持作出售之資產 (附註28)	303,633
At 31 December 2016	於二零一六年十二月三十一日	(93,718)
Carrying amount:	賬面值：	
At 31 December 2016	於二零一六年十二月三十一日	455,827
At 31 December 2015	於二零一五年十二月三十一日	770,222

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#### 13. GOODWILL (Continued)

##### Impairment tests for cash-generating units containing goodwill

Goodwill is allocated to the Group's cash-generating units identified according to places of operations and reportable segments as follows:

#### 13. 商譽 (續)

##### 含有商譽之現金產生單位之減值測試

商譽分配予本集團根據下列營運地點及呈報分部所確定之現金產生單位：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Retail – Mainland China	零售 – 中國內地	200,866	243,473
Retail – Hong Kong	零售 – 香港	171,163	171,163
Retail – Taiwan	零售 – 台灣	22,654	22,654
Retail – Harvest Max	零售 – 豐溢	–	271,788
All others	所有其他	61,144	61,144
		455,827	770,222
Reclassification to assets classified as held for sale (note 28)	重新分類至已分類為持作出售之資產 (附註28)	–	–
		455,827	770,222

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#### 13. GOODWILL (Continued)

##### Retail – Mainland China

The recoverable amounts of the cash-generating units are determined based on value-in-use calculations. The key assumptions for the value-in-use calculations are the discount rate and revenue/gross profit growth rate. The Group prepares cash flow forecasts derived from the two-year financial budgets and extrapolates cash flows for the following three to five years based on estimated annual average growth rates in sales ranging from 4.3% to 14.8% (2015: 2.6% to 14.8%), growth rates in gross profit ratio ranging from 0% to 3% (2015: 0% to 3%), and a discount rate ranging from 15% to 16.5% (2015: 15% to 16.5%). The growth rates are determined by management based on the performance of the relevant cash-generating units and their estimated future development.

As a result of the prolonged construction period of certain municipal infrastructure improvement projects, consumer traffic of certain stores in the PRC has been severely affected and the profitability of these stores for 2016 declined compared to 2015. Management estimated the recoverable amount of the cash-generating unit. As at 31 December 2016, the carrying amount of the respective cash-generating unit has been reduced to its recoverable amount of approximately RMB410,817,000 and an impairment loss of RMB42,607,000 was recognised in respect of the cash-generating unit which has been allocated to reduce the carrying amount of the goodwill. Any adverse change in the assumptions used in the calculation of recoverable amount would result in further impairment losses.

#### 13. 商譽 (續)

##### 零售 – 中國內地

現金產生單位之可收回數額乃按使用價值計算釐定。使用價值計算之重要假設為貼現率及收益／毛利增長率。本集團根據介乎4.3%至14.8%之預期年度平均銷售增長率（二零一五年：2.6%至14.8%）、介乎0%至3%之毛利率增長率（二零一五年：0%至3%）及介乎15%至16.5%之貼現率（二零一五年：15%至16.5%）編製按兩年財政預算之現金流預測及推斷隨後三至五年之現金流，該等增長率乃由管理層根據相關現金產生單位之表現及估計未來發展而釐定。

由於部份市政基建改造工程的建築期延長，故嚴重影響中國若干店舖的消費者流量，有關店舖於二零一六年的盈利能力相較二零一五年有所下降。管理層已估計現金產生單位的可收回金額。於二零一六年十二月三十一日，各現金產生單位的賬面值已減少至其可收回金額約人民幣410,817,000元，並就現金產生單位確認減值虧損人民幣42,607,000元，並已分配用以減少商譽的賬面值。用於計算可收回金額之假設如有任何不利變動，將導致進一步減值虧損。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**13. GOODWILL** (Continued)**Retail – Harvest Max**

During the year ended 31 December 2015, as a result of the decrease in number of mainland tourists visiting Hong Kong, the business of the Harvest Max segment was affected and an impairment loss of RMB32 million was recognised. To improve the deteriorating operating results, the Group initiated a number of activities, including i) increasing the sales mix of jewellery products, which have a higher profit margin, ii) enhancing the cooperation with certain major travel agency companies, and iii) seeking opportunities to reduce the commission fee level payable to the travel agency companies. However, during the year ended 31 December 2016, the decreasing trend of mainland tourists visiting Hong Kong continued and the depreciation of RMB against HKD further weakened the purchasing power of mainland tourists. Harvest Max's revenue during 2016 decreased by RMB499 million or 33% as compared to 2015 and its operating results continued to deteriorate. During the fourth quarter of 2016, the Group determined to dispose of the Harvest Max business and since then, has commenced an active programme to locate a buyer. As disclosed in note 3(b), the Group is contemplating a VSD transaction and pursuant to the sales and purchase agreement dated 30 December 2016, the Group proposed the disposals of the Group's equity interests in Harvest Max and the Mainland China Watch Business at a consideration equal to their net book value at 31 December 2016, which excludes the carrying value of goodwill previously allocated to Harvest Max.

Management considered the above impairment indicators and estimated the recoverable amount of those related assets which generate cash inflows independently from other assets of the Group (the "cash-generating unit"), which is the higher of the fair value less costs of disposal and value in use. As at 31 December 2016, the carrying value of the cash-generating unit has been reduced to its recoverable amount of approximately RMB241 million and an impairment loss of RMB272 million was recognised, to write down 100% of the allocated goodwill.

**13. 商譽** (續)**零售 – 豐溢**

截至二零一五年十二月三十一日止年度，由於中國內地訪港遊客數量減少，豐溢分部的業務受到影響並已確認減值虧損人民幣32,000,000元。為改善下滑的經營業績，本集團實施了數項措施，其中包括i) 增加利潤率較高的珠寶產品混合銷售；ii) 加強與若干主要旅行社合作；及iii) 尋求機會降低應付旅行社佣金的水平。然而，截至二零一六年十二月三十一日止年度，中國內地訪港遊客持續減少，及人民幣貶值導致兌港元匯率下降，進一步削弱中國內地遊客的購買能力。於二零一六年豐溢的收益較二零一五年減少人民幣499,000,000元或33%，而其經營業績繼續下滑。於二零一六年第四季度，本集團決定出售豐溢業務，並在此之後積極尋找買家。正如附註3(b)所披露，本集團正考慮一項非常重大出售事項交易，根據日期為二零一六年十二月三十日訂立的買賣協議，本集團擬出售其於豐溢及中國內地鐘錶業務的股權，代價相當於其於二零一六年十二月三十一日的賬面淨值，當中不包含過往已分配予豐溢的商譽賬面值。

管理層已審議上述減值指標，並就該等相關資產（獨立於本集團其他資產產生現金流入）（「現金產生單位」）之可收回金額（公允值減出售成本與使用價值兩者之間的較高者）作出估計。於二零一六年十二月三十一日，現金產生單位的賬面值已減至其可收回金額約人民幣241,000,000元及確認減值虧損人民幣272,000,000元，以撇減100%的獲配商譽。

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#### 14. INTEREST IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

#### 14. 於附屬公司之權益

下表僅載列對本集團業績、資產或負債有重大影響之附屬公司之詳情。除非另有指明，所持股份類別均為普通股。

Name of company 公司名稱	Place of incorporation and business 註冊及營業地點	Proportion of ownership interest 所有權百分比			Particulars of issued and paid up capital 已發行及繳足資本詳情	Principal activity 主要業務
		Group's effect interest 本集團之實際權益	Held by the Company 由本公司持有	Held by subsidiaries 由附屬公司持有		
Elegant Jewellery Holding Limited 三寶珠寶集團有限公司	Hong Kong 香港	100%	100%	-	5,000,000 shares 5,000,000股	Retail of watches and jewellery 手錶及珠寶零售
上海新宇鐘錶服務有限公司 ("Xinyu Fine Watch Service") (「上海新宇鐘錶服務」)	Mainland China 中國內地	100%	-	100%	1,909,930,000 shares of RMB1 each 1,909,930,000股 每股面值人民幣1元之股份	Customer services and investment holding 客戶服務及投資控股
深圳亨得利鐘錶有限公司 ("Shenzhen Hengdeli") (「深圳亨得利」)	Mainland China 中國內地	100%	-	100%	487,850,000 shares of RMB1 each 487,850,000股 每股面值人民幣1元之股份	Retail and wholesale of watches 手錶零售及批發
上海新宇鐘錶集團有限公司 ("Shanghai Xinyu") (「上海新宇」)	Mainland China 中國內地	95%	-	95%	1,000,000,000 shares of RMB1 each 1,000,000,000股 每股面值人民幣1元之股份	Retail and wholesale of watches 手錶零售及批發
蘇州新宇世家鐘錶有限公司 ("Suzhou Xinyu") (「蘇州新宇」)	Mainland China 中國內地	60%	-	60%	50,000,000 shares of RMB1 each 50,000,000股 每股面值人民幣1元之股份	Retail of watches 手錶零售



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### 14. INTEREST IN SUBSIDIARIES (Continued)

### 14. 於附屬公司之權益 (續)

Name of company 公司名稱	Place of incorporation and business 註冊及 營業地點	Proportion of ownership interest 所有權百分比			Particulars of issued and paid up capital 已發行及 繳足資本詳情	Principal activity 主要業務
		Group's effect interest 本集團之 實際權益	Held by the Company 由本公司 持有	Held by subsidiaries 由附屬公司 持有		
河南富豪錶行有限公司 ("Henan Fuhao") (「河南富豪」)	Mainland China 中國內地	70%	-	70%	30,000,000 shares of RMB1 each 30,000,000股 每股面值人民幣1元 之股份	Retail of watches 手錶零售
溫州新宇鐘錶有限公司 ("Wenzhou Xinyu") (「溫州新宇」)	Mainland China 中國內地	51%	-	51%	5,000,000 shares of RMB1 each 5,000,000股 每股面值人民幣1元 之股份	Retail of watches 手錶零售
武漢新宇三寶鐘錶有限公司 ("Wuhan Xinyu") (「武漢新宇」)	Mainland China 中國內地	60%	-	60%	50,000,000 shares of RMB1 each 50,000,000股 每股面值人民幣1元 之股份	Retail of watches 手錶零售
廣州市雅迪裝飾包裝有限公司 ("Guangzhou Yadi") (「廣州雅迪」)	Mainland China 中國內地	100%	-	100%	156,500,000 shares of HKD1 each 156,500,000股 每股面值1港元 之股份	Decoration and packaging 裝飾及包裝
安徽三新鐘錶有限公司 ("Anhui Sanxin") (「安徽三新」)	Mainland China 中國內地	70%	-	70%	20,000,000 shares of RMB1 each 20,000,000股 每股面值人民幣1元 之股份	Retail of watches 手錶零售
北京市亨得利瑞士鐘錶 有限責任公司 ("Beijing Hengdeli") (「北京亨得利」)	Mainland China 中國內地	55%	-	55%	156,800,000 shares of RMB1 each 156,800,000股 每股面值人民幣1元 之股份	Retail and wholesale of watches 手錶零售及批發

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#### 14. INTEREST IN SUBSIDIARIES (Continued)

#### 14. 於附屬公司之權益 (續)

Name of company 公司名稱	Place of incorporation and business 註冊及 營業地點	Proportion of ownership interest 所有權百分比			Particulars of issued and paid up capital 已發行及 繳足資本詳情	Principal activity 主要業務
		Group's effect interest 本集團之 實際權益	Held by the Company 由本公司 持有	Held by subsidiaries 由附屬公司 持有		
享得利商貿(深圳)有限公司 ("Hengdeli Commercial (Shenzhen)") (「享得利商貿(深圳)」)	Mainland China 中國內地	100%	–	100%	362,260,000 shares of RMB1 each 362,260,000股 每股面值人民幣1元 之股份	Investment holding 投資控股
台灣精光堂時計有限公司 ("Jing Guang Tang") (「台灣精光堂」)	Taiwan 台灣	80%	–	80%	155,820,000 shares of NTD1 each 155,820,000股 每股面值新台幣1元 之股份	Retail of watches 手錶零售
新疆亨得利投資有限公司 ("Xinjiang Hengdeli Investment") (「新疆亨得利投資」)	Mainland China 中國內地	65%	–	65%	50,000,000 shares of RMB1 each 50,000,000股 每股面值人民幣1元 之股份	Investment holding 投資控股
寧波上亨鐘錶有限公司 ("Ningbo Shangheng") (「寧波上亨」)	Mainland China 中國內地	100%	–	100%	99,820,000 shares of RMB1 each 99,820,000股 每股面值人民幣1元 之股份	Wholesale 批發
珠海尼維達鐘錶股份有限公司 ("Zhuhai Nivada") (「珠海尼維達」)	Mainland China 中國內地	60%	–	60%	20,000,000 shares of RMB1 each 20,000,000股 每股面值人民幣1元 之股份	Manufacturing and retail of watches 手錶製造及零售
Alpha Key Investments Limited ("Alpha Key") 高建投資有限公司(「高建」)	BVI 英屬處女群島	100%	100%	–	1 share of USD1 each 1股每股面值1美元 之股份	Investment holding 投資控股

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### 14. INTEREST IN SUBSIDIARIES (Continued)

### 14. 於附屬公司之權益 (續)

Name of company 公司名稱	Place of incorporation and business 註冊及 營業地點	Proportion of ownership interest 所有權百分比			Particulars of issued and paid up capital 已發行及 繳足資本詳情	Principal activity 主要業務
		Group's effect interest 本集團之 實際權益	Held by the Company 由本公司 持有	Held by subsidiaries 由附屬公司 持有		
Hengdeli Giant Dragon Limited ("Hengdeli Giant Dragon") 亨得利巨龍有限公司 (「亨得利巨龍」)	BVI 英屬處女群島	100%	100%	-	1 share of USD1 each 1股每股面值1美元 之股份	Investment holding 投資控股
Xinyu Hengdeli Investments Limited ("Hengdeli Investments") 新宇亨得利投資有限公司 (「亨得利投資」)	BVI 英屬處女群島	100%	100%	-	1 share of USD1 each 1股每股面值1美元 之股份	Investment holding 投資控股
Harvest Max Holdings Limited ("Harvest Max") 豐溢控股有限公司 (「豐溢」)	BVI 英屬處女群島	75.54%	-	75.54%	37,066 shares of USD1 each 37,066股每股面值 1美元之股份	Retail of watches and jewellery 手錶及珠寶零售
南昌亨得利股份有限公司 ("Nanchang Hengdeli") (「南昌亨得利」)	Mainland China 中國內地	88.59%	-	88.59%	22,515,930 shares of RMB1 each 22,515,930股 每股面值人民幣1元 之股份	Retail of watches and jewellery 手錶及珠寶零售
南京順序鐘錶有限公司 ("Nanjing Shunxu") (「南京順序」)	Mainland China 中國內地	60%	-	60%	150,000,000 shares of RMB1 each 150,000,000股 每股面值人民幣1元 之股份	Retail of watches 手錶零售

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### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 14. INTEREST IN SUBSIDIARIES (Continued)

# All of the subsidiaries incorporated in Mainland China are domestic enterprises, except for Xinyu Fine Watch Service, Guangzhou Yadi and Shanghai Deyi Watch Co., Ltd. which are foreign invested enterprises.

The directors are of the view that the Group has no individually material non-controlling interest for the year ended 31 December 2016.

Cash and cash equivalents are held in China and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

#### 15. INTEREST IN JOINT VENTURES

上海瑞亨琪鐘錶商業有限公司 ("Shanghai Ruihengqi")	上海瑞亨琪鐘錶商業有限公司 ("上海瑞亨琪")
北京新宇亨瑞鐘錶有限責任公司 ("Beijing Hengrui")	北京新宇亨瑞鐘錶有限責任公司 ("北京亨瑞")
Others	其他

All of the above joint ventures are unlisted corporate entities whose quoted market price is not available and are accounted for using the equity method in the consolidated financial statements.

#### 14. 於附屬公司之權益 (續)

# 除上海新宇鐘錶服務、廣州雅迪及上海德藝鐘錶有限公司為外商投資企業外，所有於中國內地註冊成立的附屬公司均為內資企業。

截至二零一六年十二月三十一日止年度，董事認為本集團並無個別而言屬重大的非控股權益。

現金及現金等價物均存放於中國，並受當地外匯管制條例規管。除通過正常派發股息外，當地外匯管制條例對資金匯出國家設有限制。

#### 15. 於合營公司之權益

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
上海瑞亨琪鐘錶商業有限公司 ("Shanghai Ruihengqi")	14,590	11,957
北京新宇亨瑞鐘錶有限責任公司 ("Beijing Hengrui")	41,751	42,243
Others	1,982	4,000
	58,323	58,200

所有上述合營公司均為無市場報價的非上市企業實體，乃採用權益法於綜合財務報表入賬。

## NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

### 15. INTEREST IN JOINT VENTURES (Continued)

The following list contains the particulars of material joint ventures:

### 15. 於合營公司之權益 (續)

下表載列重大合營公司詳情：

Name of joint ventures	Form of business structure	Place of incorporation and business	Proportion of ownership interest			Particulars of issued and paid up capital	Principal activity
			Group's effective interest	Held by the Company	Held by subsidiaries		
合營公司名稱	業務架構形式	註冊及營業地點	本集團之實際權益	由本公司持有	由附屬公司持有	已發行及繳足資本詳情	主要業務
Shanghai Ruihengqi	Incorporated	Mainland China	50%	-	50%	Registered capital RMB30,000,000	Sale and distribution of watches
上海瑞亨琪	註冊法團	中國內地				註冊資本人民幣30,000,000元	手錶銷售及分銷
Beijing Hengrui	Incorporated	Mainland China	50%	-	50%	Registered capital RMB40,000,000	Property management and leasing
北京亨瑞	註冊法團	中國內地				註冊資本人民幣40,000,000元	物業管理及租賃

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#### 15. INTEREST IN JOINT VENTURES (Continued)

Summarised financial information of the material joint ventures, adjusted for any differences in accounting policies, and a reconciliation to the carrying amounts in the consolidated financial statements, are disclosed below:

#### 15. 於合營公司之權益 (續)

重要合營公司之財務資料概要、會計政策任何差異之調整及綜合財務報表內賬面值之對賬披露如下：

		2016 二零一六年		
		Shanghai Ruihengqi 上海瑞亨琪 RMB'000 人民幣千元	Beijing Hengrui 北京亨瑞 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Gross amounts	總額			
Current assets	流動資產	31,174	21,840	53,014
Non-current assets	非流動資產	395	62,014	62,409
Current liabilities	流動負債	(2,338)	(352)	(2,690)
Non-current liabilities	非流動負債	(51)	–	(51)
Equity	權益	29,180	83,502	112,682
Included in the above assets and liabilities:	計入上述資產及負債：			
Cash and cash equivalents	現金及現金等價物	26,319	21,306	47,625
Revenue	收益	32,363	5,800	38,163
Profit after tax	稅後溢利	5,266	1,921	7,187
Total comprehensive income	全面收入總額	5,266	1,921	7,187
Included in above profits:	計入上述溢利：			
Depreciation and amortisation	折舊及攤銷	(1,746)	(1,128)	(2,874)
Interest income	利息收入	410	201	611
Income tax expense	所得稅開支	1,757	1,077	2,834
Reconciled to the Group's interest in joint ventures	本集團於合營公司之 權益對賬			
Gross amounts of net assets	資產淨值總額	29,180	83,502	112,682
Group's effective interest	本集團之實際利息	50%	50%	50%
Group's share of net assets and carrying amount in the consolidated financial statements	本集團應佔資產淨值及 於綜合財務報表內之 賬面值	14,590	41,751	56,341

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## 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

## 15. INTEREST IN JOINT VENTURES (Continued) 15. 於合營公司之權益 (續)

		2015 二零一五年		
		Shanghai Ruihengqi 上海瑞亨琪 RMB'000 人民幣千元	Beijing Hengrui 北京亨瑞 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Gross amounts	總額			
Current assets	流動資產	26,629	20,385	47,014
Non-current assets	非流動資產	4,300	64,454	68,754
Current liabilities	流動負債	(6,974)	(354)	(7,328)
Non-current liabilities	非流動負債	(41)	–	(41)
Equity	權益	23,914	84,485	108,399
Included in the above assets and liabilities:	計入上述資產及負債：			
Cash and cash equivalents	現金及現金等價物	20,696	20,378	41,074
Revenue	收益	45,103	6,000	51,103
Profit after tax	稅後溢利	990	1,916	2,906
Total comprehensive income	全面收入總額	990	1,916	2,906
Included in above profits:	計入上述溢利：			
Depreciation and amortisation	折舊及攤銷	1,245	2,440	3,685
Interest income	利息收入	275	171	446
Income tax expense	所得稅開支	255	1,075	1,330
Reconciled to the Group's interest in joint ventures	本集團於合營公司之 權益對賬			
Gross amounts of net assets	資產淨值總額	23,914	84,485	108,399
Group's effective interest	本集團之實際利息	50%	50%	50%
Group's share of net assets and carrying amount in the consolidated financial statements	本集團應佔資產淨值及 於綜合財務報表內之 賬面值	11,957	42,243	54,200

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#### 15. INTEREST IN JOINT VENTURES (Continued)

Information of a joint venture that is not individually material:

#### 15. 於合營公司之權益 (續)

個別不重大合營公司之資料：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Carrying amount of an immaterial joint venture in the consolidated financial statements	綜合財務報表內不重大聯營公司之賬面值	1,982	4,000
Amounts of the group's share of this joint venture's profit from continuing operation	本集團應佔該合營公司來自持續經營業務溢利之金額		
Loss after tax	稅後虧損	(1,977)	(1,042)
Other comprehensive income	其他全面收入	—	—
Total comprehensive income	全面收入總額	(1,977)	(1,042)

#### 16. OTHER INVESTMENTS

#### 16. 其他投資

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Available-for-sale securities (note 30(e)(i))	可供出售證券 (附註30(e)(i))	198,579	61,163
Unlisted investment, at cost	非上市投資，按成本值	2,324	2,324
		200,903	63,487



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### 16. OTHER INVESTMENTS (Continued)

Movements of the available-for-sale securities:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
At 1 January	於一月一日	61,163	71,065
Addition in the year	年內添置	-	47,290
Changes in fair value during the year (note 9(b))	年內公允值變動 (附註9(b))	129,923	(64,499)
Exchange adjustment	匯兌調整	7,493	7,307
At 31 December	於十二月三十一日	198,579	61,163

### 16. 其他投資 (續)

可供出售證券變動：

### 17. INVENTORIES

(a) Inventories in the consolidated statement of financial position comprise:

### 17. 存貨

(a) 於綜合財務狀況表之存貨包括：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Raw materials	原材料	29,149	45,675
Work in progress	在製品	36,279	36,483
Finished goods	製成品	5,624,497	6,294,192
		5,689,925	6,376,350
Reclassification to assets classified as held for sale (note 28)	重新分類至已分類為持作出售之資產 (附註28)	(82,513)	-
		5,607,412	6,376,350

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#### 17. INVENTORIES (Continued)

(b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

#### 17. 存貨 (續)

(b) 確認為開支並計入損益之存貨數額分析如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Continuing operations	持續經營業務		
Carrying amount of inventories sold	售出存貨賬面值	8,877,454	9,136,411
Inventory provision	存貨撥備	27,194	9,216
		8,904,648	9,145,627
Discontinued operations	終止經營業務		
Carrying amount of inventories sold	售出存貨賬面值	129,350	256,550
Inventory provision	存貨撥備	8,550	—
		137,900	256,550
		9,042,548	9,402,177

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and distribution costs. These estimates are based on 1) the sales volume history; 2) the ageing of inventory; 3) physical condition reports from the shops; and 4) recommended selling prices set by brand owners. Management reassesses the estimations at the end of each reporting period.

存貨可變現淨值為日常業務過程中的估計售價減估計完工及分銷成本。該等估計基於1)銷量記錄；2)存貨的賬齡；3)商店的實質狀況報告；及4)品牌經理所定的建議售價。管理層將在各報告期末重新評估該等估計。

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### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 18. TRADE AND OTHER RECEIVABLES

#### 18. 應收貿易賬款及其他應收款項

		2016 二零一六年			2015 二零一五年
		Continuing operations	Discontinued operations (note 28) 終止經營業務 (附註28)	Total	Total
		持續經營業務 RMB'000 人民幣千元	終止經營業務 (附註28) RMB'000 人民幣千元	合計 RMB'000 人民幣千元	合計 RMB'000 人民幣千元
<b>Current assets</b>	<b>流動資產</b>				
Trade receivables	應收貿易賬款	1,049,506	2,433	1,051,939	977,642
Less: allowance for doubtful debts	減：呆賬撥備	(18,266)	–	(18,266)	(18,808)
		1,031,240	2,433	1,033,673	958,834
Prepayments and deposits	預付款項及按金	138,296	28,827	167,123	154,139
Other receivables	其他應收款項	195,106	–	195,106	212,105
Amount due from joint ventures	應收合營公司款項	1,580	–	1,580	4,097
		1,366,222	31,260	1,397,482	1,329,175
<b>Non-current assets</b>	<b>非流動資產</b>				
Prepayments and deposits	預付款項及按金	17,291	–	17,291	–
		1,383,513	31,260	1,414,773	1,329,175

All of the trade and other receivables in current assets are expected to be recovered within one year.

流動資產內所有應收貿易賬款及其他應收款項均預期於一年內收回。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 18. TRADE AND OTHER RECEIVABLES

(Continued)

##### (a) Ageing analysis

An ageing analysis of trade receivables (net of allowance for doubtful debts) is as follows:

		2016 二零一六年		2015 二零一五年	
		Continuing operations	Discontinued operations	Total	Total
		(note 28)	(note 28)		
		持續經營業務	終止經營業務	合計	合計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Current	未逾期	937,224	2,433	939,657	843,761
Less than 1 month past due	逾期少於一個月	64,251	–	64,251	95,863
1 to 3 months past due	逾期一至三個月	14,634	–	14,634	12,763
More than 3 months but less than 12 months past due	逾期超過三個月 但少於十二個月	12,000	–	12,000	4,367
More than 12 months past due	逾期超過十二個月	3,131	–	3,131	2,080
		94,016	–	94,016	115,073
		1,031,240	2,433	1,033,673	958,834

Trade receivables are due within 30 to 90 days from the date of billing. Further details regarding the Group's credit policy are set out in note 30(a).

#### 18. 應收貿易賬款及其他應收款項

(續)

##### (a) 賬齡分析

應收貿易賬款之賬齡分析(已扣除呆賬撥備)如下:

應收貿易賬款由開票日期起計30至90日內到期。本集團信貸政策之進一步詳情載於附註30(a)。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

## 18. TRADE AND OTHER RECEIVABLES

(Continued)

### (b) Impairment of trade receivables

Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly (see note 1(l)(i)).

Impairment losses on trade and other receivables are assessed and provided based on management's estimate of the specific element of the expected credit losses to be incurred, which is estimated by taking into account the credit history of the respective debtors, which include the landlords of certain in-store shops, and other current market and customer-specific conditions and a collective element of ageing and historical experience to determine whether there is objective evidence of impairment. If any such evidence exists, an impairment loss is recognised. Objective evidence of impairment includes observable data that comes to the attention of the Group about loss events such as a significant decline in the estimated future cash flow of an individual debtor or the portfolio of debtors, and significant changes in the financial condition that have an adverse effect on the debtor. If there is objective evidence of a recovery in the value of receivables which can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed.

## 18. 應收貿易賬款及其他應收款項

(續)

### (b) 應收貿易賬款減值

除非本集團信納日後收回有關款項的可能性極低，否則本集團會於撥備賬確認應收貿易賬款之減值虧損，若不大可能收回有關款項，則有關的減值虧損將直接於應收貿易賬款中撇銷（參看附註1(l)(i)）。

根據管理層對將要產生的預期信貸虧損的具體因素之預估，對應收貿易賬款及其他應收款項的減值虧損進行評估和撥備，管理層的預估已考慮各個債務人的信用記錄，其中包括部分大商場內店舖的房東及其它當前市場與客戶的具體情況，以及賬齡及歷史經驗的綜合因素，以確定是否存在減值的客觀證據。倘存在此類證據，則確認減值虧損。減值虧損的客觀證據包括引起本集團關注的與虧損事件相關的可觀察數據，例如預計個別債務人或債務人組合的未來現金流量大幅下降，以及財務狀況的重大變化對債務人產生不利影響。倘有客觀證據表明，減值虧損確認後發生的某個事件可以客觀地與應收賬款價值回升相關聯，則先前確認的減值虧損予以撤銷。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 18. TRADE AND OTHER RECEIVABLES

(Continued)

##### (b) Impairment of trade receivables (Continued)

The movement in the allowance for doubtful debts during the year, including both specific and collective loss components, is as follows:

#### 18. 應收貿易賬款及其他應收款項

(續)

##### (b) 應收貿易賬款減值 (續)

年內呆賬撥備的變動(包括個別及共同虧損部分)如下:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
At 1 January	於一月一日	18,808	3,393
Impairment loss recognised	已確認之減值虧損	5,526	15,689
Reversal of impairment loss upon receipts	已收回並撥回之減值虧損	(5,357)	(159)
Uncollectible amounts written off	不可收回金額之撇銷	(711)	(115)
At 31 December	於十二月三十一日	18,266	18,808

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 18. TRADE AND OTHER RECEIVABLES

(Continued)

##### (c) Trade receivables that are not impaired

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

		2016 二零一六年		2015 二零一五年	
		Continuing operations	Discontinued operations	Total	Total
		(note 28)	(note 28)		
		終止經營業務	終止經營業務	合計	合計
		(附註28)	(附註28)	合計	合計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Current	未逾期	937,224	2,433	939,657	843,761
Less than 1 month past due	逾期少於一個月	56,571	—	56,571	95,326
1 to 3 months past due	逾期一至三個月	13,761	—	13,761	12,751
More than 3 months but less than 12 months past due	逾期超過三個月但少於十二個月	7,893	—	7,893	4,108
More than 12 months past due	逾期超過十二個月	1,804	—	1,804	1,617
		80,029	—	80,029	113,802
		1,017,253	2,433	1,019,686	957,563

Receivables that were neither past due nor impaired relating to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relating to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance 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.

#### 18. 應收貿易賬款及其他應收款項

(續)

##### (c) 並無減值的應收貿易賬款

既無個別亦無共同被視為將予減值之應收貿易賬款之賬齡分析如下：

尚未逾期或減值之應收款項乃與近期並無違約記錄之一眾客戶有關。

已逾期但未減值之應收款項乃與一批與本集團有良好交易記錄之獨立客戶有關。根據過往經驗，由於信貸質素並無重大變動，且該等結餘仍被視為可全數收回，故管理層相信並無必要就該等結餘作出減值撥備。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 19. CASH AND CASH EQUIVALENTS

(a) Cash and cash equivalents comprise:

#### 19. 現金及現金等價物

(a) 現金及現金等價物包括：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Cash at bank and on hand	銀行及手頭現金	2,942,229	1,910,351
Reclassification to assets classified as held for sale ( <i>note 28</i> )	重新分類至已分類為持作出售之資產 (附註28)	(150,657)	—
		2,791,572	1,910,351



## NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

## 19. CASH AND CASH EQUIVALENTS

(Continued)

(b) Reconciliation of (loss)/profit before taxation to cash generated from operations:

## 19. 現金及現金等價物 (續)

(b) 除稅前(虧損)/溢利及營運所得現金的對賬:

			2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
		Note 附註		
(Loss)/profit before taxation	除稅前(虧損)/溢利		(50,496)	347,452
– Continuing operations	– 持續經營業務		273,348	386,125
– Discontinued operations	– 終止經營業務		(323,844)	(38,673)
Adjustments for:	調整項目:			
Depreciation	折舊	5(c)	140,412	157,523
Amortisation of intangible assets	無形資產攤銷	5(c)	10,404	11,829
Finance costs	財務成本	5(a)	202,923	189,328
Dividend income from unlisted investments	來自非上市投資的股息收入	4	(25,554)	(25,443)
Interest income	利息收入	4	(16,159)	(16,023)
Net loss/(gain) on redemption and repurchase of senior notes	贖回和回購優先票據的虧損/(收益)淨額	4	16,509	(833)
Share award scheme	股份獎勵計劃	24(c)	4,285	–
Share of profits of joint ventures	應佔合營公司溢利	15	(1,617)	(411)
Impairment of available-for-sale securities	可供出售證券減值	4	–	63,284
Impairment of goodwill	商譽減值	13	314,395	44,956
Net loss/(gain) on disposal of fixed assets	出售固定資產之虧損/(收益)淨額	4	1,490	(213)
Loss on disposal of subsidiaries	出售附屬公司之虧損	4	–	1,042
<b>Operating profit before changes in working capital</b>	<b>營運資金變動前的經營溢利</b>		<b>596,592</b>	<b>772,491</b>
Decrease in inventories	存貨減少		800,694	352,767
(Increase)/decrease in trade and other receivables	應收貿易賬款及其他應收款項(增加)/減少		(66,014)	258,511
Decrease in trade and other payables	應付貿易賬款及其他應付款項減少		(330,504)	(279,890)
<b>Cash generated from operating activities</b>	<b>經營活動所得現金</b>		<b>1,000,768</b>	<b>1,103,879</b>

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

### 20. TRADE AND OTHER PAYABLES

### 20. 應付貿易賬款及其他應付款項

		2016 二零一六年 Discontinued Operations (note 28) 終止經營業務 持續經營業務 (附註28)			2015 二零一五年
		Continuing Operations RMB'000 人民幣千元	Operations (note 28) 終止經營業務 RMB'000 人民幣千元	Total RMB'000 人民幣千元	Total RMB'000 人民幣千元
Trade payables	應付貿易賬款	1,222,392	11,938	1,234,330	1,544,354
Other payables and accrued expenses	其他應付款項及應計費用	354,740	20,543	375,283	342,188
Advance receipts from customers	客戶預付款項	46,758	–	46,758	75,727
		1,623,890	32,481	1,656,371	1,962,269

As of the end of the reporting period, the ageing analysis of trade payables based on invoice date, is as follows:

於報告期末，按發票日期計應付貿易賬款之賬齡分析如下：

		2016 二零一六年 Discontinued Operations (note 28) 終止經營業務 持續經營業務 (附註28)			2015 二零一五年
		Continuing Operations RMB'000 人民幣千元	Operations (note 28) 終止經營業務 RMB'000 人民幣千元	Total RMB'000 人民幣千元	Total RMB'000 人民幣千元
Within 1 month	一個月內	888,878	6,904	895,782	890,850
Over 1 month but less than 3 months	超過一個月但少於三個月	309,278	5,034	314,312	627,792
Over 3 months but less than 12 months	超過三個月但少於十二個月	12,148	–	12,148	12,778
Over 1 year	超過一年	12,088	–	12,088	12,934
		1,222,392	11,938	1,234,330	1,544,354

## NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

### 21. BANK LOANS

At 31 December 2016, the bank loans were repayable as follows:

### 21. 銀行貸款

於二零一六年十二月三十一日，應償還銀行貸款如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Within 1 year or on demand	一年內或按要求	2,641,387	704,374
After 1 year but within 2 years	一年後但於兩年內	158,213	404,306
After 2 years but within 5 years	兩年後但於五年內	13,500	145,562
After 5 years	五年後	72,236	2,600
		243,949	552,468
		2,885,336	1,256,842

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 21. BANK LOANS (Continued)

Certain of the Group's bank loan facilities are subject to the fulfillment of covenants imposing certain specific performance requirements on the Group and a minimum shareholding requirement on the Group's major shareholder. If the Group were to breach the covenant, bank loans drawn down under such facilities with a total amount of RMB994,340,000 (2015: RMB418,900,000) would become payable on demand. The Group regularly monitors its compliance with such covenants and at 31 December 2016, the Group had complied with the covenants.

At 31 December 2016, the bank loans were secured as follows:

#### 21. 銀行貸款 (續)

本集團若干銀行貸款融資須遵守有關本集團若干特定表現要求的契約，及符合本集團主要股東之最低持股要求。倘本集團違反銀行貸款契約，有關信貸的已提取銀行貸款總額人民幣994,340,000元（二零一五年：人民幣418,900,000元）將按要求償還。本集團定期監察其遵守契約的情況。於二零一六年十二月三十一日，本集團已遵守契約。

於二零一六年十二月三十一日，銀行貸款的抵押詳情如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Bank loans within one year or on demand	一年內或按要求償還的 銀行貸款		
- Secured	- 有抵押	541	487
- Unsecured	- 無抵押	2,640,846	703,887
		2,641,387	704,374
Bank loans after one year	一年後償還的銀行貸款		
- Secured	- 有抵押	90,095	4,547
- Unsecured	- 無抵押	153,854	547,921
		243,949	552,468
		2,885,336	1,256,842

At 31 December 2016, the secured bank loans are all drawn down under certain bank facilities secured by mortgages over certain land and buildings of the Group with an aggregate carrying value of RMB113,839,000 (2015: RMB10,253,000).

於二零一六年十二月三十一日，以本集團擁有賬面值合共為人民幣113,839,000元（二零一五年：人民幣10,253,000元）的若干土地及樓宇的按揭作抵押的若干銀行信貸項下的有抵押銀行貸款已全部提取。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

## 22. SENIOR NOTES

In January 2013, the Company issued 6.25% senior notes due in 2018 in the aggregate principal amount of United States Dollars (“USD”) 350,000,000 (“the Notes”), which are listed on the Exchange. The Notes are interest-bearing at 6.25% per annum and payable semi-annually in arrears. The Notes will mature on 29 January 2018, unless redeemed earlier in accordance with the terms of the Notes. The net proceeds, after deducting the direct issuance costs, amounted to approximately USD343,969,622 (RMB equivalent: 2,158,949,000).

Pursuant to the terms of the Notes, the Notes are subject to the fulfilment of covenants relating to limitations on indebtedness and certain transactions of the Group. The Company regularly monitors its compliance with these covenants. The Group has complied with the imposed senior notes covenants for the year ended 31 December 2016.

The Company may redeem part or all of the Notes or, upon the occurrence of certain events, the Company should make an offer to purchase all outstanding portions of the Notes at a price specified in the terms of the Notes.

## 22. 優先票據

於二零一三年一月，本公司發行本金總額為350,000,000美元（「美元」）於二零一八年到期之6.25%優先票據（「票據」），該等票據於聯交所上市。票據之年息為6.25%，須每半年支付。除非根據票據條款提前贖回，否則票據將於二零一八年一月二十九日到期。於扣除直接發行成本後，所得款項淨額約為343,969,622美元（相等於人民幣2,158,949,000元）。

根據票據之條款，票據須待有關債務限制的契約及本集團若干交易達成後，方可作實。本公司定期監察其遵守該等契約的情況。截至二零一六年十二月三十一日止年度，本集團已遵守有關優先票據的契約。

本公司可贖回部分或全部票據，或於若干事件發生時，本公司應按根據票據條款列明的價格就購買所有尚未償還票據發出要約。

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 22. SENIOR NOTES (Continued)

The movement of the Notes is set out below:

#### 22. 優先票據 (續)

票據之變動載列如下：

		RMB'000 人民幣千元
As at 31 December 2014	於二零一四年十二月三十一日	2,173,905
Interest charged during the year	年內計提利息	145,246
Derecognised due to repurchase by the Company during the year	年內因本公司回購而終止確認	(25,637)
Interest paid during the year	年內已付利息	(134,007)
Foreign exchange loss	外匯虧損	(1,554)
Foreign currency translation difference	外幣換算差額	130,483
As at 31 December 2015	於二零一五年十二月三十一日	2,288,436
Interest charged during the year	年內計提利息	122,476
Derecognised due to repurchase by the Company during the year	年內因本公司回購而終止確認	(47,108)
Derecognised due to redemption by the Company during the year	年內因本公司贖回而終止確認	(863,166)
Interest paid during the year	年內已付利息	(115,825)
Foreign exchange loss	外匯虧損	1,096
Foreign currency translation difference	外幣換算差額	113,290
As at 31 December 2016	於二零一六年十二月三十一日	1,499,199
Current	流動	709,083
Non-current	非流動	790,116
		1,499,199

In January, March and April 2016, the Group repurchased, by way of market acquisition, notes with a principal amount of USD7,200,000, for a total consideration of USD7,065,000 (RMB equivalent: 46,337,000).

於二零一六年一月、三月及四月，本集團通過市場收購方式以總代價7,065,000美元（相等於人民幣46,337,000元）購回本金總為7,200,000美元的票據。

In June 2016, the Group redeemed notes with a principal amount of USD127,372,000, for a total consideration of USD132,619,000 (RMB equivalent: 869,775,000).

於二零一六年六月，本集團以總代價132,619,000美元（相等於人民幣869,775,000元）贖回本金總為127,372,000美元的票據。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

## 22. SENIOR NOTES (Continued)

A loss of RMB16,509,000 was recognised on redemption of senior notes in the Group's consolidated statement of profit or loss, being the difference between the carrying amount of senior notes redeemed and the consideration paid, plus the transaction costs incurred.

As 31 December 2016, the Group planned to repurchase a portion of the outstanding senior notes in 2017, and reclassified senior notes of RMB709,083,000 as current liabilities. In March 2017, these senior notes had been repurchased as a price of RMB702,709,000.

## 23. EMPLOYEE RETIREMENT BENEFITS

As stipulated by the labour regulations of the PRC, the Group participates in various defined contribution retirement plans organised by municipal and provincial governments for its employees. The Group is required to make contributions to the retirement plans at rates ranging from 11% to 21% of the eligible employees' salaries for the year ended 31 December 2016 (2015: from 11% to 21%).

Pursuant to the labour regulations of Taiwan and Macau, the Group joined defined contribution retirement plans for its employees. The Group is required to make contributions to the retirement plans at the applicable rates ranging from 1% to 6% based on the eligible employees' salaries (2015: from 1% to 6%).

The Group also operates a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HKD30,000 (2015: HKD30,000). Contributions to the scheme vest immediately.

## 22. 優先票據 (續)

於本集團綜合損益表，已贖回優先票據之賬面值與已付之代價之差異（加已產生之交易成本），於贖回優先票據時被確認為虧損人民幣16,509,000元。

於二零一六年十二月三十一日，本集團計劃於二零一七年購回部分已發行優先票據，並將人民幣709,083,000元的優先票據重新分類為流動負債。於二零一七年三月，該等優先票據已按人民幣702,709,000元的價格購回。

## 23. 僱員退休福利

依據中國勞工規例規定，本集團為其僱員參與多個由市級及省級政府管理的定額供款退休福利計劃。本集團須於截至二零一六年十二月三十一日止年度按合資格享受此項福利之僱員之薪酬之11%至21%（二零一五年：11%至21%）向退休計劃供款。

本集團根據台灣及澳門的勞工法例為僱員參加定額供款退休計劃。規定本集團須以合資格享受此福利之僱員之薪酬為基礎，並按介乎1%至6%（二零一五年：1%至6%）之適用比率就退休計劃供款。

本集團亦根據香港強制性公積金計劃條例，為根據香港僱傭條例受僱之僱員設立強制性公積金計劃（「強積金計劃」）。強積金計劃乃由獨立信託人管理之定額供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員之有關收入之5%供款，惟以30,000港元（二零一五年：30,000港元）為每月有關收入之上限。計劃供款即時歸僱員所有。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 23. EMPLOYEE RETIREMENT BENEFITS

(Continued)

The Group has no other obligation for the payment of its employees' retirement and other post-retirement benefits other than the contributions described above.

#### 24. EQUITY SETTLED SHARE-BASED TRANSACTIONS

##### (a) The 2005 share option plan

The Company has a share option scheme which was adopted on 27 August 2005 pursuant to the resolutions of the shareholders of the Company to grant share options to certain senior employees of the Group to subscribe for shares of the Company at certain exercise prices. The options vest if certain performance targets are achieved during certain periods.

(i) The terms and conditions of the grant are as follows:

#### 23. 僱員退休福利 (續)

除上述供款外，本集團毋須就其僱員之退休及其他退休後福利付款承擔其他責任。

#### 24. 以權益結算，股份基礎支付交易

##### (a) 二零零五年購股權計劃

本公司於二零零五年八月二十七日根據本公司股東的決議案採納一項購股權計劃，本公司向本集團若干高級僱員授出購股權，可按若干行使價認購本公司股份。倘該等僱員於若干期間達到若干表現目標，購股權隨即歸屬予僱員。

(i) 授出條款及條件如下：

	Number of instruments 工具數目	Vesting conditions 歸屬條件	Contractual life of options 購股權之合約年期
Options granted to employees: 授予僱員之購股權：			
– on 30 September 2011	4,150,000	The purchase rights may be executed from 30 September 2014 if certain performance targets were achieved by then	5 years
– 於二零一一年九月三十日		倘當時達到若干表現目標，購買權可自二零一四年九月三十日起行使	5年



(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**24. EQUITY SETTLED SHARE-BASED TRANSACTIONS** (Continued)**(a) The 2005 share option plan** (Continued)

(ii) The number and weighted average exercise prices of share options are as follows:

**24. 以權益結算，股份基礎支付交易** (續)**(a) 二零零五年購股權計劃** (續)

(ii) 購股權數目及加權平均行使價如下：

		2016 二零一六年		2015 二零一五年	
		Weighted average exercise price 加權平均 行使價 HKD 港元	Number of options 購股權 數目 '000 千股	Weighted average exercise price 加權平均 行使價 HKD 港元	Number of options 購股權 數目 '000 千股
Outstanding at 1 January	於一月一日尚未行使	2.66	385	2.66	385
Cancelled during the year	年內註銷	-	-	-	-
Lapsed during the year	年內失效	-	(385)	-	-
Outstanding at 31 December	於十二月三十一日尚未行使	-	-	2.66	385
Exercisable at 31 December	於十二月三十一日可行使	-	-	2.66	385

**(b) The 2015 share option scheme**

On 19 May 2015, a new share option scheme was established which will be used to grant option to selected participants including but not limited to directors and employees of the Group in order to provide incentives or rewards for their contributions to the Group. As at 31 December 2016, no option was granted under 2015 share option scheme.

**(b) 二零一五年購股權計劃**

於二零一五年五月十九日，本公司設立一項新購股權計劃，將用於向經篩選參與者（包括但不限於本集團董事及僱員）授出購股權，以獎勵彼等為本集團所作貢獻。於二零一六年十二月三十一日，概無根據二零一五年購股權計劃授出購股權。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 24. EQUITY SETTLED SHARE-BASED TRANSACTIONS (Continued)

##### (c) Share award scheme

Pursuant to a share award scheme approved by the Board in 2015, the Company may purchase its own shares and grant such shares to certain employees or consultants of the Group. For the year ended 31 December 2016, the Company granted 6,252,000 shares at nil consideration to the Group's employees, of which 2,640,000 shares were granted to the Company's directors (see Note 7).

The consideration paid for the purchase of the Company's shares is reflected as a decrease in the capital reserve of the Company. The fair value of the employee services received in exchange for the grant of shares is recognised as staff costs in profit or loss with a corresponding increase in capital reserve, which is measured based on the grant date share price of the Company.

#### 25. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

##### (a) Current taxation in the consolidated statement of financial position represents:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Provision for income tax for the year	年度所得稅撥備	189,948	179,641
Transfer from deferred tax liabilities (note 25(b))	由遞延稅項負債轉入(附註25(b))	21,077	-
Income tax paid	已付所得稅	(180,590)	(158,863)
Transfer to other comprehensive income	轉入其他全面收入	(1,725)	-
		28,710	20,778
Reclassification to assets and liabilities classified as held for sale (note 28)	重新分類至已分類為持作出售之 資產及負債(附註28)	3,486	-
		32,196	20,778

Balances of profits tax provision relating to prior years are both nil at 31 December 2016 and 2015.

#### 24. 以權益結算，股份基礎支付交易(續)

##### (c) 股份獎勵計劃

根據董事會於二零一五年批准之股份獎勵計劃，本公司可購買其本身股份及向本集團若干僱員或顧問授出相關股份。截至二零一六年十二月三十一日止年度，本公司以零代價向本集團僱員授出6,252,000股股份，其中2,640,000股股份已授予本公司董事(見附註7)。

就購買本公司股份已付之代價反映為本公司資本儲備減少。按僱員服務以換取授予股份之公允價值乃於損益中確認為員工成本，按授予日期之本公司股份價格計算之股本儲備亦相應地增加。

#### 25. 綜合財務狀況表之所得稅

##### (a) 綜合財務狀況表之本期應繳稅項指：

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Provision for income tax for the year	189,948	179,641
Transfer from deferred tax liabilities (note 25(b))	21,077	-
Income tax paid	(180,590)	(158,863)
Transfer to other comprehensive income	(1,725)	-
	28,710	20,778
Reclassification to assets and liabilities classified as held for sale (note 28)	3,486	-
	32,196	20,778

於二零一六年及二零一五年十二月三十一日，就過往年度之利得稅撥備結餘均為零。

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### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 25. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Continued)

##### (b) Deferred tax assets and liabilities recognised

###### (i) Deferred tax assets recognised:

The components of deferred tax assets recognised in the consolidated statement of financial position and the movements during the two years ended 31 December 2016 are as follows:

		Impairment of trade and other receivables 應收貿易 賬款及其他 應收款項減值	Inventory provision 存貨撥備	Tax losses not utilised 未利用 稅項虧損	Unrealised profit 未變現溢利	Accrued expenses 應計費用	Depreciation charges in excess of depreciation 折舊費用 超過折舊	Others (note 9(a)) 其他 (附註9(a))	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2015	於二零一五年一月一日	1,024	17,059	28,732	13,118	10,997	1,237	-	72,167
Credited/(charged) to profit or loss	在損益計入/(扣除)	3,208	3,511	27,072	(2,333)	3,013	-	(20,795)	13,676
Credited to other comprehensive income	計入其他全面收入	-	-	-	-	-	-	20,795	20,795
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	4,232	20,570	55,804	10,785	14,010	1,237	-	106,638
Credited/(charged) to profit or loss	在損益計入/(扣除)	376	1,900	36,878	178	(5,446)	1,635	(8,625)	26,896
Credited to other comprehensive income	計入其他全面收入	-	-	-	-	-	-	8,625	8,625
Exchange adjustments	匯兌調整	-	113	40	-	14	68	-	235
Reclassification to assets classified as held for sale (note 28)	重新分類至已分類為 持作出售之資產 (附註28)	-	-	(541)	-	-	(2,047)	-	(2,588)
At 31 December 2016	於二零一六年 十二月三十一日	4,608	22,583	92,181	10,963	8,578	893	-	139,806

#### 25. 綜合財務狀況表之所得稅 (續)

##### (b) 已確認遞延稅項資產及負債

###### (i) 已確認遞延稅項資產：

於截至二零一六年十二月三十一日止兩個年度內在綜合財務狀況表內確認之遞延稅項資產之組成部分及變動載列如下：

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### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 25. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Continued)

##### (b) Deferred tax assets and liabilities recognised

(Continued)

###### (ii) Deferred tax liabilities recognised

The components of deferred tax liabilities recognised in the consolidated statement of financial position and the movements during the two years ended 31 December 2016 are as follows:

		Expected profit distribution by the Group's PRC subsidiaries 預期本集團中國附屬公司分派之溢利 RMB'000 人民幣千元	Fair value adjustments in relation to business combinations 就業務合併公允值調整 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2015	於二零一五年一月一日	22,138	84,413	9,858	116,409
Charged/(credited) to profit or loss	於損益扣除/(計入)	4	(4,059)	(6,649)	(10,704)
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	22,142	80,354	3,209	105,705
Charged/(credited) to profit or loss	於損益扣除/(計入)	56,086	(3,964)	6,478	58,600
Transfer to current taxation (note 25 (a))	轉撥至本期應繳稅項 (附註25 (a))	(22,332)	-	1,255	(21,077)
Exchange adjustments	匯兌調整	190	-	60	250
At 31 December 2016	於二零一六年十二月三十一日	56,086	76,390	11,002	143,478

##### (c) Deferred tax assets not recognised

In accordance with the accounting policy set out in note 1(t), the Group has not recognised cumulative tax losses of RMB303,967,000 (2015: RMB283,068,000) of which deferred tax assets were not recognised as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. These tax losses will expire during the period from 2017 to 2021.

#### 25. 綜合財務狀況表之所得稅 (續)

##### (b) 已確認遞延稅項資產及負債 (續)

###### (ii) 已確認遞延稅項負債

截至二零一六年十二月三十一日止兩個年度，於綜合財務狀況表之已確認遞延稅項負債之組成部分及變動如下：

##### (c) 未確認之遞延稅項資產

根據附註1(t)所載會計政策，因於有關稅務司法權區及實體很可能無法取得足夠用作抵銷虧損的未來應課稅溢利，故本集團並無就累計稅項虧損人民幣303,967,000元（二零一五年：人民幣283,068,000元）確認遞延稅項資產。該等稅項虧損將於二零一七年至二零二一年失效。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**25. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION***(Continued)***(d) Deferred tax liabilities not recognised**

Pursuant to the Tax Law of the PRC, 10% withholding tax is levied on foreign investors (5% for foreign investors who are registered in Hong Kong provided they meet certain criteria) in respect of dividend distributions arising from a foreign investment enterprise's profit earned after 1 January 2008.

As at 31 December 2016, deferred tax liabilities of RMB56,086,000 (31 December 2015: RMB22,142,000) have been recognised in respect of the tax that would be payable on the distribution of the retained profits of the Group's PRC subsidiaries.

Deferred tax liabilities of RMB69,858,000 (2015: RMB133,284,000) have not been recognised, as the Company controls the dividend policy of these subsidiaries and it has been determined that it is probable that certain of the profits earned by the Group's PRC subsidiaries for the year from 1 January 2008 to 31 December 2016 will not be distributed in the foreseeable future.

**26. CAPITAL, RESERVES AND DIVIDENDS****(a) Movements in components of equity**

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

**25. 綜合財務狀況表之所得稅 (續)****(d) 未確認之遞延稅項負債**

根據中國稅法，外國投資者須就外商投資企業於二零零八年一月一日以後賺取之溢利而產生之股息分派按稅率10%繳付預扣稅，於香港註冊之外國投資者倘符合若干標準則按稅率5%繳付預扣稅。

於二零一六年十二月三十一日，本集團已就本集團中國附屬公司分派保留溢利事項確認人民幣56,086,000元的遞延稅項負債（二零一五年十二月三十一日：人民幣22,142,000元）。

由於本公司控制該等附屬公司之股息政策，加上已釐定不大可能於可見將來就本集團中國附屬公司於二零零八年一月一日至二零一六年十二月三十一日期間賺取之若干溢利進行分派，故並無確認遞延稅項負債人民幣69,858,000元（二零一五年：人民幣133,284,000元）。

**26. 資本、儲備及股息****(a) 權益組成部分之變動**

本集團綜合權益各組成部分之年初及年末結餘對賬載於綜合權益變動表。本公司於年初及年末之權益個別組成部分變動詳情載列如下：

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#### 26. CAPITAL, RESERVES AND DIVIDENDS

(Continued)

##### (a) Movements in components of equity (Continued)

The Company

#### 26. 資本、儲備及股息 (續)

##### (a) 權益組成部分之變動 (續)

本公司

		Share capital 股本	Share premium 股份溢價	Capital redemption reserve 股本購回儲備	Capital reserve 資本儲備	Exchange reserve 匯兌儲備	Retained losses 保留虧損	Total 總計
	Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at 1 January 2015	於二零一五年一月一日之結餘	22,920	2,707,753	178	3,046	(407,815)	(468,392)	1,857,690
Changes in equity for 2015: Total comprehensive income for the year	於二零一五年權益變動： 年度全面收入總額	-	-	-	-	100,350	(305,900)	(205,550)
Dividends approved in respect of the previous year	批准過往年度股息 26(b)	-	-	-	-	-	(153,100)	(153,100)
Repurchase of convertible bonds	購回可換股債券	-	-	-	(2,296)	-	2,296	-
Shares purchased under share award scheme	根據股份獎勵計劃購買股份 24	-	-	-	(8,265)	-	-	(8,265)
Purchase of own shares	購買本公司股份 26(c)							
- par value paid	- 已付面值	(79)	-	-	-	-	-	(79)
- premium paid	- 已付溢價	-	(22,611)	-	-	-	-	(22,611)
- transfer between reserves	- 儲備之間轉移	-	-	79	-	-	-	79
Balance 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	22,841	2,685,142	257	(7,515)	(307,465)	(925,096)	1,468,164
Changes in equity for 2016: Total comprehensive income for the year	於二零一六年權益變動： 年度全面收入總額	-	-	-	-	86,971	(371,301)	(284,330)
Shares granted under share award scheme	根據股份獎勵計劃授出 之股份 24	-	-	-	4,285	-	-	4,285
Balance at 31 December 2016	於二零一六年 十二月三十一日之結餘	22,841	2,685,142	257	(3,230)	(220,494)	(1,296,397)	1,188,119

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 26. CAPITAL, RESERVES AND DIVIDENDS

(Continued)

##### (b) Dividends

- (i) Dividends payable to equity shareholders of the Company attributable to the year

#### 26. 資本、儲備及股息 (續)

##### (b) 股息

- (i) 本年度應付本公司股份持有人的股息

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Final dividend proposed after the end of the reporting date of RMBNil per ordinary share (2015: RMBNil per ordinary share)	報告期末後擬派末期股息 每股普通股人民幣零元 (二零一五年：每股普通股 人民幣零元)	-	-
(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year	(ii) 本年度所批准及支付的過往財政年度應付本公司股份持有人的股息	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Final dividend in respect of the previous financial year, approved and paid during the year of RMBNil per share (2015: RMB0.032 per share)	本年度所批准及支付的過往 財政年度末期股息為每股 人民幣零元 (二零一五年：每股 人民幣0.032元)	-	153,100

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 26. CAPITAL, RESERVES AND DIVIDENDS

(Continued)

##### (c) Share capital

(i) Authorised and issued share capital

#### 26. 資本、儲備及股息 (續)

##### (c) 股本

(i) 法定及已發行股本

		2016		2015	
		二零一六年		二零一五年	
		Number of shares	Amount HKD	Number of shares	Amount HKD
		股份數目	金額港元	股份數目	金額港元
Authorised:	法定：				
Ordinary shares of HKD0.005 each	每股面值0.005港元之普通股	10,000,000,000	50,000,000	10,000,000,000	50,000,000

		2016		2015	
		二零一六年		二零一五年	
		Number of shares	Amount HKD	Number of shares	Amount HKD
		股份數目	金額港元	股份數目	金額港元
Issued and fully paid:	已發行及繳足：				
At 1 January	於一月一日	4,779,810,959	23,899,054	4,799,130,959	23,995,654
Share repurchase	購回股份	-	-	(19,320,000)	(96,600)
At 31 December	於十二月三十一日	4,779,810,959	23,899,054	4,779,810,959	23,899,054

equivalent	equivalent
折合	折合
RMB'000	RMB'000
人民幣千元	人民幣千元

22,841

22,841

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣派之股息，每持有一股股份可於本公司股東大會上投一票。所有普通股在本公司剩餘資產方面均享有同等權益。



(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**26. CAPITAL, RESERVES AND DIVIDENDS**

(Continued)

**(c) Share capital (Continued)**

- (ii) Terms of unexpired and unexercised share options at the end of the reporting period

Exercise period	行使期	Exercise price 行使價	2016 Number 二零一六年 數目	2015 Number 二零一五年 數目
30 September 2014 to 29 September 2016	二零一四年九月三十日至 二零一六年九月二十九日	HKD2.66 2.66港元	—	385,000

Each option entitles the holder to subscribe for one ordinary share in the Company. Further details of these options are set out in note 24 to the financial statements.

**(d) Nature and purpose of reserves**

- (i) Share premium and capital redemption reserve

The application of the share premium account and the capital redemption reserve is governed by the Companies Law of the Cayman Islands.

- (ii) Capital reserve

The capital reserve comprises the following:

- The excess of the consideration paid by the Company over the aggregate of the nominal value of the share capital of the subsidiaries acquired under the Group's reorganisation.
- The portion of the grant date fair value of the actual or estimated number of unexercised share options granted to employees of the Group recognised in accordance with the accounting policy adopted for share-based payments in note 1(s)(ii).
- The difference between the consideration paid by the Group to non-controlling interest holders and the carrying amount of the respective non-controlling interests.

**26. 資本、儲備及股息 (續)**

**(c) 股本 (續)**

- (ii) 於報告期末未到期及未行使購股權之年期

Exercise price 行使價	2016 Number 二零一六年 數目	2015 Number 二零一五年 數目
HKD2.66 2.66港元	—	385,000

每一份購股權賦予持有人認購一股本公司普通股股份之權利。此等購股權之進一步詳情載於財務報表附註24。

**(d) 儲備的性質及目的**

- (i) 股份溢價及股本贖回儲備

股份溢價賬及股本贖回儲備的應用受開曼群島公司法規管。

- (ii) 資本儲備

資本儲備包括以下各項：

- 本公司之已付代價超過本集團重組所收購附屬公司之股本面值總額。
- 按附註1(s)(ii)就以股份為基礎支付採納之會計政策確認本集團僱員獲授之實際或估計數目的未行使購股權之授出日期公允值部分。
- 本集團已付非控股權益持有人的代價與相關非控股權益之賬面值之差額。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 26. CAPITAL, RESERVES AND DIVIDENDS

(Continued)

##### (d) Nature and purpose of reserves (Continued)

###### (iii) Exchange reserve

The exchange reserve comprises all foreign currency differences arising from the translation of the financial statements of the entities within the Group whose functional currency is other than Renminbi. The reserve is dealt with in accordance with the accounting policy set out in note 1(w).

###### (iv) Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of other investments held at the end of the reporting period and is dealt with in accordance with the accounting policy in note 1(g).

###### (v) PRC statutory reserve

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

PRC statutory reserves include general reserve, enterprise expansion fund, and statutory surplus reserve.

According to the relevant PRC laws and regulations, the PRC subsidiaries of the Group, which are wholly foreign owned enterprises in the PRC, are required to transfer 10% of their profit after taxation, as determined under PRC Accounting Regulations, to the general reserve fund until the reserve balance reaches 50% of their registered capital. The transfer to this reserve must be made before distribution of a dividend to shareholders. Moreover, they are required to transfer a certain percentage of their profit after taxation, as determined under PRC GAAP, to the enterprise expansion fund.

#### 26. 資本、儲備及股息 (續)

##### (d) 儲備的性質及目的 (續)

###### (iii) 匯兌儲備

匯兌儲備包括來自換算其功能貨幣為人民幣以外貨幣之本集團實體之財務報表產生之所有外幣匯兌差額。該儲備乃按照附註1(w)所載會計政策處理。

###### (iv) 公允值儲備

公允值儲備包含於報告期末持有其他投資之累計公允值變動淨額及根據附註1(g)之會計政策處理。

###### (v) 中國法定儲備

本公司依照中國有關規則及法規以及本公司於中國註冊成立的附屬公司的章程細則，將保留盈利轉撥至中國法定儲備，轉撥經各附屬公司董事會批准。

中國法定儲備包括一般儲備、企業發展基金及法定盈餘公積。

根據相關中國法律法規，本集團的中國附屬公司(屬中國的外商獨資企業)須將彼等按照中國會計規定釐定之10%稅後溢利轉撥至一般儲備基金，直至儲備結餘相等於彼等註冊資本之50%。轉撥至此儲備必須於分派股息予股東前進行。此外，彼等須轉撥根據中國公認會計原則釐定之若干百分比稅後溢利至企業發展基金。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**26. CAPITAL, RESERVES AND DIVIDENDS***(Continued)***(d) Nature and purpose of reserves (Continued)****(v) PRC statutory reserve (Continued)**

The general reserve fund can only be used to make good previous years' losses upon approval by the relevant authority. The enterprise expansion fund can only be used to increase the entity's capital or to expand its production operations upon approval by the relevant authority.

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

**(vi) Distributability of reserves**

Under the Companies Law of the Cayman Islands, the share premium account of the Company may be applied for payment of distributions or dividends to shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

The aggregate amount of distributable reserves of the Company as at 31 December 2016 was RMB1,388,745,000 (2015: RMB1,760,046,000).

**26. 資本、儲備及股息 (續)****(d) 儲備的性質及目的 (續)****(v) 中國法定儲備 (續)**

一般儲備基金只可在得到有關主管當局批准時用作彌補過往年度虧損。企業發展基金只可在得到有關主管當局批准時用作增加實體之資本或拓展彼等之生產業務。

法定盈餘公積可用作沖減過往年度虧損（如有）及可轉換為已繳股本，惟轉換後之公積結餘不得少於附屬公司註冊資本之25%。

**(vi) 可供分派儲備**

根據開曼群島公司法，本公司可運用股份溢價賬撥付股東之分派或股息，惟以本公司於緊隨建議支付分派或股息日期後仍可於日常業務過程中償還到期債務為限。

於二零一六年十二月三十一日，本公司可供分派儲備總額為人民幣1,388,745,000元（二零一五年：人民幣1,760,046,000元）。

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### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 26. CAPITAL, RESERVES AND DIVIDENDS

(Continued)

##### (e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to the finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on a basis of a net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes total interest-bearing borrowings and senior notes) less cash and cash equivalents. Capital comprises all components of equity. The net debt-to-capital ratio as at 31 December 2016 is 25% (2015: 25%).

The Group is subject to covenants based on the Group's financial ratios relating to capital requirements and interest coverage imposed by the lenders of the interest-bearing borrowings and the covenants relating to limitations on indebtedness and certain transactions stipulated in the terms of senior notes. The Group complied with the imposed loan and senior notes covenants for the year ended 31 December 2016. Except for the above, neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

#### 26. 資本、儲備及股息 (續)

##### (e) 資本管理

本集團管理資本之主要目標乃保障本集團的持續經營能力，從而透過與風險水平相對應之產品及服務定價以及獲得合理成本的融資，繼續為股東創造回報，為其他利益相關者創造利益。

本集團積極及定期檢討及管理其資本架構，以在較高股東回報情況下可能伴隨之較高借貸水平與良好的資本狀況帶來的好處及保障之間取得平衡，並因應經濟環境的變化對資本架構作出調整。

本集團按淨負債資本比率管理其資本結構。就此而言，經調整淨負債獲定義為負債總額（包括計息借貸總額及優先票據）減現金及現金等價物。資本包括所有權益組成部分。於二零一六年十二月三十一日，淨負債資本比率為25%（二零一五年：25%）。

本集團受根據其有關資本規定及利息償付之財務比率而由計息借貸的貸方簽立的契約、有關債務限制的契約及優先票據條款所規定的若干交易所規限。截至二零一六年十二月三十一日止年度，本集團已遵守有關貸款及優先票據契約。除上文所述者外，本公司或其任何附屬公司並無受外部施加的資本規定所規限。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

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#### 27. COMMITMENTS

##### (a) Capital commitments

Capital commitments outstanding as 31 December 2016 not provided for in the financial statements were as follows:

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Authorised but not contracted for 已授權但未訂約	5,160	2,739

##### (b) Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are payable as follows:

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Within 1 year 一年內	200,855	207,137
After 1 year but within 5 years 超過一年但少於五年	271,790	222,197
After 5 years 超過五年	170	431
	<b>472,815</b>	<b>429,765</b>

The Group is the lessee in respect of a number of properties and the leases typically run for an initial period of 1 to 5 years, with an option to renew the lease when all terms are renegotiated. In addition to the minimum rental payments disclosed above, the Group has a commitment to pay rent based on a proportion of turnover for certain leased properties. Contingent rentals are not included in the above commitments as it is not possible to estimate the amounts which may be payable.

#### 27. 承擔

##### (a) 資本承擔

於二零一六年十二月三十一日尚未履行且並無於財務報表內計提撥備之資本承擔載列如下：

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Authorised but not contracted for 已授權但未訂約	5,160	2,739

##### (b) 經營租賃承擔

不可撤銷經營租賃之應付日後最低租金總額載列如下：

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Within 1 year 一年內	200,855	207,137
After 1 year but within 5 years 超過一年但少於五年	271,790	222,197
After 5 years 超過五年	170	431
	<b>472,815</b>	<b>429,765</b>

本集團為若干物業之承租人，該等物業之初步租賃期限一般為一至五年，當再協商所有條款時可選擇重續租約。除上文所披露之最低租金付款額外，本集團須按營業額比例支付若干租賃物業之租金。由於未能估計應付或然租金之金額，因此該等租金並未計入上述承擔。

## NOTES TO THE FINANCIAL STATEMENTS

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#### 28. ASSETS AND LIABILITIES HELD FOR SALE AND DISCONTINUED OPERATION

As disclosed in notes 3(b) and 13, the operating results of Harvest Max continued to deteriorate in 2016. During the fourth quarter of 2016, the Group determined to dispose of the Harvest Max business. The Group commenced an active programme to locate buyers afterwards and pursuant to an announcement dated 30 December 2016, the Company has entered into a sales and purchase agreement (the “Agreement”) with its major shareholder in respect of the sale of Harvest Max and the Group’s Mainland China Watch Business. While the VSD transaction is subject to shareholders’ approval, the Group considered that even if the VSD transaction described in note 3(b) does not receive approval, the Group will continue to dispose of Harvest Max and/or its assets, which does not require the shareholders’ approval. Directors expect the disposal will be completed within the year ending 31 December 2017.

When preparing the consolidated financial statements of the Group as at and for the year ended 31 December 2016, the Harvest Max segment was classified as held for sale and a single amount in the statements of profit or loss was presented (with the comparative figures re-presented) following the requirements as set out in note 1(y).

The Harvest Max and its subsidiaries (the “Harvest Max Group”) is principally engaged in the retail of jewellery and low-to-mid-end watch brands in Hong Kong.

#### 28. 持作出售之資產及負債及終止經營業務

誠如附註3(b)及13所披露，豐溢二零一六年的經營業績繼續下滑。於二零一六年第四季，本集團決定出售豐溢業務。本集團其後展開積極措施物色買家，而根據日期為二零一六年十二月三十日的公告，本公司與其主要股東訂立買賣協議（「該協議」），內容有關出售豐溢及本集團中國內地的鐘表業務。儘管該項非常重大出售交易須待股東批准，但是，本集團考慮，即使在附註3(b)描述的該項非常重大出售交易未能獲得批准，本集團仍將繼續尋求以不需要股東批准的方式來出售豐溢及／或其資產。董事預計該出售將會在截至二零一七年十二月三十一日止年度內完成。

本集團在編製於二零一六年十二月三十一日及截至該日止年度的綜合財務報表時，將豐溢分部分類為持作出售，並根據附註1(y)所載規定於損益表以單項金額呈列（重列比較數字）。

豐溢及其附屬公司（「豐溢集團」）的主要業務為在香港從事珠寶和中低檔手錶品牌的零售。

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 28. ASSETS AND LIABILITIES HELD FOR SALE AND DISCONTINUED OPERATION

(Continued)

Assets classified as held for sale as at 31 December 2016:

#### 28. 持作出售之資產及負債及終止經營業務 (續)

於二零一六年十二月三十一日分類為持作出售之資產：

		RMB'000 人民幣千元
Other property, plant and equipment (note 11)	其他物業、廠房及設備 (附註11)	2,901
Deferred tax assets (note 25(b))	遞延稅項資產 (附註25(b))	2,588
Tax recoverable (note 25(a))	可收回稅項 (附註25(a))	3,575
Inventories (note 17)	存貨 (附註17)	82,513
Trade and other receivables (note 18)	應收貿易賬款及其他應收款項 (附註18)	31,260
Cash and cash equivalents (note 19(a))	現金及現金等價物 (附註19(a))	150,657
		273,494

Liabilities classified as held for sale as at 31 December 2016:

於二零一六年十二月三十一日分類為持作出售之負債：

		RMB'000 人民幣千元
Trade and other payables (note 20)	應付貿易賬款及其他應付款項 (附註20)	32,481
Current taxation (note 25(a))	本期應繳稅項 (附註25(a))	89
		32,570

As at 31 December 2016, the equity interest attributable to non-controlling interests relating to Harvest Max Group is RMB58,936,000.

於二零一六年十二月三十一日，有關豐溢集團的非控股權益應佔權益金額為人民幣58,936,000元。

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### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 28. ASSETS AND LIABILITIES HELD FOR SALE AND DISCONTINUED OPERATION

(Continued)

Analysis of the results of discontinued operations in relation to Harvest Max Group is as follows:

#### 28. 持作出售之資產及負債及終止經營業務 (續)

有關豐溢集團的終止經營業務的業績分析如下：

		Note	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
		附註		
Revenue	銷售額	3	1,010,773	1,509,863
Cost of sales	銷售成本		(137,900)	(256,550)
Gross profit	毛利		872,873	1,253,313
Other revenue	其他收益	4	994	3,222
Other net loss	其他虧損淨額	4	(271,945)	(31,931)
Distribution costs	分銷成本		(872,292)	(1,253,490)
Administrative expenses	行政費用		(11,323)	(9,787)
Other operating expenses	其他經營開支		(42,151)	–
Loss from operations	經營虧損		(323,844)	(38,673)
Loss before taxation	除稅前虧損	5	(323,844)	(38,673)
Income tax	所得稅	6(b)	(176)	(3,156)
Loss for the year	年度虧損		(324,020)	(41,829)



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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 28. ASSETS AND LIABILITIES HELD FOR SALE AND DISCONTINUED OPERATION

(Continued)

Analysis of the cash flows of discontinued operations in relation to Harvest Max Group is as follows:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Net cash generated from/(used in) operating activities	經營活動所得／(所耗) 現金淨額	9,940	(4,511)
Net cash used in investing activities	投資活動所耗現金淨額	(654)	(446)
Net cash used in financing activities	融資活動所耗現金淨額	-	-
Net cash generated from/(used in) discontinued operations	終止經營業務所得／(所耗) 現金淨額	9,286	(4,957)

#### 28. 持作出售之資產及負債及終止經營業務 (續)

有關豐溢集團的終止經營業務的現金流量分析如下：

#### 29. MATERIAL RELATED PARTY TRANSACTIONS

##### (a) Key management personnel compensation and post-employment benefit plans

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 7 and certain of the highest paid employees as disclosed in note 8, is as follows:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Short-term employee benefits	短期僱員福利	33,382	73,670
Post-employment benefits	離職後福利	320	227
		33,702	73,897

Total remuneration is included in "staff costs" (see note 5(b)).

#### 29. 重大關連方交易

##### (a) 主要管理人員報酬及離職後福利計劃

本集團主要管理人員薪酬包括付予本公司董事之金額(於附註7披露)及若干最高薪酬僱員(於附註8披露)如下：

薪酬總額包括於「員工成本」內(參看附註5(b))。

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 29. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

##### (b) Recurring transactions

The Group

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Lease expenses to a joint venture	支付予合營公司之租賃費用	5,800	6,000
Payments made on behalf of joint ventures	代合營公司付款	8,164	8,404
Payments made by joint ventures	合營公司所作付款	6,136	–

The directors of the Company are of the opinion that the above transactions with related parties were conducted in the ordinary course of business, on normal commercial terms and in accordance with the agreements governing such transactions.

##### (c) Applicability of the Listing Rules relating to connected transactions

The related party transactions in respect of the directors' remuneration constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules, however they are exempt from the disclosure requirements in Chapter 14A of the Listing Rules.

#### 29. 重大關連方交易 (續)

##### (b) 經常性交易

本集團

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Lease expenses to a joint venture	支付予合營公司之租賃費用	5,800	6,000
Payments made on behalf of joint ventures	代合營公司付款	8,164	8,404
Payments made by joint ventures	合營公司所作付款	6,136	–

本公司董事認為以上關連方交易乃在日常業務中按一般商業條款進行，且遵照規管有關交易之協議進行。

##### (c) 有關關連交易之上市規則適用性

有關董事薪酬之關連方交易構成上市規則第十四A章所定義的持續關連交易，惟有關交易獲豁免遵守上市規則第十四A章之披露規定。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

### 30. FINANCIAL RISK MANAGEMENT AND FAIR VALUES

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group is also exposed to equity price risk arising from movements in its own equity share price.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

#### (a) Credit risk

The Group's credit risk is primarily attributable to trade and other receivables. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

In respect of trade and other receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 to 90 days from the date of billing. Debtors with balances that are more than 1 month past due are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

At the end of the reporting periods, the Group had no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 18.

### 30. 財務風險管理及公允值

本集團日常業務過程中涉及信貸、流動資金、利率及貨幣風險。本集團亦承受本身股份價格變動之股價風險。

本集團所面對之此等風險及本集團用作管理此等風險之財務風險管理政策及慣例載於下文。

#### (a) 信貸風險

本集團的信貸風險主要源自應收貿易賬款及其他應收款項。管理層已制定信貸政策，並持續對所須承受的信貸風險進行監察。

就應收貿易賬款及其他應收款項而言，對要求獲得超過特定數額的信貸之客戶均須進行獨立信貸評估，評估乃針對客戶到期還款之過往記錄及目前之還款能力，並計及客戶之相關資料及考慮客戶經營所在之經濟環境。應收貿易賬款自賬單日期起計30至90日內到期。帶有逾期一個月未償還款項之債務人於獲授任何額外借貸前，須清償所有未償還款項。本集團一般不會向客戶收取抵押品。

於報告期末，本集團並無重大集中信貸風險。承受的最高信貸風險為財務狀況表中各項金融資產的賬面值。

有關本集團由應收貿易賬款及其他應收款項所產生之信貸風險之進一步量化披露載於附註18。

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 30. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

##### (b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from banks to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

		Within 1 year or on demand	Within 2 years but over 1 year	Within 5 years but over 2 years	Over 5 years	Undiscounted contractual cash flow	Carrying amount
		一年以內 或按要 求	兩年以內 但超過一 年	五年以內 但超過兩 年	超過五 年	未貼現 合約 現金流 量	賬面 價值
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
31 December 2016							
二零一六年十二月三十一日							
Trade and other payables excluding advance receipts from customers	應付貿易賬款及其他應付款項 (不包括客戶墊款)	1,577,132	-	-	-	1,577,132	1,577,132
Secured interest-bearing loans	有抵押計息貸款	5,999	5,999	17,996	76,629	106,623	90,636
Unsecured interest-bearing loans	無抵押計息貸款	2,682,218	154,776	-	-	2,836,994	2,794,700
Senior notes	優先票據	772,113	796,599	-	-	1,568,712	1,499,199
		5,037,462	957,374	17,996	76,629	6,089,461	5,961,667

#### 30. 財務風險管理及公允值 (續)

##### (b) 流動資金風險

流動資金風險指本集團無法如期履行財務責任的風險。本集團的政策是定期監察其流動資金需求及是否遵守借貸契諾，以確保其備存的現金儲備及向銀行取得的承諾信貸額度，足以應付長短期的流動資金需求。

下表載列本集團之非衍生金融負債於報告期末之餘下合約期限，並以合約未貼現現金流量 (包括按合約利率計算之利息付款。倘按浮動利率計算，則以報告期末之利率為基礎) 及本集團須支付的最早日期為基礎：

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### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

### 30. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

#### (b) Liquidity risk (Continued)

	Within 1 year or on demand 一年以內 或按要求 RMB'000 人民幣千元	Within 2 years but over 1 year 兩年以內 但超過一年 RMB'000 人民幣千元	Within 5 years but over 2 years 五年以內 但超過兩年 RMB'000 人民幣千元	Over 5 years 超過五年 RMB'000 人民幣千元	Undiscounted contractual cash flow 未貼現合約 現金流量 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
31 December 2015						
二零一五年十二月三十一日						
Trade and other payables excluding advance receipts from customers	應付貿易賬款及其他應付款項 (不包括客戶墊款)	1,886,542	-	-	-	1,886,542
Secured interest-bearing loans	有抵押計息貸款	498	588	1,550	2,831	5,467
Unsecured interest-bearing loans	無抵押計息貸款	729,607	416,112	146,215	-	1,291,934
Senior notes	優先票據	142,052	142,052	2,343,851	-	2,627,955
		2,758,699	558,752	2,491,616	2,831	5,811,898
						5,431,820

#### (c) Interest rate risk

The Group's interest rate risk arises primarily from interest-bearing loans and senior notes.

Borrowings issued at variable rates, and borrowings and senior notes issued at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The interest rates and maturity information of the interest-bearing bank loans, and senior notes are disclosed in notes 21 and 22 respectively.

### 30. 財務風險管理及公允值 (續)

#### (b) 流動資金風險 (續)

	Within 1 year or on demand 一年以內 或按要求 RMB'000 人民幣千元	Within 2 years but over 1 year 兩年以內 但超過一年 RMB'000 人民幣千元	Within 5 years but over 2 years 五年以內 但超過兩年 RMB'000 人民幣千元	Over 5 years 超過五年 RMB'000 人民幣千元	Undiscounted contractual cash flow 未貼現合約 現金流量 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
31 December 2015						
二零一五年十二月三十一日						
Trade and other payables excluding advance receipts from customers	應付貿易賬款及其他應付款項 (不包括客戶墊款)	1,886,542	-	-	-	1,886,542
Secured interest-bearing loans	有抵押計息貸款	498	588	1,550	2,831	5,467
Unsecured interest-bearing loans	無抵押計息貸款	729,607	416,112	146,215	-	1,291,934
Senior notes	優先票據	142,052	142,052	2,343,851	-	2,627,955
		2,758,699	558,752	2,491,616	2,831	5,811,898
						5,431,820

#### (c) 利率風險

本集團之利率風險主要來自計息貸款及優先票據。

以可變利率授出之借款，以固定利率授出之借款及優先票據令本集團分別承受現金流量利率風險及公允值利率風險。計息銀行貸款及優先票據之利率及到期資料分別於附註21及22披露。

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#### 30. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

##### (c) Interest rate risk (Continued)

The Group's policy is to manage its interest rate risk to ensure there are no undue exposures to significant interest rate movements and rates are relatively fixed. The Group does not account for any fixed rate financial liabilities at fair value through profit or loss, and the Group does not use derivative financial instruments to hedge its debt obligations.

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

#### 30. 財務風險管理及公允值 (續)

##### (c) 利率風險 (續)

本集團之政策為管理其利率風險以確保毋須承擔重大利率變動及相對固定利率之風險。本集團並無計入任何通過損益按公允值列賬之固定利率金融負債，亦無以衍生金融工具對沖其債務責任。

本集團於報告日期之計息金融工具利率資料如下：

		2016 二零一六年		2015 二零一五年	
		Effective interest rate %	RMB'000 人民幣千元	Effective interest rate %	RMB'000 人民幣千元
		實際利率		實際利率	
<b>Fixed rate instruments</b>	<b>固定利率工具</b>				
Unsecured interest-bearing loans	無抵押計息貸款	3.90%–5.00%	1,251,000	2.10%–6.44%	140,607
Senior notes	優先票據	6.77%	1,499,199	6.77%	2,288,436
			2,750,199		2,429,043
<b>Variable rate instruments</b>	<b>可變利率工具</b>				
Secured interest-bearing loans	有抵押計息貸款	1.80%–2.11%	90,636	2.22%	5,034
Unsecured interest-bearing loans	無抵押計息貸款	1.66%–2.56%	1,543,700	HIBOR+ 1.25%–2.52%	1,111,201
			1,634,336		1,116,235

##### (d) Currency risk

The Group is exposed to currency risks primarily through sales, purchases and borrowings that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily RMB and HKD.

RMB is not freely convertible into foreign currencies. All foreign exchange transactions involving RMB must take place through the People's Bank of China or other institutions authorised to buy and sell foreign exchange. The exchange rates adopted for the foreign exchange transactions are the PBOC rates.

##### (d) 貨幣風險

本集團承受的貨幣風險主要來自以相關業務營運功能貨幣以外的貨幣計值的銷售、購買及借貸。產生此風險的貨幣主要為人民幣及港元。

人民幣不得自由兌換成外幣。所有涉及人民幣的外匯交易必須經中國人民銀行或其他獲授權買賣外匯的機構進行。就外匯交易所採納之匯率由中國人民銀行釐定。

## NOTES TO THE FINANCIAL STATEMENTS

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

### 30. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

#### (d) Currency risk (Continued)

##### (i) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate.

		As at 31 December 2016 (expressed in RMB) 於二零一六年十二月三十一日 (以人民幣呈列)	
		RMB'000 人民幣千元	HKD'000 千港元
Cash and cash equivalents	現金及現金等價物	34	1,454
Trade and other payables	應付貿易賬款及其他應付款項	(584,840)	(1,215,252)
Trade and other receivables	應收貿易賬款及其他應收款項	97,428	108,975
Overall net exposure	整體風險淨額	(487,378)	(1,104,823)

		As at 31 December 2015 (expressed in RMB) 於二零一五年十二月三十一日 (以人民幣呈列)	
		RMB'000 人民幣千元	HKD'000 千港元
Cash and cash equivalents	現金及現金等價物	76,505	36,766
Trade and other payables	應付貿易賬款及其他應付款項	(182,829)	(1,534,080)
Trade and other receivables	應收貿易賬款及其他應收款項	-	108,514
Overall net exposure	整體風險淨額	(106,324)	(1,388,800)

### 30. 財務風險管理及公允值 (續)

#### (d) 貨幣風險 (續)

##### (i) 須承擔之貨幣風險

下表詳列本集團於報告期末來自以相關實體功能貨幣以外的貨幣計值的已確認資產或負債之風險。

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(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 30. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

##### (d) Currency risk (Continued)

##### (ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's net profit for the year that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. The sensitivity analysis includes balances between group companies where the balances are denominated in a currency other than the functional currencies of the lender or the borrower.

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
HKD	港元		
- 5% strengthening of RMB	- 人民幣升值5%	18,061	49,168
- 5% weakening of RMB	- 人民幣貶值5%	(18,061)	(49,168)

The sensitivity analysis above has been determined assuming that the change in foreign exchange rate had occurred at the end of the reporting period and had been applied to each of the Group entities' exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant. The stated changes represent management's assessment of reasonably possible changes in foreign exchange rate over the period until the end of next annual reporting period. The analysis is performed on the same basis for 2015.

#### 30. 財務風險管理及公允值 (續)

##### (d) 貨幣風險 (續)

##### (ii) 敏感度分析

下表所示為於報告期末，倘本集團須承擔重大風險的匯率於當日有所變動（假設所有其他風險可變因素保持不變），對本集團年內淨溢利所產生之即時變動。敏感度分析包括集團公司間之結餘，而該等結餘乃以貸款人或借款人之功能貨幣以外的貨幣計值。

上述敏感度分析乃假設於報告期末出現匯率變動而釐定，並適用於本集團各實體就當日存有之金融工具所承擔的貨幣風險，以及所有其他可變因素（特別是利率）維持不變。所列變動指管理層就直至下個年度報告期末可能出現之合理匯率變動作出之評估。二零一五年之分析亦以相同基礎進行。



(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**30. FINANCIAL RISK MANAGEMENT AND FAIR VALUES** (Continued)**(e) Fair values measurement****(i) Financial assets and liabilities measured at fair value**

## Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

**30. 財務風險管理及公允值** (續)**(e) 公允值計量****(i) 按公允值計量之金融資產及負債**

## 公允值等級架構

下表呈列於報告期末按香港財務報告準則第13號「公允值計量」所界定公允值等級架構的三個等級經常以公允值計量之本集團金融工具公允值。公允值計量所屬級別乃參照在估值技術中使用之輸入項目之可觀察程度及重要性而釐定，有關等級界定如下：

- 第一級估值：公允值只採用第一級輸入項目計量，即在計量日於交投活躍市場中相同資產或負債之未經調整報價。
- 第二級估值：公允值採用第二級輸入項目計量，即未能符合第一級之可觀察輸入項目，及不會採用重大不可觀察輸入項目。不可觀察輸入項目為無法取得市場數據之輸入項目。
- 第三級估值：公允值採用重大不可觀察輸入項目計量。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 30. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

##### (e) Fair values measurement (Continued)

- (i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

#### 30. 財務風險管理及公允值 (續)

##### (e) 公允值計量 (續)

- (i) 按公允值計量之金融資產及負債 (續)

公允值等級架構 (續)

Fair value measurement as at 31 December 2016 categorised into 於二零一六年十二月三十一日按下列分類之公允值計量

	Fair value at 31 December 2016 二零一六年十二月三十一日之公允值 RMB'000 人民幣千元	Level 1	Level 2	Level 3
		第一級 RMB'000 人民幣千元	第二級 RMB'000 人民幣千元	第三級 RMB'000 人民幣千元
<b>The Group</b>				
Other investments (note 16):				
Available-for-sale securities				
		198,579	-	-
		198,579	-	-

During the year ended 31 December 2016, there was no transfer between Level 1 and Level 2, or transfer into or out of Level 3.

截至二零一六年十二月三十一日止年度，第一級與第二級工具之間並無任何轉撥，亦無自第三級工具轉入或轉出。

- (ii) Fair values of financial instruments carried at other than fair value

Unlisted equity securities of RMB2,324,000 (2015: RMB2,324,000) do not have a quoted market price in an active market and therefore their fair values cannot be reliably measured. They are held for strategic purposes and recognised at cost less impairment losses at the end of the reporting period

- (ii) 並非以公允值計量之金融工具公允值

人民幣2,324,000元(二零一五年：人民幣2,324,000元)之非上市股本證券並無於交投活躍市場之報價，因此其公允值無法可靠計量。該等股本證券作策略性投資而持有，並於報告期末按成本扣除減值虧損確認。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**30. FINANCIAL RISK MANAGEMENT AND FAIR VALUES** *(Continued)***(f) Estimation of fair values**

Fair value estimates are made at a specific point in time and based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

The following methods and assumptions were used to estimate the fair value for each class of financial instruments:

- (i) Cash and cash equivalents, trade and other receivables, and trade and other payables

The carrying values approximate fair value because of the short maturities of these instruments.

- (ii) Interest-bearing bank loans

The carrying amounts of bank loans approximate their fair value based on the borrowing rate currently available for bank loans with similar terms and maturity.

**30. 財務風險管理及公允值 (續)****(f) 公允值估計**

公允值是於特定時間根據有關市場資料及金融工具之資料作出估計。該等估計性質主觀，並涉及不明朗因素及須作重大判斷之事項，因此並不能準確地釐定。假設的變更有可能嚴重影響公允值估計。

各類金融工具的公允值使用以下方法及假設進行估算：

- (i) 現金及現金等價物、應收貿易賬款及其他應收款項、應付貿易賬款及其他應付款項

由於該等工具的年期較短，故其賬面值與公允值相若。

- (ii) 計息銀行貸款

根據現時可獲取且條款及到期日相若的銀行貸款的借貸利率計算，銀行貸款的賬面值與公允值相若。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 31 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

#### 31 公司等級財務狀況表

	Note 附註	2016 二零一六年		2015 二零一五年	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>				
Interest in subsidiaries	於附屬公司之權益		2,390,143		4,285,963
<b>Current assets</b>	<b>流動資產</b>				
Trade and other receivables	應收貿易賬款及 其他應收款項	1,638,882		4,733	
Investments held for sale	持作出售之投資	181,988		-	
Cash and cash equivalents	現金及現金等價物	32,873		79,818	
			1,853,743		84,551
<b>Current liabilities</b>	<b>流動負債</b>				
Trade and other payables	應付貿易賬款及 其他應付款項	479,806		89,173	
Senior note	優先票據	709,083		-	
Bank loans	銀行貸款	1,001,177		372,680	
			2,190,066		461,853
<b>Net current liabilities</b>	<b>流動負債淨額</b>		(336,323)		(377,302)
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		2,053,820		3,908,661
<b>Non-current liabilities</b>	<b>非流動負債</b>				
Bank loans	銀行貸款	75,585		152,061	
Senior notes	優先票據	790,116		2,288,436	
			865,701		2,440,497
<b>NET ASSETS</b>	<b>資產淨值</b>		1,188,119		1,468,164
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>	26(a)			
Share capital	股本		22,841		22,841
Reserves	儲備		1,165,278		1,445,323
<b>TOTAL EQUITY</b>	<b>權益總額</b>		1,188,119		1,468,164

Approved and authorised for issue by the board of directors on 29 March 2017.

於二零一七年三月二十九日獲董事會批准及授權刊印。

Zhang Yuping  
Executive Director

Huang Yonghua  
Executive Director

張瑜平  
執行董事

黃永華  
執行董事

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

### 32. IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 31 December 2016, the directors consider the immediate parent and ultimate controlling party of the Group to be Best Growth International Limited, which is incorporated in British Virgin Islands. This entity does not produce financial statements available for public use.

### 33. NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

As disclosed in note 3(b), the Company and its subsidiaries are contemplating a VSD transaction in respect of Harvest Max and the Mainland China Watch Business. As at 31 December 2016, Harvest Max met the definition of a discontinued operation following the requirement as set out in note 1 (y). Should the transaction be completed in 2017, the Mainland China Watch Business will also meet the definition of a discontinued operation and the results relating to the Mainland China Watch Business will be separately disclosed in the Company's consolidated financial statements for the year ending 31 December 2017 with comparative figures being re-presented.

The VSD is structured to sell the equity interests of Harvest Max and the Mainland China Watch Business at a consideration equal to their net book value at 31 December 2016. Upon the completion of the transaction, it is estimated that, the financial impact that will be recorded into the Company's 2017 annual financial statements include: (i) withholding tax in relation to the disposal, to be calculated based on the surplus of the consideration for acquiring the Mainland China Watch Business over the respective PRC subsidiary's paid-in capital; (ii) the cumulative amount of exchange differences relating to the Mainland China Watch Business, (iii) any transaction costs that will be incurred during 2017, and (iv) any difference between the cash consideration and the carrying value of the Disposal Group's net asset value on the date when the Disposal Group is deconsolidated from the Company's consolidated financial statements.

### 32. 直接及最終控制方

董事認為，於二零一六年十二月三十一日，本集團之直接母公司及最終控制方為於英屬處女群島註冊成立的佳增國際有限公司。該實體並無編製供公眾人士參閱之財務報表。

### 33. 報告期後不調整事項

如附註3(b)所披露，本公司及其附屬公司正在考慮豐溢及中國內地鐘錶業務的非常重大出售交易。根據附註1(y)所載規定，於二零一六年十二月三十一日，豐溢符合終止經營的定義。如果該交易於二零一七年內完成，中國內地鐘錶業務亦會符合終止經營的定義，而與中國內地鐘錶業務有關的業績將於截至二零一七年十二月三十一日止年度之本公司綜合財務報表中另行披露，並將比較數字重列。

出售豐溢的股權及中國內地鐘錶業務構成非常重大出售事項，代價相當於其於二零一六年十二月三十一日的賬面淨值。交易完成後，估計會造成財務影響並記入本公司二零一七年度財務報表的內容包括：(i)與出售有關的預扣稅，根據收購中國內地鐘錶業務與各個中國附屬公司的實收資本對價盈餘計算；(ii)與中國內地鐘錶業務有關的累計匯兌差額；(iii)二零一七年期間將發生的任何交易費用，以及(iv)出售組合從本公司綜合財務報表中分離之日起，現金對價與出售組合資產淨值的賬面淨值之間的差額。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

#### 34. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDED 31 DECEMBER 2016

Up to the date of issue of these financial statements, the HKICPA has issued a few amendments and new standards which are not yet effective for the year ended 31 December 2016 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

#### 34. 截至二零一六年十二月三十一日止會計年度頒佈但未生效的修訂、新增準則及詮釋的可能影響

截至該等財務報表刊發日期，香港會計師公會已頒佈數項修訂及新增準則。此等修訂及新增準則於截至二零一六年十二月三十一日止年度尚未生效，亦未於該等財務報表中採用。下列為可能與本集團有關之修訂及新增準則。

Effective for  
accounting periods  
beginning on or after  
於會計期間起或其後生效

Amendments to HKAS 7, <i>Statement of cash flows: Disclosure initiative</i> 香港會計準則第7號(修訂本)，現金流量表：披露計劃	1 January 2017 二零一七年一月一日
Amendments to HKAS 12, <i>Income taxes: Recognition of deferred tax assets for unrealised losses</i> 香港會計準則第12號(修訂本)，所得稅：確認未變現虧損遞延稅項資產	1 January 2017 二零一七年一月一日
Amendments to HKFRS 2, <i>Share-based payment: Classification and measurement of share-based payment transactions</i> 香港財務報告準則第2號(修訂本)，以股份為基礎支付：以股份為基準之付款交易之分類及計量	1 January 2018 二零一八年一月一日
Amendments to HKFRS 4, <i>Applying HKFRS 9 Financial instruments with HKFRS 4 Insurance contracts</i> 香港財務報告準則第4號(修訂本)，採用香港財務匯報準則第4號保險合同時一併應用香港財務匯報準則第9號金融工具	1 January 2018 二零一八年一月一日
HKFRS 15, <i>Revenue from contracts with customers</i> 香港財務報告準則第15號，來自客戶合約之收入	1 January 2018 二零一八年一月一日
HKFRS 9, <i>Financial instruments</i> 香港財務報告準則第9號，金融工具	1 January 2018 二零一八年一月一日
HKFRS 16, <i>Leases</i> 香港財務報告準則第16號，租賃	1 January 2019 二零一九年一月一日

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position, except for the following.

本集團正在評估預期上述修訂及新增準則於首次應用期間可能產生的影響。迄今本集團斷定採用所述修訂及新增準則不大可能會對本集團經營業績及財務狀況產生重大影響，下文所述者除外。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣作單位)

**34. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDED 31 DECEMBER 2016** (Continued)

**HKFRS 9 *Financial Instruments***

HKFRS 9 replaces the existing guidance in HKAS 39 *Financial instruments: Recognition and measurement*. HKFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from HKAS 39.

**HKFRS 15 *Revenue from contracts with customers***

HKFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including HKAS 18 *Revenue*, HKAS 11 *Construction contracts* and HK(IFRIC) 13 *Customer Loyalty Programs*. It also includes guidance on when to capitalise costs of obtaining or fulfilling a contract not otherwise addressed in other standards, and includes expanded disclosure requirements.

**HKFRS 16 *Leases***

HKFRS 16 provides comprehensive guidance for the identification of lease arrangements and their treatment by lessees and lessors. In particular, HKFRS 16 introduces a single lessee accounting model, whereby assets and liabilities are recognised for all leases, subject to limited exceptions. It replaces HKAS 17 *Leases* and the related interpretations including HK (IFRIC) 4 *Determining whether an arrangement contains a lease*.

The Group does not plan to early adopt the above new standards or amendments. With respect to HKFRSs 9, 15 and 16, given the Group has not completed its assessment of their full impact on the Group financial statements, their possible impact on the Group's results of operations and financial position has not been quantified.

**34. 截至二零一六年十二月三十一日止會計年度頒佈但未生效的修訂、新增準則及詮釋的可能影響 (續)**

**香港財務報告準則第9號，金融工具**

香港財務報告準則第9號取代香港會計準則第39號：金融工具：確認及計量之現行指引。香港財務報告準則第9號納入金融工具分類及計量的經修訂指引、計算金融資產減值的新預期信貸虧損模式及一般對沖會計新規定。其亦延用了香港會計準則第39號：金融工具的確認和終止確認的指引。

**香港財務報告準則第15號，來自客戶合約之收入**

香港財務報告準則第15號就釐定是否確認收入以及確認的金額及時間制定綜合框架。其取代現行收入確認指引(包括香港會計準則第18號收入、香港會計準則第11號建築合約及香港國際財務報告詮釋委員會詮釋第13號客戶忠誠計劃)。其亦納入何時將獲得或履行合約的成本資本化的指引(於其他準則內並未提到)以及延伸披露規定。

**香港財務報告準則第16號，租賃**

香港財務報告準則第16號就確定租賃安排以及出租人及承租人對租賃的處理提供綜合指引。具體而言，香港財務報告準則第16號引入單一承租人會計模式，並規定就所有租賃確認資產及負債，有限例外除外。其取代香港會計準則第17號租賃及相關詮釋(包括香港國際財務報告詮釋委員會詮釋第4號釐定安排是否包括租賃)。

本集團並無計劃提早採納上述新準則或修訂。就香港財務報告準則第9號、第15號及第16號而言，鑒於本集團並未完成其對本集團財務報表的全部影響的評估，所述香港財務報告準則對本集團的經營業績及財務狀況的潛在影響並未量化。

# CORPORATE INFORMATION

## 公司資料

### STOCK INFORMATION

Place of Listing: Main Board of The Stock Exchange of Hong Kong Limited  
Stock Short Name: Hengdeli  
Stock Code: 3389  
Company Website: www.hengdeligroup.com

### BONDS INFORMATION

Place of Listing: The Stock Exchange of Hong Kong Limited  
Stock Short Name: HENGDELI N1801  
Stock Code: 4599

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Zhang Yuping (*Chairman*)  
Mr. Huang Yonghua  
Mr. Lee Shu Chung, Stan

#### Non-executive Directors

Mr. Shi Zhongyang  
Ms. Chen Jun

#### Independent non-executive Directors

Mr. Cai Jianmin  
Mr. Wong Kam Fai, William  
Mr. Liu Xueling

### AUDIT COMMITTEE

Mr. Cai Jianmin (*Committee Chairman*)  
Mr. Wong Kam Fai, William  
Mr. Liu Xueling

### REMUNERATION COMMITTEE

Mr. Liu Xueling (*Committee Chairman*)  
Mr. Cai Jianmin  
Mr. Zhang Yuping

### NOMINATION COMMITTEE

Mr. Zhang Yuping (*Committee Chairman*)  
Mr. Cai Jianmin  
Mr. Liu Xueling

### 股份資料

上市地點：香港聯合交易所有限公司主板  
股份簡稱：亨得利  
股份代號：3389  
公司網址：www.hengdeligroup.com

### 債券資料

上市地點：香港聯合交易所有限公司  
股份簡稱：HENGDELI N1801  
股份代號：4599

### 董事會

#### 執行董事

張瑜平先生 (*董事局主席*)  
黃永華先生  
李樹忠先生

#### 非執行董事

史仲陽先生  
陳軍女士

#### 獨立非執行董事

蔡建民先生  
黃錦輝先生  
劉學靈先生

### 審核委員會成員

蔡建民先生 (*委員會主席*)  
黃錦輝先生  
劉學靈先生

### 薪酬委員會成員

劉學靈先生 (*委員會主席*)  
蔡建民先生  
張瑜平先生

### 提名委員會成員

張瑜平先生 (*委員會主席*)  
蔡建民先生  
劉學靈先生



**COMPANY SECRETARY**

Mr. Ng Man Wai, Peter (*HKICPA, ACCA*)

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Shops 1712-1716, 17th Floor, Hopewell Centre,  
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**公司秘書**

吳文偉先生 (*HKICPA, ACCA*)

**註冊辦事處**

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**總辦事處及香港主要營業地點**

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**核數師**

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中國法律  
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中國北京市朝陽區  
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1712至1716號舖

## CORPORATE INFORMATION

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