



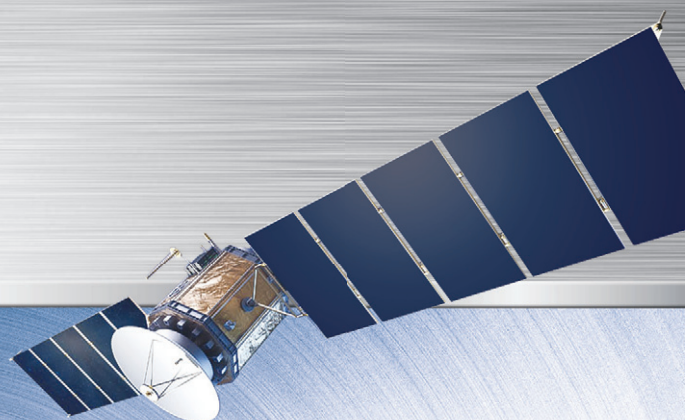
權智(國際)有限公司*

Group Sense (International) Limited

(於百慕達註冊成立之有限公司)

(Incorporated in Bermuda with limited liability)

(股份代號 Stock Code: 00601)



2016 週年報告
ANNUAL REPORT

* 僅供識別
For identification purpose only

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公司資料 Corporate Information

董事

執行董事：

沈世捷(主席)
池碧芬(行政總裁)

非執行董事：

孟健教授
譚偉豪 太平紳士

獨立非執行董事：

鄭炳文
張省本
關毅傑

審核委員會

鄭炳文(主席)
張省本
關毅傑

薪酬委員會

鄭炳文(主席)
池碧芬
張省本

提名委員會

沈世捷(主席)
鄭炳文
關毅傑

公司秘書

樊國民

核數師

安永會計師事務所

DIRECTORS

Executive Directors:

Shum Sai Chit (*Chairman*)
Chi Bi Fen (*Chief Executive Officer*)

Non-executive Directors:

Professor Meng Jian
Tam Wai Ho, Samson JP

Independent Non-executive Directors:

Kwong Ping Man
Cheung Sound Poon
Kwan Ngai Kit

AUDIT COMMITTEE

Kwong Ping Man (*Chairman*)
Cheung Sound Poon
Kwan Ngai Kit

REMUNERATION COMMITTEE

Kwong Ping Man (*Chairman*)
Chi Bi Fen
Cheung Sound Poon

NOMINATION COMMITTEE

Shum Sai Chit (*Chairman*)
Kwong Ping Man
Kwan Ngai Kit

COMPANY SECRETARY

Fan Kwok Man, Raymond

AUDITORS

Ernst & Young

公司資料（續） Corporate Information (continued)

主要往來銀行

香港上海滙豐銀行有限公司
星展銀行(香港)有限公司

註冊辦事處

Clarendon House
Church Street
Hamilton HM11
Bermuda

主要辦事處

香港灣仔港灣道25號
海港中心
2606A室

百慕達主要股份過戶登記處及 轉讓登記處

Estera Management (Bermuda)
Limited
Canon's Court, 22 Victoria Street
Hamilton HM 12
Bermuda

香港股份過戶登記分處及 轉讓登記處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心22樓

網址

<http://www.gsl.com.hk>

股份代號

00601

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
DBS Bank (Hong Kong) Limited

REGISTERED OFFICE

Clarendon House
Church Street
Hamilton HM11
Bermuda

PRINCIPAL PLACE OF BUSINESS

Unit 2606A, Harbour Centre
25 Harbour Road
Wanchai, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN BERMUDA

Estera Management (Bermuda) Limited

Canon's Court, 22 Victoria Street
Hamilton HM 12
Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

WEBSITE

<http://www.gsl.com.hk>

STOCK CODE

00601

主席報告 Chairman's Statement

本人謹代表本公司董事會(「董事會」)欣然提呈權智(國際)有限公司(「本公司」)及其附屬公司(統稱「權智集團」或「本集團」)截至二零一六年十二月三十一日止年度(「年內」)之業績以供股東省覽。

金屬鎂業務

金屬鎂作為21世紀最具開發應用的綠色金屬結構材料，正面臨更廣闊的發展機遇和市場空間。2016年10月18日，工業和資訊化部正式出臺《有色金屬工業發展規劃(2016-2020年)》(「有色十三五規劃」)，繼續推動包括鎂等十種有色金屬的發展。「有色十三五規劃」指出，隨著我國經濟進入新常態，整體消費增速將由「十二五」期間的高速轉為中低速，除鋰、鈷等新能源小品種金屬和鎂需求將繼續保持高速增長外，銅、鋁等主要品種消費增速將明顯放緩。按國家統計局公布資料，2015年鎂產量85.3萬噸，鎂消費量為53.2萬噸，2020年預測鎂產量為130萬噸，鎂消費量為75萬噸，即十三五期間鎂消費量年均增長率達7.1%，高於十種有色金屬年均增長率(4.1%)，是年均增長率最高的金屬。「有色十三五規劃」加大力度推動鎂產業發展，顯示國家對鎂合金新材料未來發展的認可，也為鎂產業未來的迅速發展奠定了基調。

I am pleased to present the annual results of Group Sense (International) Limited (the “Company”) and its subsidiaries (collectively, “Group Sense Group” or the “Group”) for the year ended 31 December 2016 on behalf of the board of directors of the Company (the “Board”) for the shareholders’ perusal.

The Magnesium Business

As an eco-friendly metal structural material of the highest application potentials in the 21st century, magnesium sees greater opportunities and market share. On 18 October 2016, the Ministry of Industry and Information Technology officially issued the “Nonferrous Metals Industry Development Plan (2016-2020)” (“The 13th Five-Year Nonferrous Plan”), which continues to motivate the development of ten nonferrous metals including magnesium. As indicated in the 13th Five-Year Nonferrous Plan, with the economy of our country entering into the New Normal, the overall consumption growth will shift from high gear during the period of “12th Five-Year Plan” to mid-to-low gear. Despite the consistently high growth of demand for magnesium and new energy of minor metals such as lithium and cobalt, the consumption of major metals such as copper and aluminum will experience a notable slowdown in growth. In accordance with the data announced by the National Bureau of Statistics of China, the magnesium production and consumption in 2015 were 853,000 tonnes and 532,000 tonnes respectively. The magnesium production and consumption in 2020 are projected to be 1,300,000 tonnes and 750,000 tonnes, respectively, i.e. the average annual growth rate of magnesium consumption will reach 7.1% in the period of 13th Five-Year Plan, which is higher than the average annual growth rate of ten non-ferrous metals (4.1%). Magnesium is therefore regarded as the metal with the highest average annual growth rate. Given that the “13th Five-Year Nonferrous Plan” promotes the development of magnesium industry, it demonstrates our country’s recognition of the future development of new magnesium alloy material and sets the tone for the rapid growth of magnesium industry going forward.

縱觀全球鎂消費於年內仍呈逐步增長態勢。2016年國內經濟整體發展步伐放緩，煤炭、鋼鐵等行業去產能帶動鎂生產所需原料價格大幅上漲，鎂價因此震盪走高。從地區發展來看，年內中國對鎂的消費量約佔全球消費量近半數份額，中國所在的亞洲區域已逐步成為全球鎂消費量最大的地區，同時歐美地區的鎂消費也保持一定的增長。從行業發展來看，交通領域的應用已成為鎂消費的主要領域，同時電腦、通訊及消費類電子產品（「3C產品」）、航空航天、軍工等領域的應用也呈現不同程度的增長。從下游相關行業產量情況看，鎂在下游加工領域的消費增幅相對較大，符合國家政策對鎂發展的支持方向，有利於鎂合金應用增長的突破。

本集團位於新疆之鎂製品生產基地，目前已建成之金屬鎂年產能為1.5萬噸，2017年集團計劃開始擴建年產能3萬噸金屬鎂生產線，按照規劃未來將可擴張至總年產能10萬噸金屬鎂生產線。本集團收購新疆之鎂製品生產基地後，通過檢修技改，梳理整合，生產銷售規範運行，企業面貌煥然一新，呈現欣欣向榮景象。今年在穩定現有生產狀況下，進一步實施擴張產能計劃，推動企業進入發展快車道，開拓集團金屬鎂業務邁向新的里程碑。

Globally, the magnesium consumption continued to show a trend of gradual increase during the year. In 2016, China's overall economy remained sluggish with a significant surge in the prices of the required raw materials for magnesium production driven by the reduction in production capacity of the coal, iron and steel industries, resulting in the rise of magnesium price amid high volatility. From the perspective of regional development, the magnesium consumption in China accounted for approximately half of the total global magnesium consumption during the year. Asian regions of China have gradually become the largest magnesium consuming region in the world, while the magnesium consumption in Europe and the United States continued to grow slightly. In respect of industry development, the magnesium consumption was mainly used in transportation applications and also recorded varying degrees of growth in other applications such as computer, communication and consumer electronic products ("3C products"), aerospace and military. In view of the production of downstream industries, magnesium consumption is expected to achieve a relatively large increase in the downstream processing sector. Also, this is in line with the supportive national policies for magnesium development and beneficial to generating breakthrough in the growth of magnesium alloy application.

Currently, the annual magnesium production capacity of the Group's magnesium product manufacturing base in Xinjiang is 15,000 tonnes. Starting from 2017, the Group plans to expand the magnesium production line with 30,000 tonnes of annual production capacity, and will gradually reach 100,000 tonnes of annual magnesium production capacity according to the future plan. After the Group acquired the production base for magnesium products in Xinjiang, the company has enjoyed a flourishing development momentum on the back of a refreshed corporate image through maintenance and technical transformation, rationalization and integration, as well as regulating production and sales processes. This year, by stabilizing the current production, the group can further implement its capacity expansion plan and facilitate its rapid growth, which in turns lifting the Group to the next milestone in its magnesium business.

主席報告（續） Chairman's Statement (continued)

電子業務

本集團繼續致力維持業務營運同時開拓新市場。目前，本集團管理層將專注於發展金屬鎂業務，而電子業務則繼續依靠原有之管理團隊，並在原有管理團隊的努力下銷售收入回復增長，經營虧損亦大幅收窄。

隨著新疆金屬鎂業務產銷量及市場進一步擴大，以及國家十三五規劃推動支持金屬鎂發展，本集團將抓緊市場帶來的機遇，加快金屬鎂技術和產品的換代升級，促進金屬鎂業務迅速發展。

期末股息

本公司之董事會並不建議於二零一六年十二月三十一日止年度向本公司股東宣派期末股息。

鳴謝

本人謹代表本集團，對各股東、董事會成員、客戶、銀行及其他合作夥伴一直以來的大力支持致以衷心感謝。我們將恪盡職守，繼續致力未來業務發展，為本集團股東創造回報。

承董事會命
沈世捷
主席

香港，二零一七年三月二十九日

The Electronic Business

The Group continued to explore new markets while maintaining business operation. Currently, the Group's management will focus on developing magnesium business and the electronic business will continue to rely on the existing management team. The sales revenue has regained growth with substantial reduction in operating loss due to the efforts made by the existing management team.

Given the increasing production, sales and market share of the magnesium business in Xinjiang, as well as the support and motivation for magnesium development in China's 13th Five-Year Plan, the Group will capture market opportunities and accelerate the transformation and upgrades of magnesium technology and products in order to consolidate the rapid growth of its magnesium business.

FINAL DIVIDEND

The Board of the Company does not recommend any payment of final dividend to the shareholders of the Company for the year ended 31 December 2016.

APPRECIATION

On behalf of the Group, I would like to thank our shareholders, members of the Board, customers, bankers and other partners for their great support. We will be faithful to our duties and will make continual efforts to the future business development as well as the creation of returns to the shareholders of the Group.

By order of the Board
Shum Sai Chit
Chairman

Hong Kong, 29 March 2017

管理層討論及分析

Management Discussion and Analysis

業務回顧

本集團截至二零一六年十二月三十一日止年度之原有電子業務，受惠於成功開拓市場及提升營運效益，令收入回復增長，經營虧損亦已收窄。年內，本集團繼續致力發展金屬鎂業務，積極整合技改，優化生產設備，以及開拓新市場，抓住金屬鎂行業高速發展之機遇，為集團未來盈利帶來良好的預期。

金屬鎂業務

本集團於2015年年底收購位於新疆的鎂製品生產商——新疆騰翔鎂製品有限公司（「新疆騰翔」），自2016年第一季投入運行後，銷售情況理想。新疆騰翔主要從事生產及分銷鎂錠及蘭炭，其獲得中國政府批准建設規模為年產能120萬噸蘭炭、10萬噸鎂合金及10萬噸鐵合金。目前已建成的鎂錠及蘭炭之兩條生產線，年產能分別為1.5萬噸及60萬噸。

自本集團正式接管新疆騰翔後，一直致力優化其現有之生產設施及工藝流程，並進行部份技術改造項目以提高生產效率及改善產品質量。主要優化改造項目已於2016年11月完成，自技改完成並全面投入生產至今，平均產量已約達設計產能之70%。另外，本集團亦非常重視強化產品之品質管理，力求產品質量與國際標準接軌，新疆騰翔之金屬鎂生產於二零一七年一月已獲得ISO9001:2008之認證。該認證不但對企業產品品質之肯定，亦能有效增強客戶信心及拓寬銷售渠道，從而提高企業效益。

BUSINESS REVIEW

Thanks to successful market expansion and improved operational efficiency, the revenue of existing electronic business of the Group for the year ended 31 December 2016 regained growth with reduction in operating loss. During the year, the Group continued to pursue magnesium business, by constructively carrying out integration and technical enhancements, optimizing production equipment, developing new markets and capitalizing on the opportunities stemming from the rapid growth of magnesium industry. The Group's management established a good expectation on the future profit of the Group.

The Magnesium Business

At the end of 2015, the Group acquired Xinjiang Tengxiang Magnesium Products Company Limited ("Xinjiang Tengxiang"), a magnesium product manufacturer in Xinjiang, which achieved satisfactory sales since the resumption of operation in the first quarter of 2016. Xinjiang Tengxiang principally engages in the production and distribution of magnesium ingots and semi-coke. Its scales of production approved by China's supervisory authorities are annual production capacities of 1,200,000 tonnes of semi-coke, 100,000 tonnes of magnesium alloy, and 100,000 tonnes of iron alloys. The annual production capacities of the current magnesium ingots and semi-coke production lines are 15,000 tonnes and 600,000 tonnes, respectively.

After the Group took charge of Xinjiang Tengxiang, it has been committed to optimize the existing production facilities and processes and undertook certain technical enhancement projects in order to improve both production efficiency and product quality. The major enhancement projects were completed in November 2016. Since the completion of these technical enhancement projects and resumption of full gear production, the average production has reached approximately 70% of the planned production capacity. In addition, the Group has also attached great importance to strengthen the product quality management which aims to align with the international standards. Xinjiang Tengxiang was accredited with ISO9001:2008 certificate for its magnesium production in January 2017. Not only does this certificate serves as a testament to the corporate product quality, but it also significantly increases customer confidence and broaden the distribution channel, which in turn maximize corporate benefits.

管理層討論及分析 Management Discussion and Analysis

煤炭乃生產金屬鎂之主要能源消耗材料，而新疆作為中國煤炭生產力西移的重要承接區，其煤炭資源極其豐富，開採成本低於中國內地大部分煤產區，成本優勢比較突出。因此，在生產成本方面新疆騰翔具有先天的優勢。

鑑於新疆騰翔擁有之生產成本的競爭優勢，伴隨著產能釋放及品質提升，為其鎂業務之發展提供了穩固之基礎，亦將帶動本集團鎂產品業務業績的快速增長和對整體業績的貢獻。有見於此，本集團計劃自2017年開始啟動擴建3萬噸鎂合金產能生產線，並預期其中之5千噸生產線將於2017年下半年完成。擴建完成後，新疆基地鎂合金年產能第一期將達4.5萬噸，其單廠產能規模將進入中國同行業模前列。本集團將繼續加大力度，於生產設備上進行技術改造，以進一步提升本集團之鎂產品生產能力。

製造業務單位

製造業務單位之業績繼續獲得改善，虧損持續收窄。本業務單位將繼續努力開源節流及提高生產效率。

策略產品策略業務單位(「策略產品」)

來自日本的收益有所增加，業績亦得以改善。本業務單位將努力開拓新客源，以創造新價值及改善營運。

個人通訊產品策略業務單位

個人通訊產品策略業務單位的收入有所增長。本業務單位將繼續專注於開發POS終端機及流動支付相關產品，並致力擴大客戶群，開闢新的收入來源。

Coal is the major consumable energy material in magnesium production. Featured with abundant coal resources and lower exploration cost as compared to most of coal production areas in China, Xinjiang enjoys the proximity to China's coal production capacity which has shifted to western regions, leading to a prominent cost advantage. Therefore, Xinjiang Tengxiang holds an inherent advantage in production cost.

Given Xinjiang Tengxiang's production cost competitive advantage, the full gear operation and the quality improvement of its products have established a strong foundation for its magnesium alloy business, and will also fuel the rapid growth of the results of the Group's magnesium alloy business and make contribution to the overall results. The Group plans to commence the expansion of an additional 30,000-tonne magnesium alloy production line since 2017, of which 5,000-tonne production capacity expansion is expected to be completed in the second half of 2017. Upon completion of the first phase expansion, the annual magnesium alloy production capacity of Xinjiang base will reach 45,000 tonnes and bring its single factory production capacity to the forefront of the industry in China. The Group will continue to increase its efforts in the technology upgrade of production equipment, so as to continuously increase the production capacity of its magnesium products.

Manufacturing Business Unit

The results of the manufacturing business unit reported continuous improvement with reducing loss. This business unit will continue to strive for resources conservation, cost reduction and production efficiency enhancement.

Strategic Products Strategic Business Unit ("Strategic Products")

The revenue generated from Japan recorded an increase and the results were also improved. This business unit will put effort to explore new customers and aimed at creating new value and improving the performance.

Personal Communication Products Strategic Business Unit

The revenue from Personal Communication Products Strategic Business Unit posted growth. This business unit will continue to focus on the development of POS terminals and mobile payment related products, broaden customer base and source new income streams.

管理層討論及分析

Management Discussion and Analysis

展望

全球對綠色新材料日益重視，鎂消費持續保持增長趨勢，在國家十三五規劃支持下，鎂合金等輕合金材料，未來幾年將有望高速增長。為迎合未來客戶對鎂合金產品需求，本集團將抓住機遇，擴張產能及市場網絡，開拓新客戶群，優化生產線設備及技術，提升生產效率。本集團計劃於未來數年分階段投資，將獲政府批准的10萬噸鎂合金產能全部建成，銳意發展鎂合金新材料業務至全球前列位置。

原有業務方面，本集團各業務單位將繼續提升營運效益，以存續改善業績表現。

財務回顧

於截至二零一六年十二月三十一日止年度，本集團之銷售收益為約363,676,000港元(截至二零一五年十二月三十一日止九個月：139,537,000港元)。於回顧年度內，金屬鎂業務、個人通訊產品及策略產品業務分別錄得銷售收益132,021,000港元、58,692,000港元及172,963,000港元。

本集團已於年內完成與新疆騰翔賣方商討調整購買代價。根據本集團與賣方訂立的買賣協議，購買代價將按照新疆騰翔於二零一五年五月一日至完成收購日期止期間之經營損益予以調整。據此，收購事項之購買代價落實為人民幣54,482,000元(相等於約66,027,000港元)，與於二零一五年十二月三十一日之臨時代價之差額則列為議價收購之額外收益，本集團亦因而減省了人民幣17,794,000元之應付代價，但按香港財務報告準則之要求，因新疆騰翔是於二零一五年十二月完成收購，議價收購之額外收益需要被重列至本年報之比較數字(即二零一五年四月一日至二零一五年十二月三十一日期間)一欄而非反映於

Outlook

Given the growing attention on new eco-friendly materials across the globe and the sustained growth of magnesium consumption, the lightweight alloy materials such as magnesium alloy are expected to achieve rapid growth in the coming years along with the support from China's 13th Five-Year Plan. To cater for the future customers' demand for magnesium alloy products, the Group will capture the opportunities by expanding production capacity and market network, attracting new source of customers, optimizing equipment and technology of the production lines and enhancing production efficiency. The Group plans to invest in phases in the coming years and eventually construct a production plant that is capable for all of the government-approved 100,000-tonne production capacities of magnesium alloy, as the Group is striving to boost its magnesium alloy business and become one of the top manufacturers in the global magnesium market.

In respect of existing businesses, the Group's business units will continue to enhance their operational efficiency, so as to maintain improvement of their business performance.

FINANCIAL REVIEW

Revenue of the Group for the year ended 31 December 2016 was approximately HK\$363,676,000 (For the nine months ended 31 December 2015: HK\$139,537,000). During the year under review, magnesium business, PCP and SP business units recorded revenue of HK\$132,021,000, HK\$58,692,000 and HK\$172,963,000, respectively.

During the year, the Group has completed the negotiation of adjustments to the purchase consideration with the sellers of Xinjiang Tengxiang. Pursuant to the sale and purchase agreement entered by the Group and the sellers, the purchase consideration shall be adjusted by the operating gain or loss of Xinjiang Tengxiang for the period from 1 May 2015 to the completion date. Accordingly the purchase consideration for the acquisition was finalised as RMB54,482,000 (equivalent to approximately HK\$66,027,000) and the difference with the provisional consideration as at 31 December 2015 was recognized as additional gain on bargain purchase. The consideration payable of the Group was also reduced by RMB17,794,000. However, in accordance to HKFRSs, as the acquisition of Xinjiang Tengxiang was completed in December 2015, the increase in the gain on bargain purchase was restated to the comparative figures (for the period from 1 April 2015 to 31 December 2015) instead of the current year in this

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本年度內。二零一五年四月一日至二零一五年十二月三十一日期間之業績經重列，以反映為數人民幣17,794,000元（相等於約21,564,000港元）之議價收購收益之增值。收購事項產生之議價收購收益總值約為28,746,000港元。

若不計及議價收購收益，本集團於回顧年度之營運虧損為約4,113,000港元（截至二零一五年十二月三十一日止九個月：約27,367,000港元）。扣除融資成本約1,362,000港元（截至二零一五年十二月三十一日止九個月：約934,000港元）及其他營運開支約25,526,000港元（截至二零一五年十二月三十一日止九個月：約180,000港元）後，除稅前虧損為約31,001,000港元（截至二零一五年十二月三十一日止九個月：約28,481,000港元）。計算稅款約22,000港元（截至二零一五年十二月三十一日止九個月：無）後，本年度之虧損為約31,023,000港元（二零一五年：約28,481,000港元）。

其他經營支出從180,000港元增加至25,526,000港元，主要是由於新疆騰翔之閒置產能而產生之若干經營支出25,066,000港元。自於二零一五年十二月完成收購新疆騰翔以來，本集團已編排及專注於執行工作規劃，以檢討及精簡現有生產設施及工作程序。於回顧年度內，本集團已為優化生產線、提高生產效率及改善產品質素投入約61,525,000港元。該等優化項目已於二零一六年十一月左右完成，新疆騰翔往後亦已恢復正常生產。為免扭曲經營業績之呈列，閒置產能之間接成本已重新分類至其他經營支出。

根據財務狀況表，存貨增加25,236,000港元至約83,826,000港元，而貿易應收賬款則增加23,246,000港元至約43,546,000港元。

annual report. The result for the period from 1 April 2015 to 31 December 2015 was restated to reflect the increase in the gain on bargain purchase amounting to RMB17,794,000 (equivalent to approximately HK\$21,564,000). The aggregate gain on bargain purchase arising from the acquisition is approximately HK\$28,746,000.

Excluding the effect of the gain on bargain purchase, operating loss of the Group during the year under review was approximately HK\$4,113,000 (For the nine months ended 31 December 2015: loss of approximately HK\$27,367,000). After deducting finance costs of approximately HK\$1,362,000 (For the nine months ended 31 December 2015: approximately HK\$934,000) and other operating expenses of approximately HK\$25,526,000 (For the nine months ended 31 December 2015: approximately HK\$180,000), loss before tax was approximately HK\$31,001,000 (For the nine months ended 31 December 2015: approximately HK\$28,481,000). After taking into account of taxation of approximately HK\$22,000 (For the nine months ended 31 December 2015: Nil), loss for the year was approximately HK\$31,023,000 (2015: approximately HK\$28,481,000).

The increase in other operating expenses from HK\$180,000 to HK\$25,526,000 is mainly due to the recognition of certain operating expenses of HK\$25,066,000 arising from the idle capacity of Xinjiang Tengxiang. Since the completion of acquisition of Xinjiang Tengxiang in December 2015, the Group has scheduled and focused at executing the work plan to review and streamline the existing production facilities and workflow. During the year under review, the Group has spent approximately HK\$61,525,000 to upgrade the production lines, enhance the production efficiency and improve the quality of the products. Such upgrades have been completed in around November 2016 and Xinjiang Tengxiang resumed normal production afterwards. To avoid the distortion of the presentation of operating performances, the indirect costs for idle capacity have been reclassified to other operating expenses.

Regarding the statement of financial position, inventories increased by HK\$25,236,000 to approximately HK\$83,826,000 and trade receivables increased by HK\$23,246,000 to approximately HK\$43,546,000.

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流動性及財務資源

於二零一六年十二月三十一日，本集團之現金及現金等值項目及已抵押存款為約137,757,000港元(二零一五年十二月三十一日：375,649,000港元)。於二零一六年十二月三十一日，本集團之銀行借款為21,285,000港元(二零一五年十二月三十一日：68,927,000港元)。本集團之銀行借款以港元為單位，附有浮動息率且為短期。

於二零一六年十二月三十一日，本集團之資本負債率(定義為總銀行借款除以股東股份)為約5.0%。年內利息開支為約1,362,000港元。

或然負債

於二零一六年十二月三十一日，本集團並無或然負債(二零一五年十二月三十一日：無)。

外匯及財務政策

本集團的大部份商業交易、資產及負債均以港元、日圓、美元或人民幣計值。本集團一向採納謹慎的財務政策，小心控制外匯風險，以減低外匯風險對本集團之影響。於過去十二個月內，本集團並無進行任何利率或外匯的投機活動。

員工關係

於二零一六年十二月三十一日，本集團於香港聘有69名員工(二零一五年十二月三十一日：73名)，於日本聘有5名員工(二零一五年十二月三十一日：5名)及於中國聘有1,120名員工(二零一五年十二月三十一日：907名)，整體上升約21.2%。除薪酬外，本集團亦為僱員提供其他附帶福利例如有薪年假、醫療保險及公積金等。

LIQUIDITY AND FINANCIAL RESOURCES

On 31 December 2016, the cash and cash equivalent and pledged deposits of the Group were approximately HK\$137,757,000 (31 December 2015: HK\$375,649,000). The Group's bank borrowings as at 31 December 2016 were HK\$21,285,000 (31 December 2015: HK\$68,927,000). The Group's bank borrowings were denominated in Hong Kong dollars with floating interest rate and short term in nature.

As at 31 December 2016, the gearing ratio of the Group, defined as total bank borrowings divided by shareholders' equities, was approximately 5.0%. The interest expenses was approximately HK\$1,362,000 during the year.

CONTINGENT LIABILITIES

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

FOREIGN CURRENCIES AND TREASURY POLICY

Most of the Group's business transactions, assets and liabilities are denominated in Hong Kong dollars, Japanese Yen, United States dollars or Renminbi. The usual treasury policy of the Group is to manage significant currency exposure and minimize currency risk whenever it may have material impact to the Group. During the last twelve months period, the Group did not engage in any interest rate or currencies speculations.

EMPLOYEES RELATIONS

As at 31 December 2016, the Group has 69 employees (31 December 2015: 73 employees) in Hong Kong, 5 employees (31 December 2015: 5 employees) in Japan and 1,120 employees (31 December 2015: 907 employees) in China, representing an overall increase of approximately 21.2%. The Group also provides other fringe benefits such as annual leave, medical insurance and provident fund, etc. for its staff.

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主要風險及不明朗因素

本集團的財務狀況、營運業績及業務前景可能受到與本集團業務直接或間接相關的許多風險及不明朗因素的影響。以下為本集團知悉的主要風險及不明朗因素。除下文所列者外，或會存在本集團並未知悉或目前可能不重要但日後可能變得重要的其他風險及不明朗因素。

市場風險

市場風險乃因市場需求、產品價格、匯率及利率等的變動，而使盈利能力受損或影響達成業務目標的能力的風險。本集團管理層對該等風險持續密切監控，以確保能及時有效採取適當措施以應對。

匯率風險

本集團主要在中華人民共和國（「中國」）及香港經營業務，故此承受多種外匯風險，主要涉及人民幣、港元、日元及美元。外匯風險源於未來商業交易、已確認資產及負債，以及外國經營的投資淨額。本集團管理層預期該等業務的外幣風險淨額並不大。因此，本集團現時並無對沖外匯風險。

本集團擬定期檢討持有除港元以外之貨幣之流動資產及負債以評估外匯風險並於必要時考慮使用對沖工具。

利率風險

對於利息敏感型產品及投資，本集團以動態基準分析其利率風險，並考慮適當時透過各種手段以低成本方式管理該風險。

KEY RISKS AND UNCERTAINTIES

Our Group's financial condition, results of operations, and business prospects may be affected by a number of risks and uncertainties directly or indirectly pertaining to our Group's businesses. The followings are the key risks and uncertainties identified by our Group. There may be other risks and uncertainties in addition to those shown below which are not known to our Group or which may not be material now but could turn out to be material in the future.

Market risks

Market risk is the risk that deteriorates profitability or affects ability to meet business objectives arising from the movement in market demand, product prices, foreign exchange rates, and interest rates. The management of our Group keeps continually monitoring these exposures closely to ensure appropriate measures are implemented on a timely and effective manner against such risks.

Exchange rate risk

The Group mainly operates in the People's Republic of China (the "PRC") and Hong Kong and is exposed to foreign exchange risk arising from primarily with respect to Renminbi, Hong Kong Dollars, Japanese Yen and United States Dollars. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. The Group's management does not expect the net foreign currency risk from these activities to be significant and hence, the Group does not presently hedge the foreign exchange risks.

The Group has planned to periodically reviews liquid assets and liabilities held in currencies other than Hong Kong Dollars to evaluate its foreign exchange risk exposure and consider the usage of hedging instruments when necessary.

Interest rate risk

For interest-sensitive products and investments, our Group analyses its interest rate exposure on a dynamic basis and considers managing this risk in a cost-effective manner when appropriate, through variety of means.

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信貸風險

本集團一直以來十分重視我們客戶的信貸風險。本集團管理層已委派一組人員，負責釐定信貸限額，信貸審批及其他監控程序，以確保採取跟進措施收回逾期債務，並根據每一客戶先前的交易記錄和信貸往績，定期評估及追蹤所有客戶的賬戶。

流動資金風險

流動資金風險即是本集團由於未能取得充足資金或變現資產，在責任到期時未能履約的可能性。管理流動資金風險時，本集團監察現金流量，並維持充足之現金及現金等價物水平，以確保能為本集團營運提供資金及降低現金流量波動之影響。

營運風險

營運風險指因內部程序、人員或制度不足或缺失，或因外部事件導致之損失風險。管理營運風險之責任基本上由集團及附屬公司的職能部門負責監控和落實。本集團之主要功能是對營運程序、權限及匯報框架作出指引。管理層將會定期評估主要之營運風險及業務發展所帶來的影響，制定相應措施，完善內控制度，以及時有效應對和規避風險。

投資風險

投資風險乃界定為因各項外在因素轉變導致任何某項投資相對其預期回報期延長或投資回報低於預期或投資項目發生虧損的可能性。本集團深明持續開拓業務類型和區域，對集團業務發展的重要性，並落實在年度重點工作任務中。項目投資的主要考慮因素為平衡各類投資之風險及回報，因而風險評估乃投資決策過程中的重要一環。本集團已設立適當的投資項目評估和盡職調查程序，並

Credit risk

The Group has always been aware of the credit risk exposure of our customers. In order to minimise the credit risk, management of the Group has delegated a team responsible for the determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. The procedures required and ensured that all clients were regularly assessed and be kept track of their transaction records and credit history.

Liquidity risk

Liquidity risk arises if the Group is unable to meet its obligations when they fall due because of an inability to obtain adequate funding or liquidate assets. In managing liquidity risk, the Group monitors cash flows and maintains an adequate level of cash and cash equivalent to ensure the ability to finance the Group's operations and reduce the impact from the of fluctuation in cash flows.

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Responsibility for managing operational risks basically rests with functional departments of the Group and its subsidiaries. Key function of the Group is to guide their standard operating procedures, limits of authority and reporting framework. Our management will assess key operational exposures and effect raised in business development regularly, implement relevant measures and improve the internal control so that risk can be responded and mitigated on a timely and effective manner.

Investment risk

Investment risk can be defined as the likelihood of extension of its return period relative to the expected return or occurrence of losses on any particular investment attributable to changes of external factors. The Group is well aware of importance of exploring various business opportunities and territories on a continual basis, and also implement as the top agenda of the year. Key concern of projects investment framework will be balancing risk and return across different investments, and thus risk assessment is a core aspect of the investment decision

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會於批准投資前進行詳細分析。本集團之投資項目進度會定期更新，並向董事局匯報。

人力供應及留聘人才之風險

人力資源管理風險主要指由於本集團業務發展迅速，對人才需求迫切，也面對行業對人才的激烈競爭以及人員的流動性，本集團可能面臨或存在着未能有效引進及挽留具備適當及所需技能、經驗及才能之主要人員及人才以配合業務發展的風險，這些主要人員及人才均是達致本集團業務目標所需之因素。本集團將會對薪酬體系和激勵機制進行全面分析，優化薪酬結構以確保員工薪酬處於市場合理水平，並具有競爭力。同時，開拓招聘渠道，不斷充實高級管理層後備人才，並加強對員工的系統化培訓，提供員工升職機會及拓寬事業前途，弘揚良好的企業文化。

環境政策及表現

環境政策及表現主要指中國政府對環保法規政策的重視程度和愈加嚴格的規管要求，本集團之附屬公司及新並購企業由於建成投運已久，可能或將會存在與國家陸續出台的環境與責任要求有某種不足或差距的情況。本集團密切關注環保政策及外在因素的變動對集團業務發展所帶來的影響，本集團以對環境負責和履行社會責任，致力於改善及保持其經營場所所在地環境及社區之長期可持續性，盡力遵守有關環保之法律及法規，並採取有效措施達致資源有效利用、能源節約及廢物減少。本集團日常營運已採納綠色倡議及措施。該等倡議包括資源回收、節約能源措施及節約用水等行動。

process. Proper investment assessment and due diligence procedures have been set up and detailed analysis will be made before approving investments. Regular updates on the progress of the investments of our Group would be submitted to the Board.

Manpower and retention risk

Manpower risk means huge demand for talents because of the Group's rapid business development while at the same time facing severe competition over specialists from the industry and turnover of manpower. Our Group may face the risk of not being able to recruit and retain key personnel and talents with appropriate and required skills, experience and competence to cope with the expansion of business which would meet the business objectives of our Group. Our Group will conduct a thorough analysis over its remuneration system, as well as incentive mechanism and optimize the compensation structure so as to ensure remuneration packages can align reasonably with market standard and maintain its competitiveness. Meanwhile, recruitment channels are broadened and the talent pool of senior management are strengthened, so as to further enhance the promotion opportunities and career path of employees. Systematic staff training are also being further enhanced to increase the overall effectiveness of training and the dissemination of corporate cultures and values.

ENVIRONMENTAL POLICIES AND PERFORMANCE

Environmental policies and performance mainly means increasing attention of PRC government paid to environmental rules and policies and more strict regulatory requirements. The Group's subsidiaries and newly acquired enterprises commenced into operation for a long while which might lag behind certain environmental and duty requirements promulgated by PRC government. The Group monitors impact on business development closely raised from movements of environmental policy and external factors. Acting in an environmentally responsible manner and performing social responsibilities, the Group is committed to improving and maintaining the long term sustainability of the communities in which it operates. The Group endeavours to comply with laws and regulations regarding environmental protection and adopt effective measures to achieve efficient use of resources, energy saving and waste reduction. Green initiatives and measures have been adopted in daily operation of the Group. Such initiatives include recycling of resources, energy saving measures and water saving practices.

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遵守法律及規則

本集團的業務主要由本公司於中國內地的附屬公司進行，而本公司於聯交所上市。因此，本集團營運須遵守中國內地及香港的有關法律及法規。截至二零一六年十二月三十一日止十二個月及直至本報告日期，盡我們所知，本集團已遵守中國內地及香港的所有有關法律及法規，並沒有出現嚴重違反或未有遵守適用法律及法規而導致重大損失和影響的情況。

與員工及主要持份者之關係

於二零一六年十二月三十一日，本集團所僱用之員工數目約為1,194名。本集團根據員工之表現、工作經驗和現時市場情況訂定彼等之薪酬。員工福利包括年假、醫療保險及公積金等。本集團並無發生任何導致正常業務運作受影響之勞資糾紛或僱員關係之重大改變。董事認為本集團與僱員關係良好。

本集團明白與商業夥伴、股東、投資者及銀行保持良好關係，是我們達成長遠目標的要素。為了與我們的持份者維持密切的關係，本集團已制定相應的投資者關係計劃，並不定期為不同持份者舉辦合適的參與活動，包括股東週年／特別大會、現場考察、研討會和路演等等。故此，高級管理層會在適當情況下與彼等進行良好溝通、適時交流想法及共享集團發展最新動向。期內，本集團與商業夥伴或銀行之間並沒有重大的糾紛。

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries in mainland China while the Company is listed on the Stock Exchange. The Group's operations accordingly shall comply with relevant laws and regulations in mainland China and Hong Kong. During the twelfth months ended 31 December 2016 and up to the date of this report, to the best of our knowledge, the Group has complied with all the relevant laws and regulations in mainland China and Hong Kong, and there was no material breach of or non-compliance with the applicable laws and regulations, which results significant loss and negative impacts by the Group.

RELATIONSHIP WITH EMPLOYEES AND KEY STAKEHOLDERS

The number of employees of the Group was approximately 1,194 as at 31 December 2016. The remuneration of employees was determined by the Group with reference to their performance, work experience and current market conditions. Employee benefits include annual leave, medical insurance and provident fund scheme. There has been no labour dispute or significant change in the relationship with the employees that affect the normal operations of the Group. The Directors believe that the Group maintains admirable relations with its employees.

Our Group understands that it is important to maintain good relationship with business partners, shareholders, investors and banks to achieve its long-term goals. To keep up with our key stakeholders closely, the Group has formulated corresponding scheme about investor relationship, and also holds tailored activities from time to time, such as annual/extraordinary general meetings, on-site visits, seminars and road-shows. Accordingly, our senior management has kept good communication, promptly exchanged ideas and shared business latest update about development of the Group with them when appropriate. During the year, there was no material dispute between our Group and its business partners or banks.

企業管治報告

Corporate Governance Report

本公司認同良好的企業管治對於本集團長遠發展之重要性，並致力按本集團所需識別、制定、實施及加強企業管治常規。誠如下文所述，本公司已經成立相關委員會／小組委員會並採納若干內部政策，以改善內部監控及加強本集團業務運作之透明度，務求保障其持分者之利益。

企業管治常規

截至二零一六年十二月三十一日止年度內，本公司一直遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載之企業管治守則（「守則」），惟以下偏離情況除外：

根據守則條文第A.6.7條，獨立非執行董事及其他非執行董事須出席股東大會，並對股東之意見有公正的瞭解。其中：

- 非執行董事孟健教授及非執行董事譚偉豪博士太平紳士因有其他事項處理而無法出席於二零一六年五月十七日舉行的股東週年大會。

董事進行證券交易之標準守則

本公司已採納上市規則附錄10所載有關董事進行證券交易之標準守則（「標準守則」），並以不遜於標準守則之條款，作為本集團有關本公司董事（「董事」）進行證券交易之行為守則。經向所有董事作出特定查詢後，於截至二零一六年十二月三十一日止十二個月內所有董事均已遵守標準守則之要求。

The Company recognizes the importance of good corporate governance to the long-term development of the Group and has devoted considerable efforts in identifying, formulating, implementing and enhancing corporate governance practices in accordance with the needs of the Group. As mentioned below, the Company has established the relevant committees/sub-committee and adopted certain internal policies to improve internal controls and enhance transparency of business operation of the Group with a view to protect the interests of its stakeholders.

CORPORATE GOVERNANCE PRACTICES

During the year ended 31 December 2016, the Company has complied with the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”), save for the deviations as follows:

Under code provision A.6.7, independent non-executive directors and other non-executive directors should also attend general meetings and develop a balanced understanding of the views of shareholders.

- Professor Meng Jian (being a non-executive Director) and Dr. Tam Wai Ho JP (being a non-executive Director) were unable to attend the annual general meeting held on 17 May 2016 as they were obliged to be away for other matters.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors (the “Model Code”) set out in Appendix 10 to the Listing Rules as the code of conduct of the Group regarding securities transactions of the directors of the Company (the “Directors”) on terms no less exactly than required standard set out in the Model Code. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code throughout the year ended 31 December 2016.

企業管治報告

Corporate Governance Report

董事會

董事會現時由下列七名董事組成：

執行董事

沈世捷(主席)
池碧芬(行政總裁)

非執行董事

孟健教授
譚偉豪 太平紳士

獨立非執行董事

鄭炳文
張省本
關毅傑

董事會職能

董事會負責制定本集團之整體策略及政策、檢討及監察本集團之財務表現，包括編製及審批財務報表及監管管理層之日常營運工作，考慮本集團在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及彼等所接受之培訓課程及預算是否充足。本集團之日常業務運作及行政事宜交由管理層處理。

董事會會議及常規

董事會定期舉行會議，董事會會議每年最少召開四次，大約每季一次。召開董事會定期會議之通告及議程均於會議前至少十四天發出予所有董事，以便所有董事均能騰空出席及加添議程項目。董事會定期會議之會議文件至少於會議舉行前三天發送予全體董事，以供彼等細閱。董事會會議記錄之初稿均於會後之合理時段內發送至全體董事審閱及提供意見，方始作實。會議記錄已充份及詳細地記載董事於會上所考慮之事項及達致之決定。

THE BOARD

Currently, the Board comprises the following seven Directors:

Executive Directors

Shum Sai Chit (*Chairman*)
Chi Bi Fen (*Chief Executive Officer*)

Non-executive Directors

Professor Meng Jian
Tam Wai Ho, Samson JP

Independent Non-executive Directors

Kwong Ping Man
Cheung Sound Poon
Kwan Ngai Kit

Functions of the Board

The Board is responsible for formulating the overall strategies and policies of the Group, reviewing and monitoring its financial performance, including preparing and approving financial statements and overseeing operational matters of the management, considering the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting function and their training programmes and budget. Daily business operations and administrative functions of the Group are delegated to the management.

Board meetings and practices

The Board meets regularly and board meetings are held at least four times a year at approximately quarterly intervals. Notices and agenda of regular board meetings are served to all Directors at least fourteen days before the meetings to ensure that all Directors are given the opportunity to attend and to include matters in the agenda. Discussion materials of regular board meetings are sent to all Directors for their study at least three days prior to the meetings. Draft minutes of board meetings are circulated to all Directors for review and comments within a reasonable time after the meetings prior to confirmation. Minutes are recorded in sufficient detail of the matters considered by the Board and decisions reached.

企業管治報告

Corporate Governance Report

董事會(續)

董事會會議及常規(續)

於截至二零一六年十二月三十一日止之財政年度內，本公司共舉行過四次董事會會議，各董事於董事會會議、委員會會議及股東大會之個別之出席率如下：

THE BOARD (continued)

Board meetings and practices (continued)

During the year ended 31 December 2016, four board meetings were held by the Company, and the individual attendance rate of each Director at meetings of the Board, its committees and General Meetings is as follows:

		所出席／舉行之會議 Attended/held					
		董事會會議 Board Meetings	審核委員會會議 Audit Committee Meetings	提名委員會會議 Nomination Committee Meetings	薪酬委員會會議 Remuneration Committee Meetings	執行管理委員會 Executive Management Committee Meetings	股東週年大會 Members General Meetings
執行董事	Executive Directors						
沈世捷	Shum Sai Chit	4/4	—	1/1	—	—	1/1
池碧芬	Chi Bi Fen	4/4	—	—	1/1	—	0/1
非執行董事	Non-executive Directors						
孟健教授	Professor Meng Jian	4/4	—	—	—	—	0/1
譚偉豪 太平紳士	Tam Wai Ho, Samson JP	3/4	—	—	—	—	0/1
獨立非執行董事	Independent Non-executive Directors						
鄭炳文	Kwong Ping Man	4/4	2/2	1/1	1/1	—	1/1
張省本	Cheung Sound Poon	4/4	2/2	—	1/1	—	1/1
陳剛 ¹	Chen Gang ¹	—	—	—	—	—	—
關毅傑 ²	Kwan Ngai Kit ²	2/2	1/1	—	—	—	—

¹ 於二零一六年三月七日辭任

² 於二零一六年六月六日獲委任

¹ Resigned on 7 March 2016

² Appointed on 6 June 2016

按上市規則第3.10(1)及(2)，以及3.10A條之規定，本公司已委任足夠數目之獨立非執行董事，而獨立非執行董事中亦至少有一名具備適當會計或有關財務管理專長。董事會已收到各獨立非執行董事根據上市規則第3.13條就其獨立性而個別作出之年度確認函。

董事會成員之間並無存在包括財務、業務、家屬或其他重大／相關的關係。

Pursuant to Rules 3.10(1) and (2), and 3.10A of the Listing Rules, sufficient number of Independent Non-executive Directors have been appointed and at least one of the remaining Independent Non-executive Directors has appropriate accounting or related financial management expertise. The Board has received annual confirmation of independence from each of its Independent Non-executive Directors as required under Rule 3.13 of the Listing Rules.

There is no financial, business, family or other material/relevant relationships among members of the Board.

企業管治報告

Corporate Governance Report

董事會(續)

董事之持續專業發展

本公司不時向董事提供有關上市規則、公司條例及其他適用監管規定之最新變動情況。除鼓勵董事參與持續專業發展之課程，以更新及提升彼等之知識及技能外，本公司亦為董事安排與行業有關之內部研討會，以及向彼等提供有關董事責任之閱讀材料。所有董事已向本公司提供彼等於截至二零一六年十二月三十一日止十二個月內已接受之培訓紀錄。

董事於截至二零一六年十二月三十一日止十二個月曾參與之培訓概述如下：

THE BOARD (continued)

Directors' Continuous Professional Development

The Company updates the Directors of the latest changes in the Listing Rules, Companies Ordinance and other applicable regulatory requirements from time to time. Apart from encouraging the Directors to participate in continuous professional development ("CPD") courses to refresh and enhance their knowledge and skills, the Company also arranged an industry-related in-house seminar for the Directors and provided them with reading materials relating to the directors' duties. All Directors have provided the Company with their records of training they received during the year ended 31 December 2016.

A summary of the trainings participated by the Directors during the year ended 31 December 2016 is as follows:

持續專業發展培訓種類^{附註} Types of continuous professional development training^{Notes}

董事	Directors	
執行董事	Executive Directors	
沈世捷	Shum Sai Chit	A 及 B A and B
池碧芬	Chi Bi Fen	B
非執行董事	Non-executive Directors	
孟健教授	Professor Meng Jian	B
譚偉豪 太平紳士	Tam Wai Ho, Samson JP	B
獨立非執行董事	Independent Non-executive Directors	
鄭炳文	Kwong Ping Man	A 及 B A and B
張省本	Cheung Sound Poon	A 及 B A and B
關毅傑	Kwan Ngai Kit	A 及 B A and B

附註：

- A: 出席講座或培訓課程
B: 閱讀報章、刊物及有關本公司業務或董事職責及責任、上市規則及其他適用監管規定最新發展等方面的最新資料

Notes:

- A: Attending seminar(s) or training session(s)
B: Reading newspaper, journals and updates relating to the Company's business or directors' duties and responsibilities, the latest development of the Listing Rules and other applicable regulatory requirements, etc.

企業管治報告

Corporate Governance Report

董事會(續)

企業管治職能

董事會負責按其「企業管治職能之職權範圍」履行本公司下列企業管治職務：

- (a) 制定及檢討本公司的企業管治政策及常規，並提出合適建議；
- (b) 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- (c) 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- (d) 制定、檢討及監察適用於僱員及董事的操守準則；及
- (e) 檢討本公司遵守該守則的情況及在《企業管治報告》內的披露。

於回顧年內，董事會已履行以下企業管治職務：

- 審批載於本公司二零一六年週年報告內之企業管治報告的內容；
- 採納「董事會成員多元化政策」；及
- 檢討本集團之舉報政策，以確保員工就財務匯報及內部監控等方面可能發生之不正當行為提出關注之安排足夠。

THE BOARD (continued)

Corporate Governance Functions

The Board is responsible for performing the following corporate governance duties of the Company in accordance with the “Terms of Reference of Corporate Governance Function” adopted by it:

- (a) to develop and review the Company’s policies and practices on corporate governance and make appropriate recommendations;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (c) to review and monitor the Company’s policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct applicable to employees and Directors; and
- (e) to review the Company’s compliance with the Code and disclosure in the Corporate Governance Report.

During the year under review, the Board has performed the following corporate governance duties:

- Reviewed and approved the contents of the Corporate Governance Report included in the 2016 annual report of the Company;
- Adopted the “Board Diversity Policy”; and
- Reviewed the Whistle-blowing Policy of the Group to ensure the arrangements for employees to raise concerns about possible improprieties in financial reporting and internal control, etc. were adequate.

企業管治報告

Corporate Governance Report

主席及行政總裁

本公司之主席及行政總裁分別為沈世捷先生及池碧芬女士。主席及行政總裁之角色已明確分開以及並非由同一名人士出任。主席主要負責本集團之企業規劃及財務管理，而行政總裁則主要負責本集團產品之整體市場推廣及營銷策略。

非執行董事

非執行董事及獨立非執行董事之委任均有指定任期，並須根據本公司之公司細則（「公司細則」）輪值退任及重選。

董事會轄下之委員會

目前，本公司已成立四個委員會，分別為審核委員會、薪酬委員會、提名委員會及執行管理委員會。各委員會已獲董事會轉授特定權力以協助董事會履行其職務及監控本集團特定範疇之事務。各委員會之角色及職能概述如下：

審核委員會

審核委員會於一九九九年成立。本公司已根據該守則之守則條文第C.3.3條採納審核委員會之職權範圍。審核委員會由三名獨立非執行董事組成，即鄭炳文先生（審核委員會主席）、張省本先生及關毅傑先生。

審核委員會之主要職責為提供獨立及專業之財務匯報意見、評估本集團內部監控之成效（包括本公司在會計及財務匯報職能方面之資源、員工資歷及經驗，以及彼等所接受之培訓課程及預算是否足夠）及外部與內部審核是否充足。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Chairman and the Chief Executive Officer of the Company are Mr. Shum Sai Chit and Ms. Chi Bi Fen respectively. The roles of the Chairman and the Chief Executive Officer are clearly segregated and are not exercised by the same individual. The Chairman is principally responsible for the Group's corporate planning and financial management whereas the Chief Executive Officer is principally responsible for the overall marketing and sales strategies of the Group's products.

NON-EXECUTIVE DIRECTORS

The terms of appointment of the Non-executive Directors and the Independent Non-executive Directors are fixed for a specific term, and shall be subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company (the "Bye-laws").

BOARD COMMITTEES

Currently, the Company has set up four committees, namely the Audit Committee, the Remuneration Committee, the Nomination Committee and the Executive Management Committee respectively. Each committee is delegated with specific authorities by the Board in assisting the Board to discharge its duties and to administer particular aspects of the Group's activities. The roles and functions of each committee are summarized below:

Audit Committee

The Audit Committee was established in 1999. The Company has adopted Terms of Reference of the Audit Committee in compliance with code provision C.3.3 of the Code. The Audit Committee comprises three Independent Non-executive Directors, namely Mr. Kwong Ping Man (chairman of the Audit Committee), Mr. Cheung Sound Poon and Mr. Kwan Ngai Kit.

The principal responsibilities of the Audit Committee is to provide an independent and professional advice on financial reporting, to evaluate the effectiveness of internal control (including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget) and the sufficiency of external and internal audits of the Group.

企業管治報告

Corporate Governance Report

董事會轄下之委員會(續)

審核委員會(續)

審核委員會主席於每次會議後，均會向董事會匯報該委員會討論過之重要事項，以供董事會知悉及／或作考慮。

審核委員會於截至二零一六年十二月三十一日止之年度共舉行過兩次會議(兩次會議皆邀請本公司之核數師參與)，其於期內完成之主要工作概述如下：

- 審閱截至二零一五年十二月三十一日止年度之末期業績及截至二零一六年六月三十日止六個月之中期業績，以確保該等財務報表內所採納之會計準則及常規，以及所作出之披露均為恰當、準確及公平；
- 審閱內部監控程序及風險管理事宜；
- 與核數師磋商截至二零一六年十二月三十一日止年度之審核範圍；及
- 檢討本公司在會計及財務匯報職能方面之資源、員工資歷及經驗，以及彼等所接受之培訓課程及預算是否足夠。

審核委員會已審閱本集團截至二零一六年十二月三十一日止之全年業績。

BOARD COMMITTEES (continued)

Audit Committee (continued)

After each Audit Committee meeting, the chairman of the Audit Committee will report to the Board of the significant issues discussed by the Committee for the Board's information and/or consideration.

The Audit Committee has held two meetings (both meetings have invited the auditors of the Company to participate) in the year ended 31 December 2016. The major tasks accomplished by it during the year are summarized below:

- Reviewed the final results for the period ended 31 December 2015 and the interim results for the six months ended 30 June 2016, and confirmed that the accounting principles and practices adopted as well as the disclosures made in such financial statements were appropriate, accurate and fair;
- Reviewed the internal control procedures and risk management matters;
- Discussed with the auditors on the scope of audit for the year ended 31 December 2016; and
- Reviewed the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget.

The Audit Committee has reviewed the annual results of the Group for the year ended 31 December 2016.

企業管治報告

Corporate Governance Report

董事會轄下之委員會(續)

薪酬委員會

薪酬委員會於一九九六年成立。本公司已根據該守則之守則條文第B.1.2條採納薪酬委員會之職權範圍。薪酬委員會成員包括執行董事池碧芬女士及兩名獨立非執行董事，即鄭炳文先生(薪酬委員會主席)及張省本先生。

薪酬委員會專責就本公司董事及高層管理人員之薪酬政策及架構向董事會提出建議。其每年最少舉行一次會議以檢討及釐定執行董事及高層管理人員之薪酬及福利，以及向董事會建議非執行董事之酬金。在釐定及批准本公司董事及高層管理人員之薪酬時，薪酬委員會將考慮各方面因素包括市場競爭力、個人表現及本公司與其業務單位之盈利能力等。

薪酬委員會於截至二零一六年十二月三十一日止之年度內舉行過一次會議，以檢討本公司董事及高層管理人員之薪酬待遇等事宜。

提名委員會

提名委員會於二零一二年成立，本公司已參考該守則之守則條文第A.5.2條採納提名委員會之職權範圍。提名委員會成員包括執行董事沈世捷先生(提名委員會主席)及兩名獨立非執行董事，即鄭炳文先生及關毅傑先生。

提名委員會負責檢討董事會之架構、人數及組成，物色具備合適資格可出任董事之人士並就董事之委任或續任向董事會作出建議，評估獨立非執行董事之獨立性，以及監察本公司董事會成員多元化政策之執行等事宜。

BOARD COMMITTEES (continued)

Remuneration Committee

The Remuneration Committee was established in 1996. The Company has adopted Terms of Reference of the Remuneration Committee in compliance with code provision B.1.2 of the Code. The Remuneration Committee comprises an Executive Director, namely Ms. Chi Bi Fen and two Independent Non-executive Directors, namely Mr. Kwong Ping Man (chairman of the Remuneration Committee) and Mr. Cheung Sound Poon.

The Remuneration Committee is responsible for making recommendations to the Board on the Company's policy and structure in relation to remuneration of the Directors and senior management of the Company. It schedules to meet at least once a year to review and determine the remuneration packages of the Executive Directors and senior management and to make recommendation to the Board of the remuneration of Non-executive Director. In determining and approving the remuneration of Directors and senior management of the Company, the Remuneration Committee will take into consideration of various factors such as market competitiveness, individual performance and profitability of the Company and its business units.

The Remuneration Committee has held one meeting in the year ended 31 December 2016 to review the existing remuneration policies of the Directors and senior management of the Company, etc.

Nomination Committee

The Nomination Committee was established in 2012. The Company has adopted Terms of Reference of the Nomination Committee with reference to code provision A.5.2 of the Code. The Nomination Committee comprises an Executive Director, namely Mr. Shum Sai Chit (chairman of the Nomination Committee) and two Independent Non-executive Directors, namely Mr. Kwong Ping Man and Mr. Kwan Ngai Kit.

The Nomination Committee is responsible for reviewing the structure, size and composition of the Board, identifying individuals suitably qualified to become Directors and making recommendations to the Board on the appointment or reappointment of Directors, assessing the independence of the Independent Non-executive Directors and monitoring the implementation of the Board Diversity Policy of the Company.

企業管治報告

Corporate Governance Report

董事會轄下之委員會(續)

提名委員會(續)

提名委員會於截至二零一六年十二月三十一日止之年度內舉行過一次會議，連同以書面決議方式，檢討及處理以下主要事項：

- 檢討各董事之資歷及經驗，以及彼等於本集團之角色及職能，以確保現時之董事會架構符合本集團的業務發展所需；及
- 檢討現行之董事會成員多元化之程度。

執行管理委員會

執行管理委員會於二零零五年成立，訂有書面職權範圍並獲董事會授權以日常管理委員會形式運作。目前，執行管理委員會由兩名執行董事組成，即沈世捷先生(執行管理委員會主席)及池碧芬女士。

董事會成員多元化政策概要

本公司已採納董事會成員多元化政策。本公司認同及相信董事會成員多元化所帶來的好處。所有董事會成員之委任均以能者居之及用人唯才為原則，並將考慮候選人之若干客觀標準如：性別、年齡、文化及教育背景、種族、專業資格、領域經驗、技能、知識及服務年資等。最終決定將按獲選者之長處及可為董事會帶來之貢獻作依歸。

BOARD COMMITTEES (continued)

Nomination Committee (continued)

The Nomination Committee has held one meeting in the year ended 31 December 2016, together with by means of written resolutions, to review and deal with the following major issues:

- Reviewed the qualifications and experiences of individual Directors as well as their roles and responsibilities in the Group to ensure the existing Board structure is fit for the business growth of the Group; and
- Reviewed the degree of diversity of the existing Board.

Executive Management Committee

The Executive Management Committee was established in 2005 with written terms of reference to operate as a general management committee under the authority of the Board. Currently, the Executive Management Committee comprises two Executive Directors, namely Mr. Shum Sai Chit (chairman of the Executive Management Committee) and Ms. Chi Bi Fen.

BOARD DIVERSITY POLICY SUMMARY

The Company has adopted the Board Diversity Policy. The Company recognizes and embraces the benefits of diversity of its Board members. All Board appointments will be based on meritocracy and competence, and the candidates will be considered against certain objective criteria such as gender, age, cultural and educational background, ethnicity, professional qualifications, areas of experience, skills, knowledge and length of services, etc. The ultimate decision will be based on merits and contributions that the selected candidates will bring to the Board.

企業管治報告

Corporate Governance Report

核數師酬金

於截至二零一六年十二月三十一日止年度，本公司就審核服務及非審核服務而已支付／應支付予其外聘核數師之酬金總額如下：

服務類別	Types of services	千港元 HK\$'000
審核服務	Audit services	1,700
總計	Total	1,700

董事編製財務報表之責任

董事確認彼等有責任編製可真實及公平地反映本集團事務狀況及業績之財務報表。截至二零一六年十二月三十一日止年度，本集團錄得綜合虧損淨額約31,023,000港元。

本公司核數師就其對財務報表之報告責任聲明載於本週年報告第41至第49頁之「獨立核數師報告」內。

公司秘書

自二零一五年八月二十日起，樊國民先生獲委任為公司秘書。樊先生持有香港中文大學頒授之工商管理學士學位，並主修保險財務與精算學，彼亦為香港會計師公會會員，具備逾八年審計、會計、財務管理及企業融資經驗。

根據上市規則第3.29條，樊先生於截至二零一六年十二月三十一日止年度內已參與不少於15小時的相關專業培訓。

AUDITORS' REMUNERATION

For the year ended 31 December 2016, the total remunerations paid/payable by the Company to its external auditors in respect of the audit services and non-audit services are as follows:

Types of services	千港元 HK\$'000
Audit services	1,700
Total	1,700

DIRECTORS' RESPONSIBILITIES FOR PREPARATION OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for preparing the financial statements which give a true and fair view of the state of the Group's affairs and results. The Group recorded a consolidated net loss of approximately HK\$31,023,000 for the year ended 31 December 2016.

The statement of the auditors of the Company about their reporting responsibilities on the financial statements is set out in the "Independent Auditor's Report" on pages 41 to 49 of this annual report.

COMPANY SECRETARY

Since 20 August 2015, Mr. Fan Kwok Man, Raymond has been appointed as the Company Secretary. Mr. Fan holds a Bachelor of Business Administration in Insurance, Financial and Actuarial Analysis from the Chinese University of Hong Kong and he is member of the Hong Kong Institute of Certified Public Accountants and has over 8 years of experience in auditing, accounting, financial management and corporate finance.

According to Rule 3.29 of the Listing Rules, Mr. Fan has taken no less than 15 hours of relevant professional training during the year ended 31 December 2016.

股東權利

股東召開股東特別大會

根據公司細則第58條，於提出開會要求當日持有有權在本公司股東大會投票之本公司實繳股本不少於10%之股東，有權隨時向董事會或本公司秘書發出書面要求，要求董事會召開股東特別大會以處理書面要求內指定之任何事務，而該等會議須於有關要求發出至本公司之註冊辦事處後兩個月內舉行。如董事會未能於接獲有關要求後二十一日內召開會議，發出要求者本身可按照百慕達公司法1981（「公司法」）第74(3)條之規定召開會議。

於股東大會上提呈議案

根據公司法第79及80條之規定，登記股東有權於股東大會上提呈議案倘若彼等：

- (a) 於提出要求當日佔本公司總投票權不少於5%；或
- (b) 為不少於100位的登記股東。

有關股東須簽妥載有該動議的書面要求，連同不多於1,000字關於該動議所述事宜之陳述送交本公司註冊辦事處。本公司於接獲有效之書面要求後，將採取適當行動並作出所需安排，有關股東須根據公司法第79及80條支付進行該等行動及安排所產生之開支。

SHAREHOLDERS' RIGHTS

Convention of Special General Meeting

Pursuant to Bye-law 58 of the Bye-laws, Shareholders holding at the date of deposit of the requisition not less than 10% of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition to the Company's registered office. If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Bermuda Companies Act 1981 (the "Companies Act").

Putting Forward Proposals at General meetings by Shareholders

Pursuant to Sections 79 and 80 of the Companies Act, registered Shareholders are entitled to put forward a proposal at a general meeting if they:

- (a) represent not less than 5% of the total voting rights of the Company at the date of the deposit of the requisition; or
- (b) are not less than 100 registered Shareholders.

The written requisition stating the resolution(s) should be duly signed by the registered Shareholder(s) concerned, accompanied by a statement of not more than 1,000 words with respect to the matter referred to in the proposed resolution or the business to be dealt with must be deposited at the Company's registered office. The Company would take appropriate actions and make necessary arrangements. The Shareholder(s) concerned would be responsible for the expenses incurred in giving effect thereto in accordance with the requirements under Sections 79 and 80 of the Companies Act once valid documents are received.

企業管治報告

Corporate Governance Report

股東權利(續)

股東查詢

董事會歡迎股東就本集團之管理及企業管治提出意見、查詢及關注事項。股東可隨時透過電郵(gsl@gsl.com.hk)、傳真((852) 2802 2697)或郵遞方式發送彼等之書面查詢及／或關注事項至本公司之主要辦事處跟進。

有關股權查詢方面，股東可聯絡本公司之香港股份過戶登記分處及轉讓登記處卓佳秘書商務有限公司，地址為香港皇后大道東183號合和中心22樓。

憲章文件

本公司之組織章程大綱及公司細則已於二零一二年三月二十日上載至本公司及香港聯合交易所有限公司(「聯交所」)網頁，該憲章文件於年內並無任何更改。

風險管理及內部監控

董事會全權負責維持本集團之風險管理及內部監控。內部監控系統是為管理及減低未能履行經營目標之風險，並對重大錯誤陳述或損失提供合理保證。

「改善工作流程及內部審計小組」於二零零二年成立，為前線部門提供改善工作流程之意見及維繫內部監控。一份有關流程改善及工作程序、審計人員操守及權限之全面政策及準則已於二零零六年九月頒布。

董事會已就本集團之內部監控系統之有效性進行年度檢討，檢討範圍涵蓋風險管理功能、財務、營運及合規之監控、本公司在會計及財務匯報職能方面的資源、員工資歷及經驗，以及彼等所接受之培訓課程及預算是否充足等。董事會認為本集團之內部監控系統有效而足夠。

SHAREHOLDERS' RIGHTS (continued)

Enquiries from Shareholders

The Board welcomes views, enquires and concerns in relation to the management and corporate governance of the Group from Shareholders. Shareholders may at any time send their enquires and/or concerns to the Board in writing by email (gsl@gsl.com.hk), by fax ((852) 2802 2697) or by mail to the principal place of business of the Company for follow up.

For shareholding enquiries, Shareholders may contact the Hong Kong branch share registrar and transfer office of the Company, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

CONSTITUTIONAL DOCUMENT

The Memorandum of Association and Bye-laws of the Company was posted on the websites of the Company and The Stock Exchange of Hong Kong ("Stock Exchange") on 20 March 2012 and there is no change in such constitutional document during the year.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board has overall responsibilities for risk management and internal control of the Group. The system of internal control is designed to manage and mitigate the risk of failure to achieve business objectives with reasonable assurance against material misstatement or loss.

The Process Improvement and Internal Audit Sub-committee was formed in 2002 to provide support to frontline functions in improving business operations and maintaining internal control. A comprehensive policy and standard governing the process improvement and workflow, authority and integrity of the staff, was promulgated in September 2006.

The Board has conducted annual review of the effectiveness of the internal control system of the Group which covers the review of risk management functions, financial, operational and compliance controls, the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function and their training programmes and budget, etc.. The Board considered the internal control system of the Group effective and adequate.

企業管治報告

Corporate Governance Report

風險管理及內部監控(續)

本公司已制訂內幕消息政策以就處理內幕消息提供指引。本公司定期提醒董事及僱員務須遵守本公司就內幕消息所採納的所有政策，包括就買賣本公司證券而遵守上市規則附錄10所載之標準守則。

投資者關係

本集團致力加強與投資者之關係，增加本集團於投資界的透明度。

本公司透過以下方式向投資者發放有關本集團之最新發展動向及消息，以及促進本公司與股東之間的互相溝通：

- (a) 定期向股東寄發本公司之中期報告、週年報告及股東通函等企業通訊文件，並上載該等文件至本公司及聯交所網頁；
- (b) 透過本公司及聯交所網頁刊發公佈；
- (c) 在本公司網頁提供有關本公司企業及產品之資訊；
- (d) 舉辦股東大會以便股東與本公司管理層可直接交換意見；及
- (e) 鼓勵投資者透過本公司之網頁與本公司不時進行通訊。

在本公司於二零一六年五月十七日舉行之上屆股東週年大會上，所有關於採納財務報表、重選董事、續聘核數師及授予發行及購回股份之一般授權等決議案均獲得通過。本公司將訂於二零一七年五月二十六日舉行今屆股東週年大會。

RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

The Company have formulated an inside information policy providing guideline on handling inside information. The Company regularly reminds the directors and employees about compliance with all policies adopted by the Company regarding inside information including the Model Code set out in Appendix 10 of the Listing Rules in relation to dealings in securities of the Company.

INVESTOR RELATIONS

The Group is committed to enhance investor relationship by increasing its transparency to the investment community.

The following measures have been taken by the Company to keep investors informed of the latest developments and news of the Group and to facilitate a two-way communication between the Company and its Shareholders:

- (a) Mailing corporate communication documents such as interim reports, annual reports and circulars to the Shareholders periodically and uploading the same on the websites of the Company and the Stock Exchange;
- (b) Publishing announcements through the websites of the Company and the Stock Exchange;
- (c) Making available of the Company's corporate and products information on its website;
- (d) Organizing general meetings to facilitate direct exchange of views between the Shareholders and the management of the Company; and
- (e) Encouraging investors to communicate with the Company through the Company's website from time to time.

At the Company's last AGM held on 17 May 2016, all the resolutions relating to the adoption of financial statements, re-election of Directors, reappointment of auditors and grant of general mandates to issue and repurchase shares have been duly passed. The forthcoming AGM of the Company is scheduled to be held on 26 May 2017.

董事及高級管理人員簡介 Directors and Senior Management Profiles

執行董事

沈世捷先生，五十九歲，本集團主席。沈先生曾為可新有限公司董事總經理。可新有限公司主要從事紡織品製造和貿易業務。沈先生於一九八四年加入福建省紡織品進出口公司，出任經理，負責紡織品的進出口業務。沈先生畢業於消費品價格及統計專業。沈先生現時亦為世紀陽光集團控股有限公司(股份代號：509)之執行董事。

池碧芬女士，五十八歲，本集團行政總裁。池女士曾於一家電子設備公司擔任副總經理逾17年，並在中國的會計、稅項及財務領域積逾15年經驗。池女士畢業於會計及財務學專業。池女士現時亦為世紀陽光集團控股有限公司(股份代號：509)之執行董事。

非執行董事

孟健教授，六十歲，現任中國科學院長春應用化學研究所稀土資源利用國家重點實驗室教授、副主任；中國稀土學會固體科學與新材料專業委員會副主任；中國稀土學會及中國有色金屬學會理事。孟教授為中國稀土行業協會及中國鎂協專家。孟教授長期從事稀土鎂合金新材料開發研究，對中國稀土鎂合金的開發與應用有突出的貢獻。孟教授於吉林大學半導體專業畢業，持有中國科學院化學部碩士學位，並於日本豐橋技術科學大學深造，獲工程博士學位。孟教授現時亦為世紀陽光集團控股有限公司(股份代號：509)之稀土鎂合金專案顧問。

EXECUTIVE DIRECTORS

Mr. SHUM Sai Chit, age 59, Chairman of the Group. Prior to joining the Group, Mr. Shum was the Managing Director of Go Modern Limited which was principally engaged in manufacturing of textile products and trading activities. In 1984, Mr. Shum joined Fujian Textiles Import and Export Corporation as a Manager to oversee importing and exporting of textile products. Mr. Shum is a graduate of Consumer Product Pricing and Statistics. Mr. Shum is currently an executive director of Century Sunshine Group Holdings Limited (stock code: 509).

Ms. CHI Bi Fen, age 58, chief executive officer of the Group. Prior to joining the Group, Ms. Chi was the Deputy General Manager of an electronics equipment company over 17 years. She has an extensive experience in accounting, taxation and finance in the PRC for more than 15 years. She is a graduate of Accounting and Finance. Ms. Chi is currently an executive director of Century Sunshine Group Holdings Limited (stock code: 509).

NON-EXECUTIVE DIRECTORS

Professor MENG Jian, age 60, is a professor and deputy officer of State Key Laboratory for Rare Earth Resource Utilisation, Changchun Institute of Applied Chemistry of Chinese Academy of Science. He is a deputy officer of Professional Committee of Solid Science and New Materials of Chinese Society of Rare Earth. He is also a director of Chinese Society of Rare Earth and Nonferrous Metals Society of China. He is an expert of the Association of China Rare Earth Industry and China Magnesium Association. Professor Meng has been engaging in research and development of rare earth magnesium alloys and new materials. He has contributed to the development and application of rare earth magnesium alloys in China. Professor Meng majored in semiconducting from Jilin University, and holds a master's degree from the chemistry department of Chinese Academy of Science. He holds a degree of doctor of Engineering from Toyohashi University of Technology, Japan. Professor Meng is currently a consultant of Century Sunshine Group Holdings Limited (stock code: 509) for rare earth magnesium alloys projects.

董事及高級管理人員簡介 Directors and Senior Management Profiles

非執行董事(續)

譚偉豪博士 太平紳士，五十三歲，於一九八六年畢業於香港中文大學，獲理學士學位，後於香港理工大學進修，獲哲學博士學位。譚博士於一九九二年獲香港工業總會頒贈「香港青年工業家獎」，並於一九九七年獲選為香港「十大傑出青年」。譚博士為二零零八年至二零一二年度香港立法會議員(資訊科技界)。譚博士現為香港天使投資脈絡主席、香港產學研合作促進會會長、香港工業總會科技發展委員會主席、香港公開大學校董會成員等。

獨立非執行董事

鄭炳文先生，五十二歲，現為澳洲企業服務有限公司之董事。該公司從事企業諮詢服務。鄭先生於多間公司擔任財務總監接近7年。鄭先生於會計、財務及行政方面有逾15年經驗。鄭先生亦取得香港理工大學頒授之專業會計學碩士學位。鄭先生為澳洲執業會計師公會會員及香港會計師公會資深會員，亦為香港公司秘書公會會員。鄭先生曾出任日成控股有限公司(股份代號：3708)之獨立非執行董事至二零一六年三月。鄭先生現時為世紀陽光集團控股有限公司(股份代號：509)、唐宮(中國)控股有限公司(股份代號：1181)、高雅光學國際集團有限公司(股份代號：907)及御佳控股有限公司(股份代號：3789)之獨立非執行董事。

張省本先生，五十六歲，現任郭崔會計師行高級核數經理。張先生曾任Gary W.K. Yam & Co. (CPA)之高級核數師。張先生擁有逾35年會計及核數經驗。於二零零四年二月至二零零七年五月期間，張先生曾任世紀陽光集團控股有限公司(股份代號：509)之獨立非執行董事兼審核委員會主席。

NON-EXECUTIVE DIRECTORS (continued)

Dr. TAM Wai Ho, Samson JP, aged 53, graduated from The Chinese University of Hong Kong in 1986 with a Bachelor degree of Science (Hons), and later was awarded the degree of Doctor of Philosophy from The Hong Kong Polytechnic University. In 1992, Dr Tam was awarded the “Young Industrialist Award of Hong Kong” and was named one of the “Ten Outstanding Young Persons” in 1997. He was an elected member of Legislative Council of Hong Kong (Information Technology, 2008-2012) and is now Chairman of the Hong Kong Business Angel Network, Chairman of the Hong Kong Industry-University-Research Collaboration Association, Chairman of the Technology Development Committee of Federation of Hong Kong Industries (FHKI) and Council Member of The Open University of Hong Kong.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. KWONG Ping Man, age 52, is a director of O'Park Corporate Services Limited which provides corporate advisory services. Mr. Kwong had served as the chief financial officer of various companies for almost seven years. Mr. Kwong has over 15 years of experience in accounting, finance and administration. He obtained a master's degree in Professional Accounting from the Hong Kong Polytechnic University. He is a member of the Australian Society of Certified Practising Accountants, fellow member of the Hong Kong Institute of Certified Public Accountants, and associate member of the Hong Kong Institute of Company Secretaries. Mr. Kwong had been an independent non-executive director of Yat Sing Holdings Ltd. (Stock code: 3708) until March 2016. Mr. Kwong is currently an independent non-executive director of Century Sunshine Group Holdings Limited (stock code: 509), Tang Palace (China) Holdings Limited (Stock Code: 1181), Elegance Optical International Holdings Ltd. (Stock Code: 907) and Royal Deluxe Holdings Limited (Stock Code: 3789).

Mr. CHEUNG Sound Poon, age 56, is currently a senior audit manager at Chui & Kwok (CPA). He was an audit senior at Gary W. K. Yam & Co. (CPA). Mr. Cheung has over 35 years of experience in accounting and auditing. He was an independent non-executive director and the chairman of audit committee of Century Sunshine Group Holdings Limited (stock code: 509) between February 2004 and May 2007.

董事及高級管理人員簡介 Directors and Senior Management Profiles

獨立非執行董事(續)

關毅傑先生，三十六歲，現為現代牙科集團有限公司(股份代號：3600)的財務總監及公司秘書。關先生於二零一四年六月至二零一六年十月曾任允升國際控股有限公司(股份代號：1315)的執行董事、首席財務官及公司秘書。關先生於審計方面積逾10年經驗。彼曾為安永會計師事務所審計部門的高級經理。彼為香港會計師公會會員及特許公認會計師公會資深會員。關先生持有香港中文大學的工商管理碩士學位及香港理工大學會計學學士學位。

高級管理人員

譚偉棠先生，五十五歲，專責本集團產品之整體市場推廣及營銷策略。譚先生持有香港理工大學電子工程文憑，在電子零部件及消費電子產品之市場推廣方面已積累逾三十年經驗。譚先生於二零零一年八月獲頒贈「資本傑出科技及金融企業成就獎」之「尖端科技拓展成就獎」。

大谷和廣先生，五十六歲，於本集團之策略性產品業務專責原件設備生產以及原件設計生產。大谷先生為本集團在日本之附屬公司株式會社グループセンス之代表取締役社長。大谷先生持有日本的關西外國語大學頒發之外語學科文學士學位。於加入本集團前，大谷先生在一日本電子公司工作達十四年。其中自一九八七年起，大谷先生服務於該日本公司之香港辦事處，專責電子零部件市場推廣及營銷達十年之久。

李冠雄先生，五十四歲，於一九八八年加入本集團。李先生專責本集團之個人通訊產品業務，並由二零一三年九月起負責監管本集團資訊科技部之運作。李先生畢業於香港理工大學電子工程系，獲電子工程高級文憑，並持有亞洲國際公開大學電腦學士學位及英國華威大學工程商業管理理學碩士學位。李先生在電子產品開發方面擁有三十年之經驗。

INDEPENDENT NON-EXECUTIVE DIRECTORS (continued)

Mr. KWAN Ngai Kit, aged 36, is currently the chief financial officer and the company secretary of Modern Dental Group Limited (Stock Code: 3600). Mr. Kwan was the executive director, the chief financial officer and the company secretary of Vision Fame International Holding Limited (Stock Code: 1315) from June 2014 to October 2016. Mr. Kwan has over 10 years' experience in auditing. He was a senior manager in assurance department of Ernst & Young. He is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Kwan holds a MBA degree from The Chinese University of Hong Kong and a Bachelor's degree in Accountancy from The Hong Kong Polytechnic University.

SENIOR MANAGEMENT

Mr. TAM Wai Tong, Thomas, age 55, is responsible for the overall marketing and sales strategies of the Group's products. Mr. Tam has a Diploma in Electronic Engineering from the Hong Kong Polytechnic University. He has over thirty years of experience in marketing electronic components and consumer electronic products. He received "Advanced Technology Development Award" of "Capital Magazine's Outstanding Information Technology and Financial Enterprise Awards" in August 2001.

Mr. Kazuhiro OTANI, age 56, is responsible for OEM/ODM business in the Strategic Product Division of the Group. He is the chief executive officer and president of Kabushiki Kaisha Group Sense, a subsidiary of the Group in Japan. Mr. Otani graduated from the Kansai University of Foreign Studies in Osaka, Japan with a Bachelor of Arts in Foreign Languages, and has been working for a Japanese electronics company for fourteen years before he joined the Group. He has spent the latter ten years in the Hong Kong office of this Japanese company since 1987, being responsible for sales and marketing of electronic components such as IC, LCD, etc.

Mr. LEE Koon Hung, age 54, has joined the Group since 1988. Mr. Lee is responsible for the personal communication products business of the Group. He is also responsible for overseeing the operation of the Information Technology Department of the Group since September 2013. Mr. Lee graduated from the Hong Kong Polytechnic University with Higher Certificate in Electronic Engineering and obtained a Bachelor's degree in Computer Science from Asia International Open University and a Master of Science's degree in Engineering Business Management from the University of Warwick, United Kingdom. He has thirty years of experience in electronic product development.

董事及高級管理人員簡介

Directors and Senior Management Profiles

高級管理人員(續)

于思靜先生，七十二歲，本集團金屬鎂產品總工程師，於二零一五年加入本集團。于先生於金屬鎂行業擁有逾三十年豐富經驗，曾任河南省華茹鎂業技術廠長、太原易威鎂業公司總工程師、盾安集團太陽鎂業首席工程師及新疆有色集團鎂合金公司生產工藝總工程師。于先生於一九八九年獲聘為中國鎂業協會專家組成員至今。于先生畢業於長沙有色學院，擁有大學本科學歷。

SENIOR MANAGEMENT (continued)

Mr. Yu Sijing, age 72, is the Group's Chief Engineer for magnesium products. Mr. Yu joined the Group in 2015, bringing with him over 30 years of valuable experience from the magnesium industry. Prior to joining the Group, he had held positions as Factory Director of Henan Province's Huaqie Magnesium Industry Technology (華茹鎂業技術), Chief Engineer of Taiyuan Yiwei Magnesium Industry Co., Ltd. (太原易威鎂業公司), Chief Engineer of Sunmag Industry, DunAn Group (盾安集團太陽鎂業), and Production Process Chief Engineer of Magnesium Alloys Company, Xinjiang Nonferrous Metals Group (新疆有色集團鎂合金公司). Mr. Yu was appointed as a professional panel member of the China Magnesium Association in 1989, a position he has held up until today. Mr. Yu graduated from Changsha Institute of Nonferrous Metals with a Bachelor's degree.

董事會報告

Report of the Directors

董事會呈報截至二零一六年十二月三十一日止年度之報告及經審核財務報表。

主要業務及業務回顧

本公司為投資控股公司，其主要附屬公司、合資公司及聯營公司之業務分別載列於財務報表附註1、16及17。

根據香港公司條例附表5規定，就該等業務之進一步討論及分析(包括本集團面對之主要風險及不確定性之描述及本集團業務可能之未來發展跡象)載於本年報第7頁至第15頁之「管理層討論及分析」。該討論構成本「董事會報告」之一部分。

環境政策及表現

本集團確認環境保護對本集團之長期發展至關重要。為將對環境影響降至最低，本集團將持續不時審閱及改進管理常規之實效。「環境、社會及管治報告」將於二零一七年六月底發佈。詳情請參閱本公司網站。

業績及分配

本集團截至二零一六年十二月三十一日止年度之虧損，及本集團於該日之財務狀況載列於第50頁至第150頁之財務報表。

本公司於回顧年度內並無派發中期股息，而董事會亦不建議向股東派發截至二零一六年十二月三十一日止年度之末期股息。本集團於二零一六年十二月三十一日止之保留虧損約為414,081,000港元。

The Board presents their report and the audited financial statements for the year ended 31 December 2016.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company acts as an investment holding company. The activities of its principal subsidiaries, joint ventures and an associate are set out in notes 1, 16 and 17 to the financial statements, respectively.

Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including a description of the principal risks and uncertainties facing the Group and an indication of likely future development in the Group's business, can be found in the Management Discussion and Analysis set out on pages 7 to 15 of this annual report. This discussion forms part of this directors' report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group recognises environmental protection is of vital importance to the long-term development of the Group. In order to minimise the environmental impact, the Group will continue to review and improve the effectiveness of its management practices from time to time. "Environmental, Social and Governance Report" will be published by the end of June 2017. For details, please refer to the Company's website.

RESULTS AND APPROPRIATIONS

The Group's loss for the year ended 31 December 2016 and the Group's financial position at that date are set out in the financial statements on pages 50 to 150.

No interim dividend was paid by the Company during the year under review and the Board does not recommend any payment of final dividend to Shareholders for the year ended 31 December 2016. The retention of the loss of the Group as at 31 December 2016 was approximately HK\$414,081,000.

董事會報告

Report of the Directors

主要客戶及供應商

截至二零一六年十二月三十一日止年度：

- (i) 本集團之最大客戶及前五大客戶分別佔本集團總收入之9.5%及36.3%。
- (ii) 本集團之最大供應商及前五大供應商分別佔本集團總採購額之11.2%及33.8% (並不包括資本性質之採購項目)。

據董事會所了解，本公司之董事、其聯繫人士及任何擁有本公司股本超過5%之股東並無持有前五大客戶及前五大供應商之任何權益。

財務資料摘要

摘錄自經審核之財務報表，有關過去五個財政年度公佈之業績及資產、負債、及非控制性權益的摘要載列於第151頁。該摘要並不構成經審核財務報表的一部分。

股本

本公司股本之變動詳情載列於財務報表附註31。

可供分派儲備

於二零一六年十二月三十一日，本公司並無根據公司法(經修訂)條文計算的可供分派儲備。此外，本公司股份溢價賬合共約601,060,000港元可以以繳足紅股方式派發。

董事及董事服務合約

於本年內及截至本報告日期止，本公司之董事如下：

執行董事：

沈世捷(主席)
池碧芬(行政總裁)

非執行董事：

孟健教授
譚偉豪 太平紳士

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2016:

- (i) The Group's largest customer and the five largest customers accounted for 9.5% and 36.3% respectively of the Group's total revenue.
- (ii) The Group's largest supplier and the five largest suppliers accounted for 11.2% and 33.8% respectively of the Group's total purchases (not including purchases of items which are of capital in nature).

According to the understanding of the Board, none of the Directors, their associates or any Shareholders who owned more than 5% of the Company's share capital had any interest in the five largest customers or the five largest suppliers.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets, liabilities, and non-controlling interests of the Group for the last five financial years, as extracted from the audited financial statements and restated as appropriate, is set out on page 151. This summary does not form part of the audited financial statements.

SHARE CAPITAL

There were no movements in the Company's share capital during the year.

DISTRIBUTABLE RESERVES

At 31 December 2016, the Company did not have any reserves available for distribution which was calculated in accordance with the provisions of the Companies Act (as amended). In addition, the Company's share premium account, in the amount of approximately HK\$601,060,000, may be distributed in the form of fully paid bonus shares.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The directors of the Company during the year and up to the date of this report were as follows:

Executive Directors:

Shum Sai Chit (Chairman)
Chi Bi Fen (Chief Executive Officer)

Non-executive Directors:

Professor Meng Jian
Tam Wai Ho, Samson JP

董事會報告

Report of the Directors

董事及董事服務合約(續)

獨立非執行董事：

鄺炳文
張省本
陳剛(於二零一六年三月七日辭任)
關毅傑(於二零一六年六月六日獲委任)

根據公司細則第86(2)條，關毅傑先生之任期將至本公司即將舉行之股東週年大會為止，惟彼符合資格並願意於股東週年大會上膺選連任。

根據公司細則第87條，池碧芬女士及張省本先生將於股東週年大會上退任，惟彼均符合資格並願意膺選連任。

獲建議於股東週年大會上膺選連任之董事概無與本集團訂立本集團不可於一年內毋須賠償(法定賠償除外)而終止之服務合約。

獨立非執行董事之獨立性

本公司已經收到其獨立非執行董事，即鄺炳文先生、張省本先生及關毅傑先生根據上市規則第3.13條就確認彼等之獨立性而個別發出的年度確認函。

因此，本公司認為各獨立非執行董事均為獨立人士。

董事擁有之證券權益

於二零一六年十二月三十一日，根據本公司按證券及期貨條例第352條而存置之登記冊所記載，或根據上市規則附錄10所載之標準守則向本公司及聯交所申報，各董事及彼等之聯繫人士於本公司及其聯繫公司(定義見證券及期貨條例(「證券及期貨條例」)第XV部)擁有之股份及相關股份之權益如下：

董事姓名	所持普通股股份數目(好倉) Number of ordinary shares held (long position)			總額	佔已發行股本之百分比
	個人權益 (以實益擁有人身份持有) Personal interests (held as beneficial owner)	家族權益 (配偶權益) Family interests (interest of spouse)	法團權益 (經授權法團持有) Corporate interests (held by controlled corporation)		
Names of Directors				Total	% of issued share capital
譚偉豪 太平紳士 Tam Wai Ho, Samson JP	63,464,000 (附註1)(Note 1)	4,600,000	75,754,236 (附註2)(Note 2)	143,818,236	5.00

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS (continued)

Independent Non-executive Directors:

Kwong Ping Man
Cheung Sound Poon
Chen Gang (resigned on 7 March 2016)
Kwan Ngai Kit (appointed on 6 June 2016)

Pursuant to Bye-law 86(2) of the Bye-laws, Mr. Kwan Ngai Kit will hold office until the forthcoming AGM of the Company and, being eligible, offer themselves for re-election at the AGM.

Pursuant to Bye-law 87 of the Bye-laws, Ms. Chi Bi Fen and Mr. Cheung Sound Poon will retire by rotation and, being eligible, offer himself for re-election at the AGM.

None of the Directors being proposed for re-election at the AGM has a service contract with the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of its Independent Non-executive Directors, namely Mr. Kwong Ping Man, Mr. Cheung Sound Poon and Mr. Kwan Ngai Kit, an annual confirmation confirming their independence pursuant to Rule 3.13 of the Listing Rules.

Accordingly, the Company considers all the Independent Non-executive Directors are independent.

DIRECTORS' INTERESTS IN SECURITIES

At 31 December 2016, the interests of the Directors and their associates in the shares and underlying shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code set out in Appendix 10 to the Listing Rules, were as follows:

董事會報告

Report of the Directors

董事擁有之證券權益(續)

附註：

1. 該等股份包含由譚偉豪博士太平紳士及譚偉棠先生共同持有之 51,464,000 股股份。
2. 該 75,754,236 股股份以 Earnmill Holdings Limited (「Earnmill」) 之名義登記，Earnmill 為一家由 Kiteway Assets Limited (「Kiteway」) 及 TTNB Profits Limited (「TTNB」) 平均擁有之公司，而 Kiteway 及 TTNB 則分別由譚偉豪博士太平紳士及譚偉棠先生全資擁有。
3. 譚偉豪博士太平紳士亦為 Earnmill 之董事。
4. 截至二零一六年十二月三十一日止，本公司之已發行股份總數為 2,874,390,058 股。

於相聯法團股份之權益(好倉)

DIRECTORS' INTERESTS IN SECURITIES (continued)

Notes:

1. Such shares included the 51,464,000 shares which are jointly owned by Dr. Tam Wai Ho, Samson JP and Mr. Tam Wai Tong, Thomas.
2. The 75,754,236 shares are registered in the name of Earnmill Holdings Limited ("Earnmill"), a company which is owned by Kiteway Assets Limited ("Kiteway") and TTNB Profits Limited ("TTNB") in equal shares. Kiteway and TTNB in turn are wholly owned by Dr. Tam Wai Ho, Samson JP and Mr. Tam Wai Tong, Thomas respectively.
3. Dr. Tam Wai Ho, Samson JP, is also a director of Earnmill.
4. The total number of issued shares of the Company as at 31 December 2016 was 2,874,390,058 shares.

Interests in the shares of associated corporations (long position)

董事姓名	相聯法團名稱	擁有權益或視為擁有權益之普通股數目(好倉) Number of ordinary shares interested or deemed to be interested (long position)			總額	佔相聯法團 已發行之股本 之百分比
		個人權益 (以實益擁有人 身份持有)	家族權益	公司權益 (經控股法團 持有)		
Names of Directors	Name of associated corporation	Personal interests (held as beneficial owner)	Family interests	Corporate interests (held by controlled corporation)	Total	% of issued share capital of associated corporation
沈世捷 Shum Sai Chit	世紀陽光集團控股有限公司 (「世紀陽光」) Century Sunshine Group Holdings Limited (「Century Sunshine」)	26,166,766 (附註1)(note 1)	—	—	26,166,766	0.57%
池碧芬 Chi Bi Fen	世紀陽光 Century Sunshine	31,519,934 (附註2)(note 2)	—	—	31,519,934	0.69%
鄭炳文 Kwong Ping Man	世紀陽光 Century Sunshine	6,389,145 (附註3)(note 3)	—	—	6,389,145	0.14%
張省本 Cheung Sound Poon	世紀陽光 Century Sunshine	1,000,000 (附註4)(note 4)	—	—	1,000,000	0.03%
關毅傑 Kwan Ngai Kit	世紀陽光 Century Sunshine	3,839,797 (附註5)(note 5)	—	—	3,839,797	0.13%

董事會報告

Report of the Directors

董事擁有之證券權益(續)

於相聯法團股份之權益(好倉)(續)

附註：

- (1) 14,666,305股世紀陽光股份由沈世捷先生直接擁有及11,500,461股世紀陽光股份乃根據所持有之購股權可向沈世捷先生發行之相關股份數目。
- (2) 12,352,499股世紀陽光股份由池碧芬女士直接擁有及19,167,435股世紀陽光股份乃根據所持有之購股權可向池碧芬女士發行之相關股份數目。
- (3) 該等世紀陽光股份乃根據所持有之購股權可向鄭炳文先生發行之相關股份數目。
- (4) 該等股份包括400,000股世紀陽光股份，其由張省本先生直接擁有，及600,000股世紀陽光股份由張先生及其配偶共同擁有。
- (5) 該等股份包括2,560,010股世紀陽光股份由關毅傑先生之配偶呂文清小姐直接擁有，及1,279,787股世紀陽光股份乃根據呂文清小姐所持有之購股權可向呂文清小姐發行之相關股份數目。

除上文所披露者外，於二零一六年十二月三十一日，各董事或彼等之聯繫人士概無在本公司或其任何聯繫公司(定義見證券及期貨條例)之股份及相關股份中擁有任何權益或淡倉。

購股權

於本期間及直至本報告之日期，本公司並無採納任何購股權計劃。

董事及高級管理層之履歷詳情

本公司董事及本集團高級管理層之履歷詳情載於年報第29至第32頁。

DIRECTORS' INTERESTS IN SECURITIES (continued)

Interests in the shares of associated corporations (long position) (continued)

Notes:

- (1) 14,666,305 shares in Century Sunshine are directly owned by Mr. Shum Sai Chit and 11,500,461 shares in Century Sunshine are the number of underlying shares which may be issued to Mr. Shum Sai Chit under the options held.
- (2) 12,352,499 shares in Century Sunshine are directly owned by Ms. Chi Bi Fen and 19,167,435 shares in Century Sunshine are the number of underlying shares which may be issued to Ms. Chi Bi Fen under the options held.
- (3) These shares in Century Sunshine are the number of underlying shares which may be issued to Mr. Kwong Ping Man under the options held.
- (4) Such shares include the 400,000 shares in Century Sunshine which are directly owned by Mr. Cheung Sound Poon and 600,000 shares in Century Sunshine which are jointly owned by Mr. Cheung and his spouse.
- (5) Such shares include the 2,560,010 shares in Century Sunshine which are directly owned by Ms. Lee Man Ching, the spouse of Mr. Kwan Ngai Kit, and 1,279,787 shares in Century Sunshine are the number of underlying shares which may be issued to Ms. Lee Man Ching under the options held.

Save as disclosed above, at 31 December 2016, none of the Directors or their associates had any interests or short positions in the shares and underlying shares of the Company or any of its associated corporations as defined in the SFO.

SHARE OPTIONS

The Company has not adopted any share option scheme during the year and up to the date of this report.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 29 to 32 of the annual report.

董事會報告

Report of the Directors

董事購入股份或債券之權利

除已於「董事擁有之證券權益」披露外，本公司或其任何控股公司、附屬公司及同系附屬公司於本期內任何時間概無作出任何安排，致令董事可藉購入本公司或其他法人團體之股份或債券而獲益。

董事酬金

董事之酬金乃由股東於股東大會批准。其他酬金由本公司參照董事的職責，責任及表現，以及本集團的業績由董事會釐定。

獲准許之彌償條文

就董事之責任之獲准許之彌償條文(根據公司條例定義)於截至二零一六年十二月三十一日止年度內生效。

董事於交易、安排或合約之權益

於期內，概無董事或董事之有關連實體於任何本集團有關業務之重要交易、安排或合約(其中本公司之任何控股公司、附屬公司或同系附屬公司為簽約方)直接或間接地擁有重大利益。

購買、出售或贖回本公司之上市證券

本公司及其任何附屬公司於截至二零一六年十二月三十一日止年度內概無購買、出售或贖回本公司任何上市證券。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in "Directors' interests in securities", at no time during the year was the Company, or any of its holding companies, subsidiaries and fellow subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' REMUNERATION

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

PERMITTED INDEMNITY PROVISION

During the year ended 31 December 2016, a permitted indemnity provision as defined in the Hong Kong Companies Ordinance was in force for an indemnity against liability incurred by the Directors.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No Directors nor a connected entity of Directors had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which any of the Company's holding companies, subsidiaries or fellow subsidiaries was a party during the year.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company during the year ended 31 December 2016.

董事會報告

Report of the Directors

主要股東

除上文披露有關若干董事之權益外，於二零一六年十二月三十一日，根據本公司按證券及期貨條例第336條而存置之主要股東名冊所記載，下列股東曾知會本公司擁有本公司已發行股本中的權益和淡倉：

SUBSTANTIAL SHAREHOLDERS

At 31 December 2016, the register of substantial shareholders kept by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain Directors, the following Shareholder had notified the Company of relevant interests and short positions in the issued share capital of the Company:

股東名稱	所持普通股 股份數目(好倉) Number of ordinary shares held (long position)	佔已發行 股本之百分比 % of issued share capital
Name of Shareholder		
Ming Xin Developments Limited (附註1) (note 1)	1,491,197,454	51.88
New Bright Group Limited (附註2) (note 2)	1,491,197,454	51.88
世紀陽光集團控股有限公司(附註3)	1,491,197,454	51.88
Century Sunshine Group Holdings Limited (note 3)		
池文富(附註4)	1,491,197,454	51.88
Chi Wen Fu (note 4)		
譚偉棠(附註5)	145,218,236	5.05
Tam Wai Tong (note 5)		
梅嘉慧(附註6)	143,818,236	5.00
Mui Kai Wai (note 6)		
譚偉豪(附註6)	143,818,236	5.00
Tam Wai Ho (note 6)		

附註：

Note:

- (1) 1,491,197,454股由Ming Xin Developments Limited實益擁有。
- (2) Ming Xin Developments Limited為New Bright Group Limited之全資附屬公司。故此，就證券及期貨條例而言，New Bright Group Limited被視為擁有Ming Xin Developments Limited擁有權益之全部股份之權益。
- (3) New Bright Group Limited為世紀陽光之全資附屬公司。故此，就證券及期貨條例而言，世紀陽光被視為擁有Ming Xin Developments Limited擁有權益之全部股份之權益。
- (4) 池文富先生在世紀陽光(Ming Xin Developments Limited之最終控股公司)股東大會上控制三分之一或以上表決權。故此，就證券及期貨條例而言，池文富先生被視為擁有Ming Xin Developments Limited擁有權益之全部股份之權益。
- (5) 該等股份包括：(i)由譚偉棠先生及譚偉豪博士共同擁有之51,464,000股股份；(ii)譚偉棠先生直接擁有之18,000,000股股份；及(iii)75,754,236股由Earnmill(一間由譚偉棠先生及譚偉豪博士按相同比例最終全資擁有之公司)實益擁有。
- (6) 譚偉豪博士之股權與上文「董事擁有之證券權益」所披露者相同。譚梅嘉慧女士為譚偉豪博士之配偶，故根據證券及期貨條例第XV部，譚梅嘉慧女士被視為為譚偉豪博士所擁有之股份中擁有權益。

- (1) 1,491,197,454 shares are beneficially owned by Ming Xin Developments Limited;
- (2) Ming Xin Developments Limited is a wholly-owned subsidiary of New Bright Group Limited. As such, New Bright Group Limited is deemed to be interested in all the shares in which Ming Xin Developments is interested by virtue of the SFO.
- (3) New Bright Group Limited is a wholly-owned subsidiary of Century Sunshine. As such, Century Sunshine is deemed to be interested in all the shares in which Ming Xin Developments is interested by virtue of the SFO.
- (4) Mr. Chi Wen Fu controls more than one-third or more of the voting power at general meetings of Century Sunshine (the ultimate holding company of Ming Xin Developments Limited). As such, Mr. Chi Wen Fu is deemed to be interested in all the shares in which Ming Xin Developments Limited is interested by virtue of the SFO.
- (5) Such shares include: (i) the 51,464,000 shares which are jointly owned by Mr. Tam Wai Tong and Dr. Tam Wai Ho; (ii) Mr. Tam Wai Tong directly owns 18,000,000 Shares; and (iii) 75,754,236 shares are beneficially owned by Earnmill, a company which is ultimately wholly owned by Mr. Tam Wai Tong and Dr. Tam Wai Ho, in equal shares.
- (6) The shareholding of Dr. Tam Wai Ho is also included in the "Directors' Interests in Securities" disclosed above. Mrs. Tam Mui Ka Wai is the spouse of Dr. Tam Wai Ho and therefore Mrs. Tam Mui Ka Wai is deemed to be interested in the shares owned by Dr. Tam Wai Ho pursuant to Part XV of the SFO.

董事會報告

Report of the Directors

主要股東(續)

除上文所披露者外，於二零一六年十二月三十一日，本公司概無接獲任何人士知會於本公司股份或相關股份中擁有根據證券及期貨條例須向本公司披露之權益或淡倉。

優先購買權

公司細則或百慕達法例並無任何優先購買權之條文，規定本公司須按比例向現有股東發售新股。

關連交易

本期間及去年度並沒有任何關連交易，惟於財務報表附註41所披露者除外。

足夠公眾持股量

根據本公司以公開途徑取得的資料及據董事所知，於本報告付印前之最後實際可行日期，本公司一直維持上市規則所訂明的公眾持股量。

核數師

本公司於過去三年內並無更換核數師。安永會計師事務所即將任滿告退，本公司將於其應屆股東週年大會上提呈一項決議案，續聘安永會計師事務所為本公司之核數師。

承董事會命

沈世捷先生
主席

香港
二零一七年三月二十九日

SUBSTANTIAL SHAREHOLDERS (continued)

Save as disclosed above, as at 31 December 2016, the Company had not been notified by any persons who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the SFO.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-laws or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to the existing Shareholders.

CONNECTED TRANSACTION

Other than those disclosed in Note 41 to the financial statements, there was no connected transaction during the year and in prior period.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules, as at the latest practical date prior to the printing of this report.

AUDITORS

There has been no change in the auditors of the Company during the past three years. Ernst & Young will retire and the Company will propose a resolution at its forthcoming AGM to reappoint Ernst & Young as auditors of the Company.

By order of the Board

Mr. Shum Sai Chit
Chairman

Hong Kong
29 March 2017

獨立核數師報告 Independent Auditor's Report



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致權智(國際)有限公司各股東
(在百慕達註冊成立之有限公司)

意見

我們已審核了第50至150頁的權智(國際)有限公司(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報表，包括二零一六年十二月三十一日的綜合財務狀況表、截至該日止年度的綜合損益及其他全面收入表、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，此等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實公平地反映 貴集團於二零一六年十二月三十一日的綜合財務狀況及其於截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例的披露規定妥善編製。

意見的基礎

我們已根據香港會計師公會頒佈的香港核數準則(「香港核數準則」)進行審核。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一節作進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則(「守則」)，我們獨立於 貴集團，並已履行守則中的其他道德責任。我們相信，我們所獲得的審核證據是充分、適當地為我們的審核意見提供了基礎。

To the shareholders of Group Sense (International) Limited
(Incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Group Sense (International) Limited (the "Company") and its subsidiaries (the "Group") set out on pages 50 to 150, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 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"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

獨立核數師報告

Independent Auditor's Report

關鍵審核事項

關鍵審核事項是根據我們的專業判斷，認為對本期綜合財務報表的審核最為重要的事項。這些事項在我們審核整體綜合財務報表及出具意見時處理。我們不會對這些事項提供單獨的意見。對於下面的每個事項，我們在這方面提供了我們的審核如何應對這一事項的描述。

我們履行本報告核數師就審計綜合財務報表承擔的責任一節所述（包括有關這些事項）的責任。因此，我們的審核包括執行旨在回應我們對綜合財務報表重大錯報風險的評估的程序。我們的審核程序的結果，包括為應對以下事項而執行的程序，為我們對所附綜合財務報表的審核意見提供了基礎。

KEY AUDIT MATTERS

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

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

獨立核數師報告

Independent Auditor's Report

關鍵審核事項	我們的審核如何處理該關鍵審核事項
應收貿易賬款減值	
於二零一六年十二月三十一日，貴集團之應收貿易賬款總額61,000,000港元及減值撥備為17,000,000港元。釐定貿易應收賬款是否屬可收回涉及高水平的管理層判斷。管理層考慮的具體因素包括結餘賬齡、客戶所在地、是否存在紛爭、近期過往付款模式及與對手方信譽有關的任何其他可獲得資料。管理層運用此類資料釐定是否需要就個別交易或一位客戶的整體結餘作出減值撥備。	我們評估管理層之減值評估程序，包括以抽樣方式測試管理層用以評估應收貿易賬款之可收回性之相關數據，例如應收貿易賬款之賬齡分析、客戶付款情況等。
確認應收貿易賬款減值之會計判斷、估計及披露載於財務報表附註3及21。	我們測試沒有確認撥備之重大逾期結餘，以檢查是否有任何客觀減值證據，包括抽樣檢查年度結算日後收到之款項及審閱過往付款模式。
	我們選取已確認減值撥備之重大應收貿易賬款結餘樣本，並理解管理層作出判斷背後之理據。為了評估此等判斷，我們檢查了此等結餘之賬齡、客戶過往之付款模式及任何年末付款。
	在評估整體減值撥備之過程中，我們亦考慮管理層於過往年度應用確認撥備政策之一致性。

Key audit matter	How our audit addressed the key audit matter
Impairment of trade receivables	
As of 31 December 2016, the Group had trade receivables with gross amount of HK\$61 million and provision for impairment of HK\$17 million. The determination as to whether a trade receivable is collectable involved high level of management judgement. Specific factors management considered include the age of the balances, location of customers, existence of disputes, recent historical payment patterns and any other available information concerning the creditworthiness of counterparties. Management used these information to determine whether a provision for impairment is required either for a specific transaction or for a customer's balance overall.	Our procedures to evaluate management's impairment assessment included testing, on a sample basis, the underlying data used by management to assess the collectability of trade receivables, such as an aged trade receivable analysis, payments from customers.
The accounting judgements and estimates and disclosures for the recognition of impairment of trade receivables are included in notes 3 and 21 to the financial statements.	We tested key aged balances where no provision was recognised to check if there were any objective evidences of impairment. This included sample checking of payments received subsequent to the year-end date and reviewing historical payment patterns.
	We selected a sample of the significant trade receivable balances where a provision for impairment was recognised and understood the rationale behind management's judgement. In order to evaluate these judgements, we checked the age of these balances, the customer's historical payment patterns and any post year-end payments.
	In assessing the overall provision for impairment, we also considered the consistency of management's application of policy for recognising provisions with the prior years.

獨立核數師報告

Independent Auditor's Report

關鍵審核事項	我們的審核如何處理該關鍵審核事項
物業、廠房及設備減值	
於二零一六年十二月三十一日，貴集團之物業、廠房及設備為326,000,000港元，主要包括租賃土地及樓宇202,000,000港元及廠房及機器102,000,000港元。貴集團近期之虧損記錄是物業、廠房及設備減值的指標，因此，減值評估是需要的。我們集中於此範圍，原因是物業、廠房及設備之結餘龐大，而評估過程是複雜及高度主觀，過程是基於選取恰當的比較數據及假設，例如貼現率、未來收入等。貴集團已聘請外聘估值師進行租賃土地及樓宇、廠房及機器的可收回金額之估值工作。	我們考慮了估值專家的客觀性、獨立性及能力。我們亦參考相關香港財務報告準則，以評估估值師所採用之估值方法。我們於適當時候進行了可比物業之市值比較。我們亦透過檢查行業中擁有可比面積的實體之貼現率及貴集團產品之市場單位售價，評估了用作估值輸入資料之數據。就若干重大物業、廠房及設備，我們亦讓我們的內部估值專家協助我們評估若干租賃土地及樓宇、廠房及機器的可收回金額所採用之估值假設及方法。
物業、廠房及設備減值之會計判斷及估計載於財務報表附註3。	

Key audit matter	How our audit addressed the key audit matter
<i>Impairment of property, plant and equipment</i>	
As of 31 December 2016, the Group had property, plant and equipment of HK\$326 million, which mainly comprised leasehold land and building of HK\$202 million and plant and machinery of HK\$102 million. A recent history of losses of the Group is an indicator of impairment for property, plant and equipment and hence an impairment assessment is required. We focused on this area because the balance of property, plant and equipment was significant and the assessment process is complex and highly subjective which based on the selection of appropriate comparables and assumptions such as discount rate, future revenue. The Group engaged an external valuer to perform the valuation for the recoverable amount of the leasehold land and building and plant and machinery.	We considered the objectivity, independence and competence of the valuation expert. We also assessed the valuation methodology adopted by the valuer with reference to relevant HKFRSs. We performed market values benchmarking against comparable properties, whenever appropriate. We also evaluated the data used as inputs for the valuations by checking to the discount rates for entities with comparable size among the industries and the market unit selling price of the Group's products. For certain significant property, plant and equipment, we also involved our internal valuation experts to assist us in evaluating the assumptions and methodologies used in the valuation of recoverable amount of certain leasehold land and building and plant and machinery.
The accounting judgements and estimates for the impairment of property, plant and equipment are included in note 3 to the financial statements.	

獨立核數師報告

Independent Auditor's Report

關鍵審核事項	我們的審核如何處理該關鍵審核事項
存貨撥備	
於二零一六年十二月三十一日，貴集團之存貨撥備淨額為84,000,000港元，包括電子產品及鎂產品。電子產品一般週期短，而鎂產品一般週期較長。存貨消耗受制於客戶需求變化及市場趨勢，此等因素亦提高了涉及估計存貨撥備之判斷水平。判斷是需要作出的，以評估為可能因客戶需求下降而最終變成陳舊或以低於成本出售之項目計提撥備之恰當水平。有關判斷包括管理層對未來銷量之期望及清理存貨計劃。	我們評估了釐定滯銷、過多或陳舊項目之撥備所採用之程序、方法及假設，當中包括比較管理層於過往年度所採用之計算是否一致，以及評估管理層參考過往用量或銷售歷史而採用之撥備政策。我們透過抽樣檢查存貨庫齡分析及其後之銷售訂單及用量，測試了管理層計算存貨陳舊撥備所採用的相關數據之可靠度。我們亦透過評估計算標準及根據該等標準重新計算存貨撥備，測試了所產生之計算的準確度。
存貨撥備之會計判斷及估計載於財務報表附註3。	就該等被識別為滯銷、過多或陳舊的項目，我們透過檢查最近期或其後的售價，評估了管理層對可變現淨值的計算。

Key audit matter	How our audit addressed the key audit matter
<i>Provision for inventories</i>	
As of 31 December 2016, the Group had inventories net of provision of HK\$84 million, which comprised of electronics products and magnesium products. The electronic products are usually with short life cycles, while magnesium products are usually with longer life span. The consumption of inventories are subject to changing consumer demands and market trends which increased the level of judgement involved in estimating inventory provisions. Judgement was required to assess the appropriate level of provisioning for items which may be ultimately obsoleted or sold below cost as a result of a reduction in customers' demand. Such judgements included management's expectations for future sales and inventory liquidation plans.	We assessed the process, methods and assumptions used to determine the provision for slow-moving, excess or obsolete items. This included comparing management's calculations for consistency against those used in the prior years and assessing the provision policy adopted by management by reference to past usage or sales history. We tested the reliability of the underlying data used by management to calculate the inventory obsolescence provisions by sample checking of an inventory ageing analysis and the subsequent sales orders and usage. We also tested the accuracy of the resultant calculation by assessing the calculation criteria and recalculating the provision for the inventories based on those criteria.
The accounting judgements and estimates for the provision of inventories are included in note 3 to the financial statements.	For those items which were identified as slow-moving, excess or obsolete, we assessed management's calculation of net realisable value by checking to the latest or subsequent selling prices.

獨立核數師報告

Independent Auditor's Report

其他載於年報內的信息

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

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

結合我們對綜合財務報表的審核，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核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

貴公司董事負責按照香港會計師公會頒佈的香港財務報告準則和香港公司條例的披露規定編製真實而公平列報的綜合財務報表，以及對董事認為必要的內部監控負責，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，貴公司董事須負責評估貴集團持續經營的能力，並披露與持續經營有關的事項（如適用）。除非貴公司董事擬將貴集團清盤或停止營運，或除此之外並無其他實際可行的辦法，否則須採用以持續經營為基礎的會計法。

審核委員會協助貴公司董事履行彼等監督貴集團財務報告程序的責任。

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

獨立核數師報告

Independent Auditor's Report

核數師就審計綜合財務報表須承擔的責任

我們的目標為合理確定綜合財務報表整體而言不會存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出載有我們的意見之核數師報告。我們根據百慕達1981年公司法作出的報告，僅向全體股東報告，除此以外不可作其他用途。我們概不就本報告的內容對任何其他人士負責或承擔任何責任。

合理核證屬高層次的核證，惟根據香港核數準則進行的審核工作不能保證總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

在根據香港核數準則進行審核的過程中，我們運用專業判斷，保持專業懷疑態度。我們亦：

- 識別及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、設計及執行審核程序以應對該等風險，以及獲取充足和適當的審核憑證，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、虛假陳述或凌駕內部監控的情況，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。
- 了解與審核相關的內部監控，以設計適當的審核程序，惟並非旨在對貴集團內部監控的有效性發表意見。
- 評估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。

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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

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

獨立核數師報告

Independent Auditor's Report

- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審核憑證，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。倘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。倘有關披露不足，則修訂我們的意見。我們結論乃基於截至核數師報告日期止所取得的審核憑證。然而，未來事項或情況可能導致貴集團無法持續經營。
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足及適當的審核憑證，以便對綜合財務報表發表意見。我們負責集團審核的方向、監督和執行。我們為審核意見承擔全部責任。
- 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.

我們與審核委員會就(其中包括)審核的計劃範圍、時間安排及重大審核發現溝通，該等發現包括我們在審核過程中識別的內部監控的任何重大缺失。

我們亦向審核委員會作出聲明，指出我們已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響我們獨立性的所有關係及其他事宜，以及相關防範措施(如適用)。

從與審核委員會溝通的事項中，我們釐定對本期綜合財務報表的審核至關重要的事項，因而構成關鍵審核事項。我們在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在我們的報告中溝通某事項造成的負面後果超出產生的公眾利益，則我們決定不應在報告中傳達該事項。

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.

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

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.

獨立核數師報告 Independent Auditor's Report

出具本獨立核數師報告的審計項目合夥人是陳世宇。

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

安永會計師事務所
執業會計師
香港
二零一七年三月二十九日

Ernst & Young
Certified Public Accountants
Hong Kong
29 March 2017

綜合損益及其他全面收入表

Consolidated Statement of Profit or Loss and Other Comprehensive Income

截至二零一六年十二月三十一日止年度 Year ended 31 December 2016

		二零一五年 四月一日至 二零一五年 十二月三十一日 期間 Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000 (經重列) (Restated)	
		截至二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 千港元 HK\$'000	附註 Notes
收入	REVENUE	5	363,676
銷售成本	Cost of sales	(307,214)	139,537 (104,215)
毛利	Gross profit	56,462	35,322
其他收入及收益	Other income and gains	5	19,749
議價收購收益(經重列)	Gain on bargain purchase (restated)	—	28,746
銷售及分銷支出	Selling and distribution expenses	(21,972)	(17,811)
行政支出	Administrative expenses	(39,948)	(41,401)
研究及開發支出	Research and development expenses	(20,098)	(16,141)
其他經營支出，淨額	Other operating expenses, net	(25,526)	(180)
融資成本	Finance costs	7	(1,362)
應佔溢利及虧損：	Share of profits and losses of		
合資公司	Joint ventures	1,695	1,136
聯營公司	Associate	(1)	(4)
稅前(虧損)/溢利	(LOSS)/PROFIT BEFORE TAX	6	(31,001)
所得稅支出	Income tax expense	10	(22)
本年度/期間(虧損)/溢利	(LOSS)/PROFIT FOR THE YEAR/PERIOD		(31,023)
其他全面收入	OTHER COMPREHENSIVE INCOME		
後續期間重新分類至損益的 其他全面收入：	Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
折算海外業務之 匯兌差額	Exchange differences on translation of foreign operations	(27,025)	(7,971)
本年度/期間全面 虧損總額	TOTAL COMPREHENSIVE LOSS FOR THE YEAR/PERIOD		(58,048)
應佔本年度/期間(虧損)/ 溢利：	(Loss)/profit for the year/period attributable to:		
本公司股權持有人	Equity holders of the Company	(29,485)	268
非控制權益	Non-controlling interests	(1,538)	(3)
		(31,023)	265

綜合損益及其他全面收入表

Consolidated Statement of Profit or Loss and Other Comprehensive Income

截至二零一六年十二月三十一日止年度 Year ended 31 December 2016

		截至二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間
		Year ended 31 December 2016	Period from 1 April 2015 to 31 December 2015
	附註 Notes	千港元 HK\$'000	千港元 HK\$'000 (經重列) (Restated)
應佔本年度／期間全面虧損 總額：	Total comprehensive loss for the year/period attributable to:		
本公司股權持有人	Equity holders of the Company	(56,998)	(8,014)
非控制權益	Non-controlling interests	(1,050)	308
		(58,048)	(7,706)
本公司普通股權持有人應佔每股 (虧損)／盈利	(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY		
基本及攤薄(港仙)	Basic and diluted (HK cents)	12 (1.03 cents 港仙)	0.01 cents 港仙

綜合財務狀況表

Consolidated Statement of Financial Position

二零一六年十二月三十一日 31 December 2016

		附註 Notes	二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000 (經重列) (Restated)
非流動資產	NON-CURRENT ASSETS			
物業、廠房及設備	Property, plant and equipment	13	326,452	313,508
預付土地租賃款額	Prepaid land lease payments	14	42,103	45,668
遞延開發成本	Deferred development costs	15	—	756
合資公司之投資	Investments in joint ventures	16	5,362	4,290
一聯營公司之投資	Investment in an associate	17	17	18
可供出售投資	Available-for-sale investments	18	6,840	7,300
長期按金	Long term deposits	19	372	10,688
非流動資產總額	Total non-current assets		381,146	382,228
流動資產	CURRENT ASSETS			
存貨	Inventories	20	83,826	58,590
應收貿易賬款	Trade receivables	21	43,546	20,300
預付款項、按金及其他應收賬款	Prepayments, deposits and other receivables	22	20,151	14,264
應收一合資公司賬款	Amount due from a joint venture	16	133	885
可供出售投資	Available-for-sale investments	18	22,245	—
可退回稅款	Tax recoverable		1,706	1,826
已抵押存款	Pledged deposits	23	—	488
現金及現金等值項目	Cash and cash equivalents	23	137,757	375,161
流動資產總額	Total current assets		309,364	471,514
流動負債	CURRENT LIABILITIES			
應付貿易賬款	Trade payables	24	48,417	54,431
其他應付賬款及應計負債(經重列)	Other payables and accruals (restated)	25	70,090	132,814
附息銀行借貸	Interest-bearing bank borrowings	26	21,285	68,927
撥備	Provision	27	933	945
應付一附屬公司一非控制股東賬款	Due to a non-controlling shareholder of a subsidiary	28	216	—
應付稅款	Tax payable		115	123
流動負債總額	Total current liabilities		141,056	257,240
流動資產淨值	NET CURRENT ASSETS		168,308	214,274
資產總值減流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES		549,454	596,502
非流動負債	NON-CURRENT LIABILITY			
應付一股東賬款	Amount due to a shareholder	29	121,000	110,000
資產淨值	Net assets		428,454	486,502

綜合財務狀況表

Consolidated Statement of Financial Position

二零一六年十二月三十一日 31 December 2016

		附註 Notes	二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000 (經重列) (Restated)
股權	EQUITY			
本公司擁有人應佔股權	Equity attributable to owners of the Company			
已發行股本	Issued capital	31	287,439	287,439
儲備	Reserves	32	148,328	205,326
			435,767	492,765
非控制權益	Non-controlling interests		(7,313)	(6,263)
股權總額	Total equity		428,454	486,502

沈世捷先生
Mr. Shum Sai Chit
董事
Director

池碧芬女士
Ms. Chi Bi Fen
董事
Director

綜合權益變動表

Consolidated Statement of Changes in Equity

截至二零一六年十二月三十一日止年度 Year ended 31 December 2016

		本公司股權持有人應佔 Attributable to equity holders of the Company								非控股權益 Non-controlling interests	股權總額 Total equity
	附註 Note	已發行股本 Issued capital 千港元 HK\$'000	股份溢價賬* Share premium account* 千港元 HK\$'000	資本贖回儲備* Capital redemption reserve* 千港元 HK\$'000	特別儲備* Special reserve* 千港元 HK\$'000 (附註32) (note 32)	其他儲備* Other reserve* 千港元 HK\$'000	匯兌浮動儲備* Exchange fluctuation reserve* 千港元 HK\$'000	累計損失* Accumulated losses* 千港元 HK\$'000	總計 Total 千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零一五年四月一日	At 1 April 2015	143,719	460,312	419	(60,819)	5,176	52,368	(384,864)	216,311	(6,571)	209,740
期間溢利(經重列)	Profit for the period (restated)	—	—	—	—	—	—	268	268	(3)	265
期間其他全面虧損：	Other comprehensive loss for the period:										
折算海外業務之匯兌差額(經重列)	Exchange differences on translation of foreign operations (restated)	—	—	—	—	—	(8,282)	—	(8,282)	311	(7,971)
期間全面虧損總額(經重列)	Total comprehensive loss for the period (restated)	—	—	—	—	—	(8,282)	268	(8,014)	308	(7,706)
發行股份	Issue of shares	31	143,720	—	—	—	—	—	287,439	—	287,439
股份發行開支	Share issue expenses	31	—	(2,971)	—	—	—	—	(2,971)	—	(2,971)
於二零一五年十二月三十一日及二零一六年一月一日	At 31 December 2015 and 1 January 2016	287,439	601,060	419	(60,819)	5,176	44,086	(384,596)	492,765	(6,263)	486,502
年度虧損	Loss for the year	—	—	—	—	—	—	(29,485)	(29,485)	(1,538)	(31,023)
年度其他全面虧損：	Other comprehensive loss for the year:										
折算海外業務之匯兌差額	Exchange differences on translation of foreign operations	—	—	—	—	—	(27,513)	—	(27,513)	488	(27,025)
年度全面虧損總額	Total comprehensive loss for the year	—	—	—	—	—	(27,513)	(29,485)	(56,998)	(1,050)	(58,048)
於二零一六年十二月三十一日	At 31 December 2016	287,439	601,060	419	(60,819)	5,176	16,573	(414,081)	435,767	(7,313)	428,454

* 此等儲備賬包括於綜合財務狀況表之綜合儲備148,328,000港元(二零一五年：205,326,000港元(經重列))。

* These reserve accounts comprise the consolidated reserves of HK\$148,328,000 (2015: HK\$205,326,000 (restated)) in the consolidated statement of financial position.

綜合現金流量表

Consolidated Statement of Cash Flows

截至二零一六年十二月三十一日止年度 Year ended 31 December 2016

		截至 二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間
		Year ended 31 December 2016 千港元 HK\$'000	Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000 (經重列) (Restated)
附註 Notes			
經營業務之現金流量	CASH FLOWS FROM OPERATING ACTIVITIES		
稅前溢利／(虧損)	Profit/(Loss) before tax	(31,001)	265
調整：	Adjustments for:		
融資成本	Finance costs	7 1,362	934
應佔合資公司溢利及虧損	Share of profits and losses of joint ventures	(1,695)	(1,136)
銀行利息收入	Bank interest income	5 (623)	(65)
出售物業、廠房及設備項目之收益	Gain on disposal of items of property, plant and equipment	5 (89)	(5)
折舊	Depreciation	6 27,738	7,717
預付土地租賃款額之確認	Recognition of prepaid land lease payments	6 1,118	393
遞延開發成本攤銷	Amortisation of deferred development costs	6 397	428
遞延開發成本減值	Impairment of deferred development costs	6 359	237
一可供出售投資減值	Impairment of an available-for-sale investments	6 460	—
滯銷存價撥備	Provision of slow moving inventories	6 7,058	1,986
應收貿易賬款減值／(減值撥回)淨額	Impairment/(reversal of impairment) of trade receivables, net	505	(23)
其他應收賬款減值撥回	Reversal of impairment of other receivables	6 (5,495)	—
賬齡較久之應計負債撥回	Write-back of long-aged accruals	(3,059)	—
一合資公司投資減值	Impairment of an investment in a joint venture	6 —	180
議價收購收益	Gain on bargain purchase	6 —	(28,746)
出售附屬公司之收益	Gain on disposals of subsidiaries	5 —	(179)
應佔一聯營公司虧損	Share of losses of an associate	1	4
		(2,964)	(18,010)
存貨增加	Increase in inventories	(33,790)	(22,210)
應收貿易賬款(增加)／減少	(Increase)/decrease in trade receivables	(25,059)	5,042
預付款項、按金及其他應收款項增加	Increase in prepayments, deposits and other receivables	(1,331)	(1,617)
長期按金減少／(增加)	Decrease/(increase) in long-term deposits	21	(3)
應收一合資公司款項減少	Decrease in amounts due from a joint venture	728	345
應付貿易賬款(增加)／減少	(Increase)/decrease in trade payables	(4,762)	2,153
其他應付款項及其他應計負債增加	Increase in other payables and accruals	896	1,888
產品保證撥備減少	Decrease in provision for product warranties	(9)	(722)

綜合現金流量表（續）

Consolidated Statement of Cash Flows (continued)

截至二零一六年十二月三十一日止年度 Year ended 31 December 2016

		截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 千港元 HK\$'000	二零一五年 四月一日至 二零一五年 十二月三十一日 期間 Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000 (經重列) (Restated)
附註 Notes			
經營業務所使用之現金 已付海外稅項	Cash used in operations Overseas taxes paid	(66,270) (22)	(33,134) —
經營業務之現金流出淨額	Net cash flows used in operating activities	(66,292)	(33,134)
投資業務之現金流量	CASH FLOWS FROM INVESTING ACTIVITIES		
利息收入	Interest received	623	65
來自一合資公司之股息收入	Dividend received from a joint venture	585	—
購入物業、廠房及設備項目	Purchases of items of property, plant and equipment	(52,054)	(1,059)
出售物業、廠房及設備項目之 所得款項	Proceeds from disposal of items of property, plant and equipment	148	5
可供出售投資增加	Increase in available-for-sale investments	(23,380)	—
出售附屬公司之所得款項	Proceeds from disposals of subsidiaries	—	4
增加遞延開發成本	Additions to deferred development costs	—	(286)
向一家其後收購為附屬公司之 公司提供之貸款	Advance of loans to a company subsequently acquired as subsidiary	—	(45,116)
購入物業、廠房及設備項目之 長期按金增加	Increase in long term deposits for purchases of items of property, plant and equipment	(316)	(10,630)
定期存款減少／（增加）	Decrease/(increase) in time deposits	230,000	(230,000)
收購一附屬公司	Acquisition of a subsidiary	(57,429)	428
投資業務之現金流入／ （流出）淨額	Net cash flows from/(used in) investing activities	98,177	(286,589)
融資業務之現金流量	CASH FLOWS FROM FINANCING ACTIVITIES		
發行股份所得款項	Proceeds from issue of shares	—	287,439
股份發行開支	Share issue expenses	—	(2,971)
融資成本	Finance costs	(1,362)	(934)
新增銀行貸款	New bank loans	21,285	30,830
償還銀行貸款	Repayment of bank loans	(68,239)	(27,781)
股東貸款增加	Increase in shareholder's loan	11,000	68,000
應付一附屬公司一非控制股東 賬款增加／（減少）	Increase/(decrease) in an amount due to a non-controlling shareholder of a subsidiary	216	(2,002)

綜合現金流量表（續）

Consolidated Statement of Cash Flows (continued)

截至二零一六年十二月三十一日止年度 Year ended 31 December 2016

			截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 千港元 HK\$'000	二零一五年 四月一日至 二零一五年 十二月三十一日 期間 Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000 (經重列) (Restated)
融資業務之現金(流出)/流入 淨額	Net cash flows (used in)/from financing activities		(37,100)	352,581
現金及現金等值項目之 增加/(減少)淨額	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(5,215)	32,858
年/期初之現金及現金等值項目	Cash and cash equivalents at beginning of year/period		145,649	113,064
外幣匯率變更調整，淨額	Effect of foreign exchange rate changes, net		(2,677)	(273)
年/期終之現金及現金等值項目	CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD		137,757	145,649
現金及現金等值項目結餘分析	ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
現金及銀行結餘	Cash and bank balances	23	97,757	125,161
非抵押定期存款	Non-pledged time deposits	23	40,000	250,000
於綜合財務狀況表列賬之現金及 現金等值項目	Cash and cash equivalents as stated in the consolidated statement of financial position		137,757	375,161
購入原有少於三個月內到期之 定期存款，成為銀行貸款抵押	Time deposits with original maturity of less three months when acquired, pledged as security for a bank loan	23	—	488
購入原有超過三個月到期之 非抵押定期存款	Non-pledged time deposits with original maturity of more than three months when acquired	23	—	(230,000)
於綜合現金流量表列賬之現金及 現金等值項目	Cash and cash equivalents as stated in the consolidated statement of cash flows		137,757	145,649

財務報表附註

Notes to Financial Statements

二零一六年十二月三十一日 31 December 2016

1. 公司及集團資料

權智(國際)有限公司(「本公司」)是一間於百慕達註冊成立之有限公司。本公司之主要營業地點位於香港灣仔港灣道25號海港中心26樓2606A室。

於本年度內，本集團之業務涉及設計、製造及銷售原件設計生產(「ODM」)產品，電子辭典產品、個人通訊產品、提供電子製造服務及製造及銷售金屬鎂相關產品。

按董事之意見，本公司之直接控股公司為於英屬處女群島註冊成立公司Ming Xin Development Limited，而最終控股公司則為於英屬處女群島註冊成立公司Alpha Sino Limited。

本公司之主要附屬公司之詳情如下：

1. CORPORATE AND GROUP INFORMATION

Group Sense (International) Limited (the "Company") is a limited liability company incorporated in Bermuda. The principal place of business of the Company is located at Unit 2606A, 26/F, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong.

During the year, the Group was involved in the design, manufacture and sale of original design manufacturing products ("ODM products"), electronic dictionary products, personal communication products, provision of electronic manufacturing services, and manufacture and sale of magnesium products.

In the opinion of the directors, the immediate holding company of the Company is Ming Xin Development Limited, a company incorporated in the British Virgin Islands and the ultimate holding company is Alpha Sino Limited, a company incorporated in the British Virgin Islands.

Particulars of the Company's principal subsidiaries are as follows:

名稱 Name	註冊成立／ 註冊及經營地點 Place of incorporation/ registration and business	已發行普通股／ 註冊股本面值 Nominal value of issued ordinary share/registered capital	本公司應佔股權 之百分比 Percentage of equity attributable to the Company		主要業務 Principal activities
			直接 Direct	間接 Indirect	
東莞環亞高科電子 有限公司 ^{(1)*}	中華人民共和國 (「中國」)／ 中國內地	65,000,000 港元	—	100	製造及銷售 電子產品
Global Asia High-tech Electronics Co., Ltd. ^{(1)*}	The People's Republic of China ("PRC")/Mainland China	HK\$65,000,000			Manufacture and trading of electronic products
Group Sense (Holding) Limited*	英屬處女群島	3,000 美元	—	100	投資控股
	British Virgin Islands ("BVI")	US\$3,000			Investment holding
Group Sense (S.E.A.) Limited*	英屬處女群島 BVI	1 美元 US\$1	100	—	投資控股 Investment Holding
Group Sense Investment Limited*	英屬處女群島	1 美元	100	—	投資控股
	BVI	US\$1			Investment Holding

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

1. 公司及集團資料（續）

1. CORPORATE AND GROUP INFORMATION (continued)

名稱 Name	註冊成立／ 註冊及經營地點 Place of incorporation/ registration and business	已發行普通股／ 註冊股本面值 Nominal value of issued ordinary share/registered capital	本公司應佔股權 之百分比 Percentage of equity attributable to the Company		主要業務 Principal activities
			直接 Direct	間接 Indirect	
權智有限公司	香港	普通股 1,000 港元 無投票權年息 五厘遞延股份 200,000 港元 ⁽²⁾	—	100	設計及銷售 電子產品
Group Sense Limited	Hong Kong	Ordinary shares HK\$1,000 Non-voting 5% deferred shares HK\$200,000 ⁽²⁾			Design and trading of electronic products
權智製造有限公司 Group Sense Manufactory Company Limited	香港 Hong Kong	2 港元 HK\$2	—	100	投資控股 Investment holding
權智移動科技有限公司	香港	2 港元	—	100	設計及銷售 電子產品
Group Sense Mobile-Tech Limited	Hong Kong	HK\$2			Design and trading of electronic products
權智 PDA 控股有限公司*	開曼群島	普通股 2,115,837 美元 A 類優先股 17,182 美元	—	98.95	投資控股
Group Sense PDA Holdings Limited*	Cayman Islands	Ordinary shares US\$2,115,837 Series A preferred shares US\$17,182			Investment holding
權智掌上電腦有限公司	香港	100 港元	—	100	設計及銷售 電子產品
Group Sense PDA Limited	Hong Kong	HK\$100			Design and trading of electronic products
權智軟件科技(香港)有限公司 Group Sense Software Technology (Hong Kong) Limited	香港 Hong Kong	100 港元 HK\$100	—	100	投資控股 Investment holding

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

1. 公司及集團資料(續)

1. CORPORATE AND GROUP INFORMATION (continued)

名稱 Name	註冊成立／ 註冊及經營地點 Place of incorporation/ registration and business	已發行普通股／ 註冊股本面值 Nominal value of issued ordinary share/registered capital	本公司應佔股權 之百分比 Percentage of equity attributable to the Company		主要業務 Principal activities
			直接 Direct	間接 Indirect	
株式會社グルブセンス*	日本	60,000,000 日圓	—	100	設計及銷售 電子產品
Kabushiki Kaisha Group Sense*	Japan	JPY60,000,000			Design and trading of electronic products
Supreme Style Technology Limited*	英屬處女群島	100 美元	—	100	投資控股
	BVI	US\$100			Investment holding
廣東中大訊通軟件科技有限公司 (「中大訊通」) ^{(3)*}	中國／中國內地	人民幣 25,500,000 元	—	51	提供軟件 及資訊科技服務
	PRC/Mainland China	RMB25,500,000			Provision of software and information technology services
廣州通雲科技有限公司 (「廣州通雲」) ^{(3)*}	中國／中國內地	人民幣 24,500,000 元	—	51	提供軟件 及資訊科技服務
	PRC/Mainland China	RMB24,500,000			Provision of software and information technology services
香港新材料產業投資有限公司 Hong Kong New Materials Industry Investments Limited	香港	1 港元	—	100	投資控股
	Hong Kong	HK\$1			Investment Holding
新疆騰翔鎂製品有限公司 (「新疆騰翔」)*	中國／中國內地	人民幣 171,800,000 元	—	100	製造及銷售 鎂相關產品
Xinjiang Tengxiang Magnesium Products Company Limited (新疆騰翔鎂製品有限公司)* (“XTMP”)	PRC/Mainland China	RMB171,800,000			Manufacture and trading of magnesium related products

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

1. 公司及集團資料（續）

附註：

- (1) 全外資公司
 - (2) 遞延股份並無附有獲派股息或接獲召開本公司任何股東大會之通告或出席任何股東大會或於大會上投票之權利，亦無權在清盤時參與任何分派。
 - (3) 於中國成立之中外合資企業
- * 未經香港安永會計師事務所或其他安永會計師事務所國際成員所審核

上表載列董事認為對本集團之本年度業績有重大影響或組成本集團資產淨值之主要部份之本公司附屬公司。董事認為，提供其他附屬公司之詳情將導致資料過於冗長。

2.1 編製基準

財務報表乃根據香港會計師公會頒佈之香港財務報告準則（「香港財務報告準則」）（其亦包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港公認會計原則及香港公司條例的披露規定而編製。除按公平值計量的若干可售投資外，財務報表乃按歷史成本法編製。除另有指明外，所有金額均以港元列值，並調整至最接近千元。

於上一個財政期間，本集團之財政年度結算日已由三月三十一日改為十二月三十一日，以配合其直接控股公司 Ming Xin Development Limited 之結算日。本年度之財務報表涵蓋二零一六年一月一日至二零一六年十二月三十一日之十二個月期間。據此，上述綜合損益及其他全面收入表、綜合權益變動表、綜合現金流量表及相關附註呈列之比較數據（涵蓋二零一五年四月一日至二零一五年十二月三十一日之九個月期間）均不能與本年度直接比較。

1. CORPORATE AND GROUP INFORMATION (continued)

Notes:

- (1) Wholly-foreign-owned enterprise
 - (2) The deferred shares practically carry no rights to dividends or to receive notice of or to attend or vote at any general meeting of the Company or to participate in any distribution on winding up.
 - (3) Sino-foreign equity joint venture established in the PRC
- * Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinances. They have been prepared under the historical cost convention except for certain available-for-sale investments, which have been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

The Group changed its financial year end date from 31 March to 31 December in the last financial period to conform to that of its immediate holding company, Ming Xin Development Limited. The current year financial statements cover a period of twelve months from 1 January 2016 to 31 December 2016. Accordingly, the comparative amounts presented for the above consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and related notes (which cover a period of nine months from 1 April 2015 to 31 December 2015) are not directly comparable with those of the current year.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.1 編製基準（續）

綜合基準

本綜合財務報表包括本公司及其附屬公司（統稱「本集團」）於截至二零一六年十二月三十一日止年度之財務報表。附屬公司為本公司能直接或間接控制之實體（包括結構性實體）。當本集團從其參與被投資者而承受或有權獲得可變回報，並有能力通過對被投資者之權力（即賦予本集團指揮被投資者相關活動之現時能力之現有權利）影響其回報，即具有控制權。

當本公司並未直接或間接擁有被投資者大多數投票權或類似權利時，本集團考慮所有相關因素及情況以評估其是否對被投資者擁有權力，包括：

- (a) 與被投資者之其他投票權持有人之間之合約安排；
- (b) 從其他合約安排中獲取之權利；及
- (c) 本集團之投票權及潛在投票權。

附屬公司之財務報表乃採用與本公司相同報告期間及一致會計政策。附屬公司之業績自本集團取得控制權之日起予以綜合，而會繼續綜合直至該等控制權終止之日期止。

損益及其他全面收入項目之各組成部分歸屬於本集團母公司擁有人及非控制股東權益，即使這會導致非控制股東權益結餘出現赤字結餘。所有集團內公司間之資產及負債、權益、收入、支出及有關本集團成員公司之間交易的現金流量，均於綜合賬目時全數對銷。

倘事實及情況顯示所描述之三項控制權元素之一項或多項出現變動，本集團會重新評估其是否對被投資者有控制權。附屬公司所有權權益變動，但並無失去控制權，則作權益交易入賬處理。

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2016. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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

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

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

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.1 編製基準（續）

綜合基準（續）

倘本集團失去附屬公司之控制權，則不再確認(i)該附屬公司之資產(包括商譽)及負債；(ii)任何非控制權益之賬面值；及(iii)計入權益之累計匯兌差額；並確認(i)已收代價之公平值；(ii)任何獲保留投資之公平值及(iii)損益賬中任何因此產生之盈餘或虧損。先前已於其他全面收入確認之本集團應佔部分，按假設本集團直接出售相關資產或負債所須採用之相同基準，視乎情況重新分類至損益賬或保留盈利。

2.2 會計政策及披露之改變

本集團於本年度之財務報表首次採納下列新制訂及經修訂之香港財務報告準則。

香港財務報告準則 第10號、香港財務 報告準則第12號 及香港會計準則第28 號修訂本(二零一一年)	投資實體：綜合入賬例外 情況之應用
香港財務報告準則 第11號修訂本	收購共同經營權益的 會計法
香港財務報告準則 第14號	監管遞延賬目
香港會計準則第1號 修訂本	主動披露
香港會計準則第16號 及香港會計準則第38 號修訂本	對可接受的折舊及攤銷 方法的澄清
香港會計準則第16號 及香港會計準則 第41號修訂本	農業：生產性植物
香港會計準則第27號 修訂本(二零一一年)	獨立財務報表的權益 會計法
二零一二年至二零一四年 週期的年度改進	對多項香港財務報告準則 作出的修訂

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

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

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	<i>Investment Entities: Applying the Consolidation Exception</i>
Amendments to HKFRS 11	<i>Accounting for Acquisitions of Interests in Joint Operations</i>
HKFRS 14	<i>Regulatory Deferral Accounts</i>
Amendments to HKAS 1	<i>Disclosure Initiative</i>
Amendments to HKAS 16 and HKAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>
Amendments to HKAS 16 and HKAS 41	<i>Agriculture: Bearer Plants</i>
Amendments to HKAS 27 (2011)	<i>Equity Method in Separate Financial Statements</i>
<i>Annual Improvements 2012-2014 Cycle</i>	<i>Amendments to a number of HKFRSs</i>

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.2 會計政策及披露之改變（續）

除與編製本集團財務報表無關之香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號（修訂本）（二零一一年）、香港財務報告準則第14號、香港會計準則第16號（修訂本）及香港會計準則第41號（修訂本）、香港會計準則第27號（修訂本）（二零一一年）及二零一二年至二零一四年週期的年度改進外，該等修訂之性質及影響論述如下：

(a) 香港會計準則第1號修訂本載有就財務報表之呈列方式及披露具針對性的改善。該等修訂釐清：

- (i) 香港會計準則第1號的重要性要求；
- (ii) 損益及其他全面收入表與財務狀況表內之特定項目可予分拆；
- (iii) 實體就彼等呈列財務報表附註之次序擁有靈活性；及
- (iv) 使用權益法入賬之攤佔聯營公司及合資公司之其他全面收入必須於單一項目內呈列總額，並區分為隨後將會或不會重新分類至損益之項目。

此外，該等修訂釐清在財務狀況表及損益及其他全面收入表呈列額外小計時適用之要求。該等修訂不會對本集團的財務報表產生任何重大影響。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Except for the amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011), HKFRS 14, amendments to HKAS 16 and HKAS 41, amendments to HKAS 27 (2011), and the *Annual Improvements 2012-2014 Cycle*, which are not relevant to the preparation of the Group's financial statements, the nature and the impact of the amendments are described below:

(a) Amendments to HKAS 1 include narrow-focus improvements in respect of the presentation and disclosure in financial statements. The amendments clarify:

- (i) the materiality requirements in HKAS 1;
- (ii) that specific line items in the statement of profit or loss and other comprehensive income and the statement of financial position may be disaggregated;
- (iii) that entities have flexibility as to the order in which they present the notes to financial statements; and
- (iv) that the share of other comprehensive income of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement of profit or loss and other comprehensive income. The amendments have had no significant impact on the Group's financial statements.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.2 會計政策及披露之改變（續）

(b) 香港財務報告準則第11號修訂本規定共同經營（其中共同經營的活動構成一項業務）權益的收購方必須應用香港財務報告準則第3號內業務合併的相關原則。該等修訂亦釐清於共同經營中先前所持有的權益於收購相同共同經營中的額外權益而共同控制權獲保留時不得重新計量。此外，香港財務報告準則第11號已增加一項範圍豁免，訂明當共享共同控制權的各方（包括呈報實體）處於同一最終控制方的共同控制之下時，該等修訂不適用。該等修訂適用於收購共同經營的初始權益以及收購相同共同經營中的任何額外權益。該等修訂即將應用。該等修訂不會對本集團產生任何影響，原因是本集團於年內並無收購共同經營權益的事項。

(c) 香港會計準則第38號修訂本澄清香港會計準則第16號及香港會計準則第38號中的原則，即收入反映自經營業務（該資產為其一部分）產生的經濟利益而非通過使用資產消耗的經濟利益的模式。因此，收入法不得用於折舊物業、廠房及設備，並且僅在非常有限的情況下可用於攤銷無形資產。該等修訂即將應用。該等修訂不會對本集團的財務狀況或表現產生任何影響，原因是本集團並未使用收入法計算其非流動資產的折舊。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(b) Amendments to HKFRS 11 require that an acquirer of an interest in a joint operation in which the activity of the joint operation constitutes a business must apply the relevant principles for business combinations in HKFRS 3. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to HKFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party. The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation. The amendments are applied prospectively. The amendments have had no impact on the Group as there has been no interest acquired in a joint operation during the year.

(c) Amendments to and HKAS 38 clarify the principle in HKAS 16 and HKAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through the use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are applied prospectively. The amendments have had no impact on the financial position or performance of the Group as the Group has not used a revenue-based method for the calculation of depreciation of its non-current assets.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.3 已頒佈但尚未生效的香港財務報告準則

本集團在編製這些財務報表時尚未採用下列已發佈但尚未生效的新制訂和經修訂的香港財務報告準則。

香港財務報告準則第2號修訂本	以股份為基礎的支付交易之分類與計量 ²
香港財務報告準則第4號修訂本	對香港財務報告準則第4號保險合約應用香港財務報告準則第9號金融工具 ²
香港財務報告準則第9號	金融工具 ²
香港財務報告準則第10號及香港會計準則第28號修訂本（二零一一年）	投資者與其聯營公司或合營企業之間的資產出售或出繳 ⁴
香港財務報告準則第15號	來自客戶合約的收益 ²
香港財務報告準則第15號修訂本	香港財務報告準則第15號來自客戶合約的收益之澄清 ²
香港財務報告準則第16號	租賃 ³
香港會計準則第7號修訂本	主動披露 ¹
香港會計準則第12號修訂本	就未實現虧損確認遞延稅項資產 ¹

- 1 於二零一七年一月一日或之後開始之年度期間生效
- 2 於二零一八年一月一日或之後開始之年度期間生效
- 3 於二零一九年一月一日或之後開始之年度期間生效
- 4 尚未釐定強制生效日期，但已可供採納

預期將適用於本集團的該等香港財務報告準則的進一步資料如下：

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

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

Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions²</i>
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts²</i>
HKFRS 9	<i>Financial Instruments²</i>
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture⁴</i>
HKFRS 15	<i>Revenue from Contracts with Customers²</i>
Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers²</i>
HKFRS 16	<i>Leases³</i>
Amendments to HKAS 7	<i>Disclosure Initiative¹</i>
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses¹</i>

- 1 Effective for annual periods beginning on or after 1 January 2017
- 2 Effective for annual periods beginning on or after 1 January 2018
- 3 Effective for annual periods beginning on or after 1 January 2019
- 4 No mandatory effective date yet determined but available for adoption

Further information about those HKFRSs that are expected to be applicable to the Group is as follows:

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.3 已頒佈但尚未生效的香港財務報告準則（續）

香港會計師公會於二零一六年八月頒佈的香港財務報告準則第2號修訂本闡述三大範疇：歸屬條件對計量以現金結算以股份為基礎付款交易的影響；為僱員履行與以股份為基礎付款的稅務責任而預扣若干金額的以股份為基礎付款交易（附有淨額結算特質）的分類；及對以股份為基礎付款交易的條款及條件作出令其分類由現金結算變為權益結算的修訂時的會計處理方法。該等修訂釐清計量以權益結算以股份為基礎付款時歸屬條件的入賬法亦適用於以現金結算以股份為基礎付款。該等修訂引入一個例外情況，在符合若干條件時，為僱員履行與以股份為基礎付款的稅務責任而預扣若干金額的以股份為基礎付款交易（附有淨額結算特質），將整項分類為以股本結算以股份為基礎付款交易。此外，該等修訂釐清，倘以現金結算以股份為基礎付款交易的條款及條件有所修訂，令其成為以權益結算以股份為基礎付款交易，該交易自修訂日期起作為以權益結算的交易入賬。本集團預期自二零一八年一月一日起採納該等修訂。該等修訂預期不會對本集團財務報表產生任何重大影響。

於二零一四年九月，香港會計師公會頒佈香港財務報告準則第9號的最終版本，將金融工具項目的所有階段集於一起以代替香港會計準則第39號及香港財務報告準則第9號的全部先前版本。該準則引入分類及計量、減值及對沖會計處理的新規定。本集團預期自二零一八年一月一日起採納香港財務報告準則第9號。於二零一六年，本集團已就採納香港財務報告準則第9號的影響進行高度評估。本初步評估乃根據現有可得資料作出，並視乎本集團日後得到的進一步詳細分析或額外合理及輔助資料而可能有所變動。採納香港財務報告準則第9號的預期影響概述如下：

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

The HKICPA issued amendments to HKFRS 2 in August 2016 that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding a certain amount in order to meet the employee's tax obligation associated with the share-based payment; and the accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash-settled to equity-settled. The amendments clarify that the approach used to account for vesting conditions when measuring equity-settled share-based payments also applies to cash-settled share-based payments. The amendments introduce an exception so that a share-based payment transaction with net share settlement features for withholding a certain amount in order to meet the employee's tax obligation is classified in its entirety as an equity-settled share-based payment transaction when certain conditions are met. Furthermore, the amendments clarify that if the terms and conditions of a cash-settled share-based payment transaction are modified, with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as an equity-settled transaction from the date of the modification. The Group expects to adopt the amendments from 1 January 2018. The amendments are not expected to have any significant impact on the Group's financial statements.

In September 2014, the HKICPA issued the final version of HKFRS 9, bringing together all phases of the financial instruments project to replace HKAS 39 and all previous versions of HKFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group expects to adopt HKFRS 9 from 1 January 2018. During 2016, the Group performed a high-level assessment of the impact of the adoption of HKFRS 9. This preliminary assessment is based on currently available information and may be subject to changes arising from further detailed analyses or additional reasonable and supportable information being made available to the Group in the future. The expected impacts arising from the adoption of HKFRS 9 are summarised as follows:

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.3 已頒佈但尚未生效的香港財務報告準則（續）

(a) 分類及計量

本集團預期採納香港財務報告準則第9號將不會對其金融資產的分類及計量造成重大影響。預期將繼續以公平值計量現時以公平值持有的所有金融資產。由於該等投資擬於可見未來持有，而本集團預期於其他全面收入採納以呈列公平值變動，故現時持有可供銷售的股本投資將按公平值計入其他全面收入。倘投資獲終止確認，為股本投資於其全面收入記錄的收益及虧損不得重新計入損益。

(b) 減值

香港財務報告準則第9號規定並無根據香港財務報告準則第9號按公平值計入損益的項目以攤銷成本或按公平值計入其他全面收入的債務工具、應收租賃款項、貸款承諾及財務擔保合約須作減值，並將根據預期信貸虧損模式或按十二個月基準或可使用基準入賬。本集團預期採納簡化方式，並將根據於所有其貿易及其他應收賬款餘下年期內的所有現金差額現值估計之可使用預期虧損入賬。本集團將進行更詳細分析，其將考慮所有合理及輔助資料（包括前瞻因素），以估計於採納香港財務報告準則第9號後其貿易及其他應收賬款的預期信貸虧損。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

(a) Classification and measurement

The Group does not expect that the adoption of HKFRS 9 will have a significant impact on the classification and measurement of its financial assets. It expects to continue measuring at fair value all financial assets currently held at fair value. Equity investments currently held as available for sale will be measured at fair value through other comprehensive income as the investments are intended to be held for the foreseeable future and the Group expects to apply the option to present fair value changes in other comprehensive income. Gains and losses recorded in other comprehensive income for the equity investments cannot be recycled to profit or loss when the investments are derecognised.

(b) Impairment

HKFRS 9 requires an impairment on debt instruments recorded at amortised cost or at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantee contracts that are not accounted for at fair value through profit or loss under HKFRS 9, to be recorded based on an expected credit loss model either on a twelve-month basis or a lifetime basis. The Group expects to apply the simplified approach and record lifetime expected losses that are estimated based on the present value of all cash shortfalls over the remaining life of all of its trade and other receivables. The Group will perform a more detailed analysis which considers all reasonable and supportable information, including forward-looking elements, for estimation of expected credit losses on its trade and other receivables upon the adoption of HKFRS 9.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.3 已頒佈但尚未生效的香港財務報告準則（續）

香港財務報告準則第10號修訂本及香港會計準則第28號修訂本（二零一一年）針對香港財務報告準則第10號及香港會計準則第28號（二零一一年）之間有關投資者與其聯營或合資公司之間的資產出售或注資兩者規定的不一致性。該等修訂規定，當投資者與其聯營或合資公司之間的資產出售或注資構成一項業務時，須確認全數收益或虧損。當交易涉及不構成一項業務的資產時，由該交易產生的收益或虧損於該投資者的損益內確認，惟僅以不相關投資者於該聯營或合資公司的權益為限。該等修訂即將應用。香港財務報告準則第10號及香港會計準則第28號（二零一一年）之前的強制生效日期於二零一六年一月被香港會計師公會移除，新強制生效日期將於對聯營公司及合資公司的會計處理進行更廣泛檢討完成後決定。然而，該等修訂本現已可供應用。

香港財務報告準則第15號建立一個新的五步模式，將自客戶合約產生的收益列賬。根據香港財務報告準則第15號，收益按能反映實體預期就交換向客戶轉讓貨物或服務而有權獲得的代價金額確認。香港財務報告準則第15號的原則為計量及確認收益提供更多結構化的方法。該準則亦引入廣泛的定性及定量披露規定，包括分拆收益總額，關於履行責任、不同期間之間合約資產及負債賬目結餘的變動以及主要判斷及估計的資料。該準則將取代香港財務報告準則項下所有現時收益確認的規定。於二零一六年六月，香港會計師公會頒佈香港財務報告準則第15號修訂本，處理識別履約責任、主事人與代理人以及知識產權特許的應用指引以及過渡的實施問題。該等修訂亦擬協助確保實體於採納香港財務報告準則第15號時能更加一致地應用，以及降低應用有關準則的成本及複雜性。本集團預期於二零一八年一月一日採納香港財務報告準則第15號，目前正評估採納香港財務報告準則第15號的影響。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 (2011) was removed by the HKICPA in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for application now.

HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under HKFRSs. In June 2016, the HKICPA issued amendments to HKFRS 15 to address the implementation issues on identifying performance obligations, application guidance on principal versus agent and licences of intellectual property, and transition. The amendments are also intended to help ensure a more consistent application when entities adopt HKFRS 15 and decrease the cost and complexity of applying the standard. The Group expects to adopt HKFRS 15 on 1 January 2018 and is currently assessing the impact of HKFRS 15 upon adoption.

2.3 已頒佈但尚未生效的香港財務報告準則（續）

香港財務報告準則第16號取代香港會計準則第17號租賃、香港（國際財務報告準則詮釋委員會）詮釋第4號釐定安排是否包含租賃、香港（常務詮釋委員會）詮釋第15號經營租賃—獎勵及香港（常務詮釋委員會）詮釋第27號評估涉及租賃法律形式的交易本質。該準則載列確認、計量、呈列及披露租賃的原則，並要求承租人就大多數租賃確認資產及負債。該準則包括給予承租人兩項租賃確認豁免—低價值資產租賃及短期租賃。於租賃開始日期，承租人會確認出租租賃付款的負債（即租賃負債）及確認代表於租賃期內使用相關資產的權利的資產（即使用權資產）。除非使用權資產符合香港會計準則第40號投資物業的定義，否則使用權資產其後按成本減累計折舊及任何減值虧損計量。租賃負債其後會就反映租賃負債利息而增加及因租賃付款而減少。承租人將須分別確認租賃負債的利息開支及使用權資產的折舊開支。承租人亦將須於發生若干事件時重新計量租賃負債，例如因租賃期變更或用於釐定未來租賃付款的指數或比率變更而引致該等付款變更。承租人一般將重新計量租賃負債的數額確認為使用權資產的調整。香港財務報告準則第16號大致沿用香港會計準則第17號內出租人的會計處理。出租人將繼續使用與香港會計準則第17號相同的分類原則將所有租賃分類，並將之分為經營租賃及融資租賃。本集團預期於二零一九年一月一日採納香港財務報告準則第16號，現正評估採納香港財務報告準則第16號的影響。

香港會計準則第7號的修訂本規定實體提供披露資料，讓財務報表使用者可評估融資活動產生的負債的變動，包括現金流量變動及非現金變動。該等修訂本將導致須於財務報表內提供額外披露資料。本集團預期自二零一七年一月一日起採納該等修訂本。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

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

Amendments to HKAS 7 require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments will result in additional disclosure to be provided in the financial statements. The Group expects to adopt the amendments from 1 January 2017.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.3 已頒佈但尚未生效的香港財務報告準則（續）

頒佈香港會計準則第12號的修訂本旨在處理就與按公平值計量的債務工具有關的未變現虧損確認遞延稅項資產的問題，儘管於其他情況亦有更廣泛應用。該等修訂本澄清實體於評估是否將有應課稅溢利可動用可扣減暫時性差額抵銷時，需要考慮稅法有否限制有關可扣減暫時性差額轉回時可作扣減的應課稅溢利來源。此外，該等修訂本就實體應如何釐定日後應課稅溢利提供指引，並解釋應課稅溢利可包括收回部分資產多於其賬面金額的情況。本集團預期自二零一七年一月一日起採納該等修訂本。

2.4 重大會計政策概要

於一聯營公司及合資公司之投資

聯營公司乃本集團長期整體持有其不少於20%之股本投票權並可對其發揮重大影響力之公司。重大影響是指參與決定被投資者的財務及經營政策的權力，但不是控制或共同控制這些政策。

合資公司是一種合營安排，據此，對安排享有共同控制的各方對合資公司的淨資產享有權利。共同控制指在合約上同意分享安排的控制權，這只有在關於相關活動的決定需要分享控制權各方一致同意時存在。

本集團於一聯營公司及合資公司之投資，乃以權益會計法，按本集團應佔之資產淨值減去任何減值虧損後，列於綜合財務狀況表內。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKAS 12 were issued with the purpose of addressing the recognition of deferred tax assets for unrealised losses related to debt instruments measured at fair value, although they also have a broader application for other situations. The amendments clarify that an entity, when assessing whether taxable profits will be available against which it can utilise a deductible temporary difference, needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. The Group expects to adopt the amendments from 1 January 2017.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments in an associate and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in an associate and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

於一聯營公司及合資公司之投資（續）

本集團應佔一聯營公司及合資公司之收購後業績及其他全面收入計入綜合損益及其他全面收入表內。此外，當直接在聯營公司或合資公司的權益中確認變動時，本集團會在綜合權益變動表內確認其應佔的任何變動（如適用）。本集團與其聯營公司或合資公司進行交易而出現的未實現損益會互相抵銷，金額以本集團於聯營公司或合資公司的投資為限，但如果未實現虧損證明所轉讓資產發生減值則除外。收購一聯營公司或合資公司產生之商譽包括在本集團於一聯營公司或合資公司之投資內。

如果於聯營公司之投資變為合資公司之投資（反之亦然），則不會重新計量保留權益。取而代之，該項投資會繼續根據權益法核算。在所有其他情況下，本集團不再對聯營公司有重大影響力或對合資公司有共同控制權時，本集團會按其公平值計量及確認任何保留投資。聯營公司或合資公司於喪失重大影響力或共同控制權時的賬面金額與所保留投資的公平值及出售所得款項兩者之間的任何差額會在損益中確認。

於一聯營公司或合資公司之投資被列為持有待售時，乃按香港財務報告準則第5號持有待售非流動資產及已終止經營業務入賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in an associate and joint ventures (continued)

The Group's share of the post-acquisition results and other comprehensive income of an associate and joint ventures is included in the consolidated statement of profit or loss and other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associate or joint ventures are eliminated to the extent of the Group's investments in the associate or joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of an associate or joint ventures is included as part of the Group's investments in an associate or joint ventures.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in an associate or a joint venture is classified as held for sale, it is accounted for in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

業務合併及商譽

業務合併乃以購買法入賬。轉讓之代價乃以收購日期的公平值計算，該公平值為本集團轉讓的資產於收購日期的公平值、本集團自被收購方之前度擁有人承擔的負債、及本集團發行的以換取被收購方控制權的股本權益的總和。於各業務合併中，對於在屬現時所有權權益且賦予擁有人權力於清盤時按比例分佔被收購方之資產淨額之非控制權益，本集團選擇以公平值或被收購方可辨認資產淨值的應佔比例計量。所有非控制權益的其它成分均以公平值計量。收購成本於發生時列為開支。

當本集團收購一項業務時，會根據合約條款、於收購日的經濟環境及相關條件，評估將承接的金融資產及負債，以作出適合的分類及標示，其中包括將被收購方主合約中的嵌入式衍生工具分離。

倘業務合併分階段進行，先前持有的股權按收購日期的公平值及於損益確認的任何引致虧損重新計量。

由收購方將予轉讓的任何或有負債將按收購日期的公平值確認。分類為資產或負債的或然代價根據公平值的變動按公平值計量，並於損益確認。分類為權益的或然代價並無重新計量，而其後結算於權益中入賬。

商譽初始按成本計量，即已轉讓總代價、已確認非控制權益及本集團先前持有的被收購方股本權益的公平值，超出所收購可識別資產淨值及所承擔負債的差額。如總代價及其他項目低於所收購資產淨值的公平值，於重新評估後其差額於損益確認為議價收購收益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

2.4 重大會計政策概要（續）

業務合併及商譽（續）

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年進行減值測試，若有事件發生或情況改變顯示賬面值有可能減值時，則會更頻密地進行測試。本集團於十二月三十一日進行商譽之年度減值測試。為進行減值測試，因業務合併而購入的商譽自收購日被分配至預期可從合併產生的協同效益中獲益的本集團各個現金產生單位或現金產生單位組別，而不論本集團其他資產或負債是否已分配予該等單位或單位組別。

減值乃通過評估與商譽有關的現金產生單位（或現金產生單位組別）的可收回金額釐定。當現金產生單位（或現金產生單位組別）的可收回金額低於賬面金額時，減值虧損會予以確認。已就商譽確認的減值虧損不得於其後期間撥回。

倘商譽被分配至現金產生單位（或現金產生單位組別）的一部份而該單位的部份業務已出售，則在釐定出售業務的收益或虧損時，與所出售業務相關的商譽會計入該業務的賬面金額。在該情況下出售的商譽，乃根據所出售業務的相對價值及現金產生單位的保留部份計量。

公平值計量

本集團於各報告期末按公平值計量其投資物業、衍生金融工具及股權投資。公平值是於計量日市場參與者間於有秩序交易中出售資產所收取或轉讓負債須支付的價格。公平值計量乃根據假設出售資產或轉讓負債的交易於資產或負債主要市場或（在無主要市場情況下）最具優勢市場進行而作出。主要及最具優勢市場須為本集團可進入之市場。資產或負債的公平值乃按假設市場參與者於資產或負債定價時會以最佳經濟利益行事計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

Fair value measurement

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

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

公平值計量（續）

非金融資產的公平值計量須計及市場參與者對該資產的最高效和最佳使用或出售予其他能以最高效和最佳使用該資產的市場參與者所產生的經濟利益。

本集團採納適用於不同情況且具備充分數據以供計量公平值的估值方法，以儘量使用相關可觀察輸入資料及盡量減少使用不可觀察輸入資料。

所有於本財務報表計量或披露公平值的資產及負債乃基於對公平值計量整體而言屬重大的最低級輸入資料按以下公平值等級分類：

- | | | |
|-----|---|--------------------------------------|
| 第一級 | — | 基於相同資產或負債於活躍市場的報價（未經調整） |
| 第二級 | — | 基於對公平值計量而言屬重大的可觀察（直接或間接）最低層輸入資料的估值方法 |
| 第三級 | — | 基於對公平值計量而言屬重大的不可觀察最低層輸入資料的估值方法 |

就按經常性基準於本財務報表確認的資產及負債而言，本集團透過於各報告期末重新評估分類（基於對公平值計量整體而言屬重大的最低級輸入資料）確定是否發生不同等級轉移。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

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

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

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

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

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

2.4 重大會計政策概要（續）

非金融資產減值

倘有跡象顯示出現減值或需就資產（不包括存貨、金融資產及商譽）進行年度減值測試，則會估計該資產之可收回金額。資產之可收回金額為該資產或現金產生單位之使用價值及其公平值減銷售成本（以較高者為準），並就個別資產而確定，除非有關資產並無產生在頗大程度上獨立於其他資產或資產類別之現金流入，在此情況下，可收回金額就資產所屬之現金產生單位而確定。

減值虧損僅於資產之賬面值超逾其可收回金額時確認。於評估使用價值時，估計未來現金流量按可反映現時市場評估之貨幣時間價值及資產特定風險之稅前貼現率貼現至現值。減值虧損於產生期間內在損益中與已減值資產功能一致之支出類別內扣除。

於各報告期末須評估有否跡象顯示過往確認減值虧損不再存在或已減少。如有該跡象存在，則會估計可收回金額。過往確認之資產（商譽除外）及若干金融資產減值虧損，僅會於用以釐定該資產可收回金額之估計改變時撥回，惟撥回後之金額不得高於假設過往年度並無就資產確認減值虧損而釐定之賬面值（扣除任何折舊／攤銷）。該項減值虧損的回撥於發生時計入損益，惟倘若資產按重估值列賬，則按照該重估資產之相關會計政策處理減值虧損的回撥。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

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

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the profit and loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

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

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

關連人士

有關人士將視為本集團之關連人士：

- (a) 個人及與其關係密切的家庭成員，且該人士
 - (i) 控制或共同控制本集團；
 - (ii) 可對本集團施加重大影響力；或
 - (iii) 為本集團或其母公司的主要管理人員；

或

- (b) 該方為一實體，且下列任何情況適用：

- (i) 該實體及本集團屬同一集團的成員公司；
- (ii) 一間實體為另一實體的聯營公司或合資公司（或為該另一實體的母公司、附屬公司或同系附屬公司）；
- (iii) 該實體與本集團均為同一第三方的合資公司；
- (iv) 一間實體為第三方實體的合資公司及另一實體為該第三方實體的聯營公司；
- (v) 該實體為本集團或與本集團有關連的實體的僱員福利而設的離職後福利計劃；
- (vi) 該實體受(a)項所述人士控制或共同控制；
- (vii) 於(a)(i)項所述的人士對該實體有重大影響，或為該實體（或該實體的母公司）的主要管理人員；及
- (viii) 該實體或其所屬集團的任何成員公司向本集團或本集團母公司提供重要管理人員服務。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

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

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:

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

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

物業、廠房及設備及折舊

物業、廠房及設備（在建工程除外）按成本值減累計折舊及任何減值虧損列賬。物業、廠房及設備項目之成本包括其購買價及任何將資產達至現有運作狀況及運往現址作擬定用途之直接應佔成本。

在物業、廠房及設備等項目投入運作後產生之支出，如維修保養等，一般於產生期間之損益內扣除。在符合確認準則的情況下，主要檢查的支出會視為更換而資本化為資產賬面值。如果物業、廠房及設備的主要部份須不時重置，則本集團會將有關部份確認為獨立資產，具有指明的使用年限並相應地折舊該等部份。

每項物業、廠房及設備項目乃按直線法就其估計可使用年期撇銷成本至其餘值以計算折舊，就此採用之主要年率如下：

租賃土地及樓宇	租賃之年期或3%，以最少者為準
租賃物業裝修	25%
傢具、裝置及設備	6%至25%
廠房及機器	10%至25%
工具及工模	25%至50%
汽車	10%至25%

若物業、廠房及設備項目任何部份之可使用年期不同，則該項目成本將合理分配至各部份，而各部份將分開計算折舊。餘值、可使用年期及折舊方法將至少於各財政年度末檢討及作出適當的調整。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

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

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

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

Leasehold land and buildings	Over the shorter of the lease terms or 3%
Leasehold improvements	25%
Furniture, fixtures and equipment	6% to 25%
Plant and machinery	10% to 25%
Tooling and moulds	25% to 50%
Motor vehicles	10% to 25%

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

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

物業、廠房及設備及折舊（續）

物業、廠房及設備項目包括其重要部份於出售時或預期日後使用或出售該項目不會產生經濟利益時將終止確認。於資產終止確認之年度在損益內確認的出售或終止確認之任何損益，乃按出售所得款項淨額與有關資產賬面值之差額計算。

在建工程乃建築中的樓宇按成本減任何減值虧損列賬而不作折舊。成本包括建築工程於建築期間之直接成本及被列作資產的借貸成本。在建工程於落成及可供使用時重新分類至物業、廠房及設備之適當類別。

無形資產（不包括商譽）

單獨取得的無形資產在初始確認時按成本計量。業務合併中取得的無形資產的成本是其在購買日的公平值。無形資產之可使用年期評估為有限或無限。年期有限之無形資產其後按可使用年期內攤銷，並評估是否有跡象顯示無形資產可能出現減值。年期有限之無形資產之攤銷年期及攤銷方法至少於各財政年度末檢討一次。

具無限可使用年期的無形資產每年會個別或在現金產生單位級別作減值測試。該等無形資產並不予以攤銷。具無限年期的無形資產的可使用年期於每年作評估，以釐定無限可使用年期的評估是否繼續可靠。倘不再可靠，則可使用年期的評估自此起由按無限年期更改為有限年期。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

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

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

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

無形資產（不包括商譽）（續）

研究及開發成本

所有研究成本於產生時在損益內扣除。

開發新產品明確定義之項目所產生之支出，只有在本集團證明在技術上可以完成無形資產並該無形資產可供使用或出售、有意完成項目及有能力使用或出售資產、資產如何產生未來經濟利益、可動用資源以完成項目及能可靠衡量發展期間之開支時，方會撥充資本及遞延處理。若產品開發支出未符合上述條件，則於產生時列作支出。

遞延開發成本按成本減任何減值虧損列賬，並由產品開始投入商業生產當日起按相關產品的商業年期三年以直線法攤銷。

租賃

經營租約是指與一項資產所有權有關的幾乎全部回報和風險都歸出租人所有的租約。若本集團是出租人，則本集團根據經營租約出租的資產列作非流動資產，而根據經營租約應收的租金乃於租約期內，按直線法在損益中確認。若本集團是承租人，則根據經營租約應付的租金扣除從出租人得到的獎勵部份，均於租約期內，按直線法在損益中確認。

經營租約預付土地租約款項初始時以成本列賬，然後在租賃期按直線法確認。

經組約款項不能於土地及樓宇部分之間可靠分配，全部租約款項作為物業、廠房及設備融資租賃列入土地及樓宇成本。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill) (continued)

Research and development costs

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products of three years, commencing from the date when the products are put into commercial production.

Leases

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

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

投資及其他金融資產

初始確認與計量

金融資產在初始確認時屬於貸款及應收款項及可供出售金融投資（如適用）。金融資產初步確認時以公平值加上歸屬於收購金融資產的交易費用計量，惟按公平值記入損益賬之金融資產除外。

所有一般買賣之金融資產概於交易日（即本集團承諾買賣該資產之日期）予以確認。一般買賣乃指按照一般市場規定或慣例在一定期間內交付資產之金融資產買賣。

後續計量

金融資產之其後計量取決於其分類而定，分類如下：

貸款及應收賬款

貸款及應收賬款為有固定或可釐定付款且沒有在活躍市場上報價之非衍生金融資產。初始計量後，此等資產以利用實際利率法按攤銷成本減任何減值撥備計量。攤銷成本經計算及收購時之任何折讓或溢價後計算，並計入屬實際利率組成部份之費用或成本。實際利率攤銷包括在損益的財務收入。減值產生的虧損分別確認於損益的貸款之融資成本及應收賬款之其他支出。

可供出售金融投資

可供出售金融投資指非上市股權及債務證券之非衍生金融資產。分類為可供出售的股權投資為概無分類為持作買賣，亦無指定為按公平值記入損益表之股權投資。這類別的債務證券為有意持有一段不確定時間以及可因應流動資金需要及因應市場狀況變動而出售者。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets

Initial recognition and measurement

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

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

Subsequent measurement

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

Loans and receivables

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

Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in unlisted equity investments and debt securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

投資及其他金融資產（續）

可供出售金融投資（續）

於初始確認後，可供出售金融投資以公平值進行後續計量，其未變現盈虧則確認為可供出售金融投資重估儲備內的全面收入，直至投資被終止確認為止（屆時，累計盈虧會在損益中確認為其他收益）或直至投資被釐定為減值為止（屆時，累計盈虧從可供出售投資重估儲備重新分類至損益的其他支出）。持有可供出售金融投資所得利息及股息乃分別呈報為利息收入及股息收入，並根據下文所載「收入確認」之政策於損益內確認為其他收入。

當非上市股權投資之公平值無法根據(a)估計之合理公平值範圍之變動對該投資乃重大或(b)不同估計範圍之可能性無法作出合理評估及使用於估計之公平值，此等投資以成本減任何減值虧損計算。

本集團會評估其可供出售金融資產，以評估為近期出售的能力和意向是否仍然合適。在稀少情況下，當市場不活躍導致本集團無法買賣該等金融資產，如果管理層有能力及有意在可見將來持有有關資產或持有其至到期日，本集團可能選擇將該等財務資產重新分類。

當某項金融資產從可供出售金融資產中重新分類至其他時，成本或攤銷成本為重新分類日該金融資產的公平值，並將與其相關先前計入權益的收益或損失，在金融資產的剩餘年限按照有效利率攤銷，計入當期損益新的攤銷成本與到期日金額之間的差額，也應在該資產的剩餘年期按照有效利率法攤銷。如果資產其後確定已經減值，則記錄在股權的金額會重新分類至損益內。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Available-for-sale financial investments (continued)

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

When the fair value of unlisted equity investments cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost less any impairment losses.

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

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

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

不再確認之金融資產

金融資產（或倘適用，作為金融資產或類似金融資產組別之一部份）主要在下列情況不再確認（即從本集團的綜合財務狀況表移除）：

- 從資產收取現金流量之權利已屆滿；或
- 本集團已轉讓其從資產收取現金流量之權利，或已承擔根據「過手」安排而在沒有重大延誤下悉數將已收取現金流量支付有關第三者之責任；且(a)本集團已經將資產之大致所有風險及回報轉讓，或(b)本集團並無轉讓或保留資產之大致所有風險及回報，但已轉讓資產之控制權。

倘本集團已轉讓從資產收取現金流量之權利或已經訂立過手安排，其評估是否保留與該資產相關的風險和回報以及有關程度。如果其沒有轉讓或保留資產之大致所有風險及回報亦無轉讓資產之控制權，本集團會視乎持續參與的程度繼續確認已轉讓資產。在該情況下，本集團亦確認相關負債。轉讓的資產及相關負債按反映本集團保留的權利和責任的基準計量。

以擔保形式持續參與已轉移的資產，乃按資產原賬面值及本集團可能被要求償還的最高代價金額的較低者計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

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

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

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

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

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

金融資產減值

本集團於各報告期末評估有否任何客觀證據顯示金融資產或金融資產組別出現減值。如果資產初始確認後發生的一項或多項事件對金融資產或金融資產組的預計未來現金流量的影響能可靠地估計，則存在減值。減值證據可包括債務人或一組債務人發生重大財務困難，拖欠利息或本金的支付彼等很可能破產或進行其他財務重組，以及有可觀察數據表示預計未來現金流量出現可量度的減少，例如與拖欠相聯繫的欠款或經濟狀況的改變。

以攤銷成本列賬之金融資產

有關以攤銷成本列賬之金融資產，本集團首先單獨評估具個別重要性的金融資產或整體評估非具個別重要性的金融資產是否存在減值。如果本集團決定並無客觀證據表明個別評估的金融資產（不論是否具有重要性）出現減值，則會將該資產包括在一組信用風險特徵相似的金融資產，並集體評估減值。個別評估減值並確認或繼續確認減值的資產不會包括在集體減值評估中。

所辨認的任何減值虧損的金額乃按資產賬面值與估計未來現金流量之現值（不包括尚未發生的未來信用虧損）之差額計算。估計未來現金流量之現值利用金融資產原本實際利率（即於初步確認時計算之實際利率）折現。

資產之賬面值透過利用撥備賬而減少，虧損之金額在損益中確認。利息收入繼續按減少後的賬面值累計，利率為量度減值虧損時用以將未來現金流量貼現的利率。當並無實際跡象顯示可於未來收回及所有抵押已解除或已轉入本集團，貸款及應收款項及任何相關撥備會一併撇銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets

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

Financial assets carried at amortised cost

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

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

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

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

金融資產減值（續）

以攤銷成本列賬之金融資產（續）

倘於隨後期間，估計減值虧損之金額增加或減少，而其可客觀地與確認減值後發生之事件連繫，則透過調整撥備賬以增加或減少之前確認的減值虧損。如因撇銷金額其後收回，則收回金額會記入損益內之其他經營支出。

按成本列賬之資產

如有客觀證據顯示，因公平值不能可靠計量而未按公平值列賬之非上市股權工具出現減值虧損，或與一衍生資產掛鈎及必須交付與一非上市股權工具結算，虧損金額將按該資產的賬面值與按同類金融資產當時的市場回報率貼現之估計未來現金流量的現值之間之差額計量。此等資產減值虧損不予撥回。

可供出售金融投資

有關可供出售金融投資，本集團在每個報告期末評估是否存在客觀證據表明一項投資或一組投資出現減值。

倘一可供出售資產減值，一筆相等於其成本（扣除任何本金及攤銷）與其當時公平值差額，減去先前在損益中確認之任何減值虧損，乃由其他全面收入轉出，並在損益內確認。

在分類為可供出售的股權投資的情況下，客觀證據包括投資公平值大幅或長期跌至低於成本。「大幅」會因應投資原成本評估，而「長期」會考慮公平值低於其原成本的時間。如果存在減值證據，累積虧損（按收購成本與當時公平值兩者之間的差額，減投資先前在損益內確認的減值虧損計量）會從其他全面收入轉出，並在損益內確認。分類為可供出售股權工具之減值虧損，不會在損益中撥回。其公平值如果在減值後增加，會直接在其他全面收入中確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Financial assets carried at amortised cost (continued)

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

Assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

Available-for-sale financial investments

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

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

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

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

金融資產減值（續）

可供出售金融投資（續）

確定何為「大幅」或「長期」需要作出判斷。在作出此項判斷時，本集團評估（包括其他因素）某項投資的公平價值低於其成本的持續時間或數額。

金融負債

初始確認和計量

金融負債於初始確認時分類為按公平價值記入損益賬之金融負債、貸款和借款，或指定為有效對沖工具的衍生工具（視何者適用而定）。

初始確認時，所有金融負債均按公平價值確認，而貸款及借貸則扣除直接應佔交易成本確認。

本集團的金融負債包括應付貿易賬款、其他應付賬款、付息銀行借貸、應付一附屬公司一非控制股東賬款及應付一股東賬款。

其後計量

金融負債的計量視乎其分類如下：

貸款和借款

初始確認後，付息貸款和借款其後以實際利率法按攤銷成本計量，惟倘貼現之影響並不重大，於此情況下，則按成本列賬。倘負債被終止確認，則盈虧在損益中透過實際利率法攤銷程式確認。

攤銷成本計算時會考慮任何收購折讓或溢價以及構成實際利率整體部份的費用或成本。實際利率法攤銷包括在損益內的融資成本。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Available-for-sale financial investments (continued)

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, other payables, interest-bearing bank borrowings, an amount due to a non-controlling shareholder of a subsidiary, and an amount due to a shareholder.

Subsequent measurement

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

Loans and borrowings

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

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

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

金融負債（續）

財務擔保合同

本集團所發行的財務擔保合同指明債務人未有根據債務工具的條款於到期時付款，則須就持有人所招致的損失向其付款以補償持有人的合同。一份財務擔保合同初始計量按其公平值加直接歸屬於發出此等擔保的交易費用確認。初始確認後，本集團按以下兩者中的較高者計量財務擔保合同：(i) 於報告期末對結算現有義務所需支出的最佳估計金額；及(ii) 初始確認的金額減（若適用）累計攤銷額後的餘額。

終止確認金融負債

當負債之義務已被履行、取消或屆滿，該金融負債會予終止確認。

由同一貸款人改以重大不同條款代替之現存金融負債，或現存負債條款經重大修改，有關轉換或修訂被視作終止確認原來負債，並確認新負債，有關賬面值之差異於損益內確認。

金融工具的抵銷

倘目前在可行使合法權利將確認的金額互相抵銷，並有意按淨額基準結算，或同時變現該資產和清償該負債，則金融資產和金融負債會互相抵銷，在財務狀況表報告淨額。

存貨

存貨乃按成本值及可變現淨值兩者中較低者列賬。成本值按先進先出基準或加權平均法計算。如屬在製品及製成品，成本值則包括直接物料費用、直接工資及適當比例的製造經常成本。可變現淨值按估計售價減預期完成及售出所需的其他成本計算。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

Derecognition of financial liabilities

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

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

Offsetting of financial instruments

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

Inventories

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

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

現金及現金等值項目

就合併現金流量表而言，現金及現金等值項目包括手頭現金及活期存款及一般於購入後三個月內到期之可隨時轉換為已知金額現金但價值改變風險不大的短期高變現能力投資，減去須按要求償還的銀行透支，並為本集團現金管理的重要一環。

就綜合財務狀況表而言，現金及現金等值項目包括用途不受限制之手頭及銀行現金，包括定期存款及性質與現金相似而其使用不受限制的資產。

撥備

倘若由於過往事項產生現有法定或推斷責任，而解除責任可能需要未來資源流出，且該責任之金額能可靠衡量，則會確認撥備。

當貼現影響重大時，已確認的撥備金額為預期解除責任所需的未來支出於報告期末的現值。隨時間流逝而產生的貼現現值增加將計損益的融資成本內。

本集團就部份產品提供保用而計提的撥備乃按銷量及過往的維修及退回情況貼現至其現值（倘適用）確認入賬。

所得稅

所得稅包括本年度及遞延稅項。有關在損益以外確認的項目的所得稅，在其他全面收入或直接在股權中確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

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

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

Provisions

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

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

Provisions for product warranties granted by the Group on certain products are recognised based on sales volume and past experience of the level of repairs and returns, discounted to their present values as appropriate.

Income tax

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

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

所得稅（續）

本年度及過往期間之本年度稅務資產及負債，以在報告期末已執行的或實質上已執行的稅率（和稅法）為基礎，根據本集團經營所在國家的現行詮釋和相關常規，按預期從稅務機關收回或向稅務機關支付之款項計算。

遞延稅項乃採用按負債法於報告期末之資產及負債之稅基及其於財務報表中之賬面值的所有暫時性差異作出撥備。

除以下情況外，所有應課稅暫時性差異均被確認為遞延稅項負債：

- 倘若遞延稅項負債之產生是由於並非業務合併之交易中初始確認之資產或負債及不影響會計溢利或應計稅溢利或虧損除外；及
- 有關從附屬公司、一聯營公司及合資公司權益之投資中產生之應課稅暫時性差異，倘若撥回暫時性差異之時間是可受控制及暫時性差異於可預見之將來可能不會撥回除外。

遞延稅項資產乃就所有可扣減暫時性差額、結轉未動用稅項抵免及未動用稅項虧損確認，惟以將來有應課稅溢利可用於抵銷可扣減暫時性差額，及結轉未動用稅項抵免及未動用稅項虧損為限，除非：

- 遞延稅項資產關乎因資產或負債於一項非業務合併交易中被初步確認的可扣減暫時性差額，並於交易進行時既不影響會計溢利亦不影響應課稅溢利或虧損；及

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

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

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

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

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

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

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

所得稅（續）

- 就附屬公司、一聯營公司及合資公司投資的可扣減暫時性差額而言，遞延稅項資產的確認僅限於暫時性差異可能於可見將來逆轉而且將來有應課稅溢利抵銷可確認的暫時性差額。

遞延稅項資產之賬面值於每個報告期末審閱，並扣減至當不再可能有足夠之未來應計稅溢利讓所有或部份遞延稅項資產被動用為止。未確認遞延稅項資產於每個報告期末重評估，並在有可能有足夠應計稅溢利讓所有或部份遞延稅項資產被收回時可將過往未被確認之遞延稅項資產確認。

遞延稅項資產及負債以預期當資產被變現或負債被清還時之適用稅率衡量，並根據於報告期末已頒佈或大致上頒佈之稅率（及稅務法例）為基準。

倘有合法可執行權利將當期稅項資產及當期稅項負債抵銷，且遞延稅項資產每同一應課稅公司及同一稅務機構有關，則遞延稅項資產可與遞延稅項負債互相抵銷。

收入確認

收入乃於可能有經濟利益將流向本集團及收入能可靠衡量時按下列基準確認：

- 於貨品出售時，在擁有權之主要風險及回報轉嫁至買家時入賬，惟本集團須不再保持擁有權一般所涉及之管理或已售貨品之實際控制權；

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

- in respect of deductible temporary differences associated with investments in subsidiaries, an associate and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Revenue recognition

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

- from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

收入確認（續）

- (b) 服務費收入，於提供服務後確認；及
- (c) 利息收入，按應計基準使用實際利率法，以可將金融工具預計年期或較短期間（若適用）之估計日後現金回報貼現至此金融資產賬面淨值之比率計算。

僱員福利

退休金計劃

本集團根據強制性公積金計劃條例設立一項界定供款之強制性公積金退休福利計劃（「強積金計劃」），為所有僱員參與強積金計劃。供款按僱員基本薪金的若干百分比釐定並根據強積金計劃守則於需支付供款時在損益內扣除。強積金計劃之資產與本集團的其他資產分開處理，由一獨立管理之基金持有。在向強積金計劃供款時，本集團僱主供款將全數歸屬於僱員所有。

本集團為僱員（包括若干董事）設立一項界定供款僱員退休金計劃，該計劃依職業退休計劃條例註冊（「職業退休計劃」）。職業退休計劃的資產與本集團資產分開，由一個獨立管理的基金持有。供款按合資格僱員基本薪金的若干百分比釐定並於根據職業退休計劃守則於需支付供款時在損益內扣除。如僱員於其於僱主供款的權益尚未全數歸於僱員前退出職業退休計劃，有關被沒收的供款可能減少本集團的持續應付供款。

本集團於中國內地營運附屬公司之僱員須參與一項由當地市政府管理之中央退休金計劃。此等附屬公司須按彼等薪金成本之若干百分比，向該中央退休金計劃作出供款。此供款根據中央退休金計劃之規則，於應付時在損益內扣除。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

- (b) service fee income, when the services have been rendered; and
- (c) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Employee benefits

Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The Group also operates a defined contribution staff retirement scheme registered under the Occupational Retirement Schemes Ordinance (the "ORSO Scheme") for its employees (including certain directors), the assets of which are held separately from those of the Group in an independently administered fund. Contributions are made based on a percentage of the eligible employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the ORSO Scheme. When an employee leaves the ORSO Scheme prior to his/her interest in the Group's employer contributions vesting fully, the ongoing contributions payable by the Group may be reduced by the relevant amount of forfeited contributions.

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

借款成本

收購、建築或生產合資格資產（即有需要用投入大量時間準備作其擬定用途或出售的資產）直接應佔的借款成本撥作資本，作為該等資產的部份成本。該等借款成本在資產大致可用作其擬定用途或出售時不再撥作資本。擬用作合資格資產開支的特定借款作暫時投資所賺取的投資收入自撥作資本的借款成本中扣除。全部其他借貸成本於其產生期間支銷。借貸成本包括實體因借貸資金產生的利息及其他費用。

外幣

此等財務報表乃以港元（即本公司之功能及呈報貨幣）呈報。本集團內各公司釐訂本身之功能貨幣，而計入各公司財務報表之項目乃利用該功能貨幣而計量。本集團實體列賬之外幣交易初步按交易日期彼等各自適用的功能貨幣匯率入賬。以外幣計值之貨幣資產及負債，按報告期末之匯率再換算為功能貨幣。貨幣項目結算或換算產生的差額均計入損益內。

以外幣歷史成本計量的非貨幣項目按首次交易當日的匯率換算。以外幣公平值計量的非貨幣項目按釐定公平值當日的匯率換算。換算以公平值計量的非貨幣項目而產生的收益或虧損，按確認該項目的公平值變動的收益或虧損一致的方法處理（即其他全面收入或損益已確認的項目的公平值收益或虧損，其匯兌差額亦分別於其他全面收入或損益確認）。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

2.4 重大會計政策概要（續）

外幣（續）

若干海外附屬公司、合資公司及一聯營公司之功能貨幣為港元以外貨幣。於報告期末，此等企業之資產及負債按結算日適用之匯率換算為本公司之呈報貨幣，而此等企業之損益按本年內之加權平均匯率換算為港元。

所產生之匯兌差額計入其他全面收入及累計於匯兌波動儲備。出售海外企業時，於損益中確認與該具體海外業務有關之其他全面收入部份。

因收購海外業務所產生的商譽及收購中產生的對資產與負債賬面金額按公平值調整的調整額為海外業務的資產和負債，並根據期末匯率折算。

就綜合現金流量表而言，海外附屬公司之現金流量乃以現金流動日期適用之匯率換算為港元。海外附屬公司及合資公司於本年內產生之經常性現金流量以本年內之加權平均匯率換算為港元。

3. 主要會計估計

呈列本集團財務報表需要管理層作出影響所披露收入、開支、資產及負債之呈報金額、相關披露及或然負債之判斷，估計及假設。此等假設及估計之不確定因素可能導致需要對未來受影響資產或負債之賬面值作出重大調整。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

The functional currencies of certain overseas subsidiaries, joint ventures and an associate are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their profit or loss are translated into Hong Kong dollars at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries and joint ventures which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

3. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

3. 主要會計估計（續）

估計不確性

本集團於報告期末會對日後及其他主要來源之估計不確性作出重大假設，很大機會導致下一財政年度內之資產與負債之賬面值須作出重大調整之假設如下：

物業、廠房及設備項目減值

倘出現減值跡象時，管理層估計物業、廠房及設備項目的可回收金額。減值存在於當某一資產或某一現金產生單位的賬面價值超過其可回收金額時，可回收金額即其公平值減其出售成本與其使用價值的較高者。公平值減其出售成本的計算基於在類似資產公平交易中，具約束力銷售交易的可獲得的信息或客觀市場價格減處置該資產的增量成本。管理層計算現值時，須估計資產或現金產出單元的預期未來現金流量，並計及重大假設（包括估計未來收入）以及須選出合適的貼現率，以計算該等現金流量的現值。估計之變動將改變於變動年份調整之減值金額。於二零一六年十二月三十一日，物業、廠房及設備之賬面值為326,452,000港元（二零一五年：313,508,000港元）。

應收貿易賬款減值

本集團就其客戶未能作出所須付款而產生之估計損失保留撥備。本集團按應收貿易賬款結餘之賬齡、客戶信譽及過往之撇賬記錄作出估計。倘客戶之財務狀況變差，導致實際減值虧損比預期高，本集團可能須覆核作出撥備之基準，而其未來業績或會受到影響。於二零一六年十二月三十一日，應收貿易賬款之賬面值為43,546,000港元（二零一五年：20,300,000港元）。進一步詳情載於財務報表附註21。

3. SIGNIFICANT ACCOUNTING ESTIMATES (continued)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Impairment of items of property, plant and equipment

Management estimates the recoverable amounts of items of property, plant and equipment when an indication of impairment exists. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows, with key assumptions including estimated future revenue, from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. The change in estimates will change the impairment amount to be adjusted in the year of change. The carrying amount of property, plant and equipment at 31 December 2016 was HK\$326,452,000 (2015: HK\$313,508,000).

Impairment of trade receivables

The Group maintains an allowance for the estimated loss arising from the inability of its customers to make the required payments. The Group makes its estimates based on the ageing of its trade receivable balances, customers' creditworthiness, and historical write-off experience. If the financial condition of its customers was to deteriorate so that the actual impairment loss might be higher than expected, the Group would be required to revise the basis of making the allowance and its future results would be affected. The carrying amount of trade receivable at 31 December 2016 was HK\$43,546,000 (2015: HK\$20,300,000). Further details are given in note 21 to the financial statements.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

3. 主要會計估計（續）

估計不確性（續）

陳舊存貨撥備及撇減存貨至可變現淨值

本集團於各報告期末檢討其存貨之賬齡分析及其後銷售及用途，並於存在經識別不再適合使用或出售之陳舊及滯銷存貨項目時計提撥備。本集團存貨之估計可變現淨值主要基於最新售價及當時市況計算。於二零一六年十二月三十一日，存貨之賬面值為83,826,000港元（二零一五年：58,590,000港元）。

4. 業務分類資料

就管理而言，本集團根據產品及服務組織成業務單位，四個業務分類報告如下：

- (a) 金屬鎂產品分類為製造及銷售金屬鎂相關產品；
- (b) 個人通訊產品分類為設計、製造及銷售各種通訊產品；
- (c) 策略產品分類為設計、製造及銷售ODM產品及電子辭典產品及提供電子製造服務；及
- (d) 企業及其他分類為關於本集團投資業務之企業收入、開支、資產及負債項目。

3. SIGNIFICANT ACCOUNTING ESTIMATES (continued)

Estimation uncertainty (continued)

Provision for obsolete inventories and write-down of inventories to net realisable value

The Group reviews an ageing analysis of its inventories at the end of each reporting period and the subsequent sales and usage, and makes allowances if there are obsolete and slow-moving inventory items identified that are no longer suitable for use or selling. The estimated net realisable value of the Group's inventories is based primarily on the latest selling prices and current market conditions. The carrying amount of inventories at 31 December 2016 was HK\$83,826,000 (2015: HK\$58,590,000).

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

- (a) the magnesium products segment manufactures and sells magnesium related products;
- (b) the personal communication products segment designs, manufactures and sells a range of communications products;
- (c) the strategic products segment designs, manufactures and sells ODM products and electronic dictionary products and provides electronic manufacturing services; and
- (d) the corporate and others segment comprises corporate income, expenses, asset and liability items related to the Group's investment activities.

4. 業務分類資料（續）

管理層分開監督本集團各經營分類的業績，以決定如何分配資源及評估表現。分類表現據報告分類溢利／虧損評估，而其以經調整除稅前溢利／虧損計量。經調整除稅前溢利／虧損的計量與本集團除稅前溢利／虧損互相一致，惟此計量並不包括利息收入、融資成本、應佔合資公司及聯營公司溢利及虧損。

分類資產不包括合資公司及聯營公司之投資、可供出售投資、應收一聯營公司及合資公司賬款、已抵押存款、現金及現金等值項目、可收回稅項及其他未分配總公司資產，因此等資產是以集團為基礎管理。

分類負債不包括附息銀行借貸、應付一附屬公司一非控制股東賬款、應付一股東賬款及其他未分配總公司及企業負債，因此等負債是以集團為基礎管理。

分類間銷售及轉讓是參考銷售與第三者的普遍市場售價處理。

4. OPERATING SEGMENT INFORMATION (continued)

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that interest income, finance costs, share of profits and losses of joint ventures and an associate are excluded from this measurement.

Segment assets exclude investments in joint ventures and associate, available-for-sale investments, amounts due from associate and joint ventures, pledged deposits, cash and cash equivalents, tax recoverable and other unallocated head office assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank borrowings, an amount due to a non-controlling shareholder of a subsidiary, an amount due to a shareholder and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the prevailing market prices.

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

4. 業務分類資料（續）

4. OPERATING SEGMENT INFORMATION (continued)

截至二零一六年 十二月三十一日止年度	Year ended 31 December 2016	金屬鎂產品 Magnesium products 千港元 HK\$'000	個人通訊產品 Personal communication products 千港元 HK\$'000	策略產品 Strategic products 千港元 HK\$'000	企業及其他 Corporate and others 千港元 HK\$'000	總額 Total 千港元 HK\$'000
分類收入：	Segment revenue:					
銷售予外界客戶	Sales to external customers	132,021	58,692	172,963	—	363,676
分類業績	Segment results	(14,222)	(12,006)	(626)	(4,642)	(31,496)
對賬：	Reconciliation:					
利息收入	Interest income					623
一可供出售投資之減值	Impairment of an available-for-sale investment					(460)
融資成本	Finance costs					(1,362)
應佔合資公司溢利	Share of profits of joint ventures					1,695
應佔聯營公司虧損	Share of losses of an associate					(1)
稅前虧損	Loss before tax					(31,001)
分類資產	Segment assets	321,786	46,825	146,589	1,400	516,600
對賬：	Reconciliation:					
未分配資產	Unallocated assets					173,910
總資產	Total assets					690,510
分類負債	Segment liabilities	47,862	18,568	51,806	1,204	119,440
對賬：	Reconciliation:					
未分配負債	Unallocated liabilities					142,616
總負債	Total liabilities					262,056
其他分類資料：	Other segment information:					
折舊及攤銷	Depreciation and amortisation	20,153	1,954	6,071	1,075	29,253
遞延開發成本減值	Impairment of deferred development cost	—	358	1	—	359
資本開支	Capital expenditure	61,525	122	786	22	62,455*
出售物業、廠房及設備項目之收益	Gain on disposal of items of property, plant and equipment	—	(23)	(66)	—	(89)
滯銷存貨撥備	Provision of slow moving inventories	—	5,614	1,444	—	7,058
產品保證撥備	Product warranty provision	—	271	78	—	349
未用產品保證撥備撥回	Reversal of unutilised product warranty provision	—	(72)	—	—	(72)
撥回賬齡長之應計負債	Write-back of long-aged accruals	(3,059)	—	—	—	(3,059)
撥回其他應收賬款減值	Reversal of impairment of other receivables	—	—	(5,495)	—	(5,495)
撥回應收貿易賬款減值	Reversal of impairment of trade receivables	(279)	—	—	—	(279)
應收貿易賬款減值	Impairment of trade receivables	192	—	592	—	784

* 資本開支包含增添物業、廠房及設備。

* Capital expenditure consists of additions to property, plant and equipment.

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

4. 業務分類資料（續）

4. OPERATING SEGMENT INFORMATION (continued)

二零一五年四月一日至 二零一五年十二月三十一日期間	Period from 1 April 2015 to 31 December 2015	金屬鎂產品 Magnesium products 千港元 HK\$'000	個人通訊產品 Personal communication products 千港元 HK\$'000	策略產品 Strategic products 千港元 HK\$'000	企業及其他 Corporate and others 千港元 HK\$'000	總額 Total 千港元 HK\$'000
分類收入： 銷售予外界客戶	Segment revenue: Sales to external customers	—	33,345	106,192	—	139,537
分類業績 對賬：	Segment results Reconciliation:	(1,565)	(8,996)	(12,282)	(5,900)	(28,743)
利息收入	Interest income					65
出售附屬公司之收益	Gain on disposal of subsidiaries					179
議價收購收益	Gain on bargain purchase					28,746
融資成本	Finance costs					(934)
一合資公司投資之減值	Impairment of an investment in a joint venture					(180)
應佔合資公司溢利及虧損	Share of profits and losses of joint ventures					1,136
應佔一聯營公司虧損	Share of losses of an associate					(4)
稅前虧損	Profit before tax					265
分類資產 對賬：	Segment assets Reconciliation:	258,397	37,482	164,614	3,281	463,774
未分配資產	Unallocated assets					389,968
總資產	Total assets					853,742
分類負債 對賬：	Segment liabilities Reconciliation:	128,007	13,598	45,123	1,462	188,190
未分配負債	Unallocated liabilities					179,050
總負債	Total liabilities					367,240
其他分類資料：	Other segment information:					
折舊及攤銷	Depreciation and amortisation	793	1,560	5,240	945	8,538
遞延開發成本減值	Impairment of deferred development cost	—	—	237	—	237
資本開支	Capital expenditure	232,173	450	895	—	233,518*
出售物業、廠房及設備項目之收益	Gain on disposal of items of property, plant and equipment	—	(1)	(4)	—	(5)
滯銷存貨撥備	Provision of slow moving inventories	—	9	1,977	—	1,986
產品保證撥備	Product warranty provision	—	152	49	—	201
未用產品保證撥備撥回	Reversal of unutilised product warranty provision	—	(500)	—	—	(500)
撥回應收貿易賬款減值	Reversal of impairment of trade receivables	—	—	(229)	—	(229)
應收貿易賬款減值	Impairment of trade receivables	—	—	206	—	206

* 資本開支包含增添物業、廠房及設備、預付土地租賃款額及遞延開發成本，包括來自收購一附屬公司之資產。

* Capital expenditure consists of additions to property, plant and equipment, prepaid land lease payments and deferred development costs including assets from the acquisition of a subsidiary.

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

4. 業務分類資料(續)

地區資料

(a) 來自外界客戶之收入

4. OPERATING SEGMENT INFORMATION (continued)

Geographical information

(a) Revenue from external customers

		截至 二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間
		Year ended 31 December 2016 千港元 HK\$'000	Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000
日本	Japan	129,867	69,725
香港	Hong Kong	49,715	30,890
中東	Middle East	2,855	2,218
台灣	Taiwan	6,105	880
歐洲	Europe	17,371	11,945
中國(香港除外)	Mainland China (other than Hong Kong)	152,339	21,393
北美洲	North America	57	201
韓國	Korea	301	—
其他	Others	5,066	2,285
		363,676	139,537

上述之收入資料是根據客戶的所在地。

The revenue information above is based on the locations of the customers.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

4. 業務分類資料(續)

地區資料(續)

(b) 非流動資產

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
中國(香港除外)	Mainland China (other than Hong Kong)	365,988	365,503
香港	Hong Kong	8,289	9,385
其他	Others	29	40
		374,306	374,928

上述之非流動資產資料是根據資產的所在地，可供出售投資除外。

4. OPERATING SEGMENT INFORMATION (continued)

Geographical information (continued)

(b) Non-current assets

The non-current asset information above is based on the locations of the assets and excludes available-for-sale investments.

主要客戶資料

於本年度概無向單一客戶之銷售佔本集團之收入10%或以上。於過往期間，來自主要客戶之收入，其佔本集團之收入10%或以上，載列如下：

Information about major customers

No sales to a single customer contributed 10% or more of the Group's revenue during the current year. Revenue from a major customer which amounted to 10% or more of the Group's revenue in the prior period, is set out below:

二零一五年四月一日
至二零一五年
十二月三十一期間
Period from
1 April 2015 to
31 December 2015
Strategic products
千港元
HK\$'000

客戶甲	Customer A	14,981
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財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

5. 收入、其他收入及收益

收入即本年度／本期間內已出售貨品的發票價值淨額減去退貨及交易折扣撥備的金額。

收入、其他收入及收益淨額分析如下：

5. REVENUE AND OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts during the year/period.

An analysis of revenue and other income and gains, net is as follows:

		截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 千港元 HK\$'000	二零一五年 四月一日至 二零一五年 十二月三十一日 期間 Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000
收入	Revenue		
銷售貨物	Sale of goods	363,676	139,537
其他收入	Other income		
銀行利息收入	Bank interest income	623	65
服務費收入	Service fee income	3,729	3,260
銷售廢料	Sales of scrap materials	3,514	2,036
其他	Others	8,347	5,987
		16,213	11,348
其他收益，淨額	Other gains, net		
出售物業、廠房及設備 項目之收益	Gain on disposal of items of property, plant and equipment	89	5
出售附屬公司之收益	Gain on disposals of subsidiaries	—	179
匯兌差額，淨額	Foreign exchange difference, net	3,447	—
		3,536	184
其他收入及收益總額	Total other income and gains	19,749	11,532

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

6. 稅前(虧損)/溢利

本集團之稅前(虧損)/溢利已扣除/
(計入)下列各項：

6. (LOSS)/PROFIT BEFORE TAX

The Group's (loss)/profit before tax is arrived at after
charging/(crediting):

			截至 二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間
			Year ended 31 December 2016	Period from 1 April 2015 to 31 December 2015
	附註 Notes		千港元 HK\$'000	千港元 HK\$'000
售出存貨成本 [#]	Cost of inventories sold [#]		295,189	102,229
折舊	Depreciation	13	27,738	7,717
預付土地租賃款額之確認	Recognition of prepaid lease payments	14	1,118	393
研發開支：	Research and development expenses:			
已攤銷之遞延開發成本	Deferred development costs amortised	15	397	428
遞延開發成本減值	Impairment of deferred development costs	15	359	237
本年度支出	Current year expenditure		19,342	15,476
			20,098	16,141
土地及樓宇經營租賃下 之最低租賃款項	Minimum lease payments under operating leases in respect of land and buildings		4,115	4,345
核數師酬金	Auditors' remuneration		1,700	1,530
僱員福利開支 (包括董事薪酬)：	Employee benefit expense (including directors' remuneration)			
工資、薪金及實物福利	Wages and salaries and benefits in kind		93,205	70,180
養老金計劃供款	Pension scheme contributions		2,512	4,411
			95,717	74,591
閒置產能之經營支出*	Operating expense due to the idle capacity*		25,066	—
出售物業、廠房及設備 項目之收益	Gain on disposal of items of property, plant and equipment		(89)	(5)
匯兌差額，淨額	Foreign exchange differences, net		(3,447)	(1,116)
滯銷存貨撥備 [#]	Provision of slow moving inventories [#]		7,058	1,986
產品保證撥備	Product warranty provision	27	349	201
未用保證撥備撥回	Reversal of unutilised warranty provision	27	(72)	(500)
賬齡較久之應計負債撥回	Write-back of long-aged accruals		(3,059)	—
一合資公司投資之減值*	Impairment of an investment in a joint venture*	16	—	180
一可供出售投資之減值*	Impairment of an available-for-sale investment*		460	—
應收貿易賬款減值**	Impairment of trade receivables**	21	784	206
撥回應收貿易賬款減值**	Reversal of impairment of trade receivables**	21	(279)	(229)
撥回其他應收賬款減值***	Reversal of impairment of other receivables***	22	(5,495)	—
議價收購收益(經重列)	Gain on bargain purchase (restated)	34	—	(28,746)

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

6. 稅前(虧損)/溢利(續)

- # 包含於綜合損益及其他全面收入表之「銷售成本」
- * 包含於綜合損益及其他全面收入表之「其他經營支出，淨額」
- ** 包含於綜合損益及其他全面收入表之「銷售及分銷支出」
- *** 包含於綜合損益及其他全面收入表之「行政支出」

6. (LOSS)/PROFIT BEFORE TAX (continued)

- # Included in "Cost of sales" in the consolidated statement of profit or loss and other comprehensive income
- * Included in "Other operating expenses, net" in the consolidated statement of profit or loss and other comprehensive income
- ** Included in "Selling and distribution expenses" in the consolidated statement of profit or loss and other comprehensive income
- *** Included in "Administrative expenses" in the consolidated statement of profit or loss and other comprehensive income

7. 融資成本

7. FINANCE COSTS

		截至 二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間
		Year ended 31 December 2016 千港元 HK\$'000	Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000
於5年內全數償還之 銀行借貸利息	Interest on bank borrowings wholly repayable within five years	1,362	934

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

8. 董事酬金

根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條以及《公司(披露董事利益資料)規例》第2部須予披露年內董事酬金如下：

8. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	截至 二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間
	Year ended 31 December 2016 千港元 HK\$'000	Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000
袍金	183	165

(a) 獨立非執行董事

已於本年內／期間向獨立非執行董事支付的袍金如下：

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year/period were as follows:

	截至 二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間
	Year ended 31 December 2016 千港元 HK\$'000	Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000
鄭炳文	30	30
張省本	30	30
陳剛*	6	30
關毅傑**	17	—
	83	90

於本年度內並無向獨立非執行董事支付其他酬金(二零一五年四月一日至二零一五年十二月三十一日期間：無)。

There were no other emoluments payable to the independent non-executive directors during the year (Period from 1 April 2015 to 31 December 2015: Nil).

* 陳剛先生已辭任本公司獨立非執行董事，於二零一六年三月七日生
效。

* Mr. Chen Gang resigned as independent non-executive directors of the Company with effect from 7 March 2016.

** 關毅傑先生已獲委任為本公司獨立非執行董事，於二零一六年六月六日生
效。

** Mr. Kwan Ngai Kit was appointed as an independent non-executive director of the Company with effect from 6 June 2016.

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

8. 董事酬金（續）

(b) 執行董事及非執行董事

已於本年內／期間向執行董事及非執行董事支付的袍金如下：

		截至 二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間
		Year ended 31 December 2016 千港元 HK\$'000	Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000
執行董事：	Executive directors:		
沈世捷	Shum Sai Chit	—	—
池碧芬	Chi Bi Fen	—	—
非執行董事：	Non-executive director:		
孟健	Meng Jian	100	75
譚偉豪太平紳士	Tam Wai Ho, Samson JP	—	—
		100	75

於本年度內並無向執行董事及非執行董事支付其他酬金（二零一五年四月一日至二零一五年十二月三十一日期間：無）。

於本年度內，並無董事訂立任何放棄或同意放棄任何酬金之安排（截至二零一五年三月三十一日止期間：無）。

8. DIRECTORS' REMUNERATION (continued)

(b) Executive directors and non-executive directors

The fees paid to executive directors and non-executive directors during the year/period were as follows:

		截至 二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間
		Year ended 31 December 2016 千港元 HK\$'000	Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000
執行董事：	Executive directors:		
Shum Sai Chit		—	—
Chi Bi Fen		—	—
非執行董事：	Non-executive director:		
Meng Jian		100	75
Tam Wai Ho, Samson JP		—	—
		100	75

There were no other emoluments payable to the executive directors and non-executive directors during the year (Period from 1 April 2015 to 31 December 2015: Nil).

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (Period ended 31 December 2015: Nil).

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

9. 五名最高薪僱員

並非本公司董事之五名最高薪僱員的薪金詳情如下：

9. FIVE HIGHEST PAID EMPLOYEES

Details of the remuneration for the five highest paid employees who are not a director of the Company are as follows:

		截至 二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間
		Year ended 31 December 2016 千港元 HK\$'000	Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000
薪金、津貼及實物利益	Salaries, allowances and benefits in kind	5,177	4,008
退休計劃供款	Pension scheme contributions	203	137
		5,380	4,145

薪酬處於以下範圍之非董事及非行政總裁最高薪僱員之人數如下：

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

		僱員人數 Number of employees	
		截至 二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間
		Year ended 31 December 2016	Period from 1 April 2015 to 31 December 2015
零至1,000,000港元	Nil to HK\$1,000,000	3	4
1,000,001港元至 1,500,000港元	HK\$1,000,001 to HK\$1,500,000	2	1
		5	5

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

10. 所得稅

由於本年度本公司及其附屬公司並無產生任何香港應課稅溢利，故並無作出香港利得稅撥備（二零一五年四月一日至二零一五年十二月三十一日期間：無）。其他地區之應課稅溢利稅項乃根據本集團經營業務所在之國家或司法權區按當地適用稅率計算。

10. INCOME TAX

No provision for Hong Kong profits tax has been made as the Company and its subsidiaries did not generate any assessable profits arising in Hong Kong during the year (Period from 1 April 2015 to 31 December 2015: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

		截至 二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間
		Year ended 31 December 2016 千港元 HK\$'000	Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000
即期 — 其他地區 本年度／期間扣除	Current – Elsewhere Charge for the year/period	22	—

適用於稅前溢利／（虧損）並以本公司及其大多數附屬公司所在國家／司法權區法定稅率計算之稅項支出／（抵免）與以實際稅率計算之稅項支出對賬，以及適用稅率（即法定稅率）與實際稅率之對賬如下：

A reconciliation of the tax expense/(credit) applicable to profit/(loss) before tax at the statutory rates for the countries/jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

		截至二零一六年 十二月三十一日止年度 Year ended 31 December 2016 千港元 HK\$'000	%	二零一五年四月一日 至二零一五年 十二月三十一日期間 Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000 (經重列) (restated)	%
稅前溢利／（虧損）	Profit/(loss) before tax	(31,001)		265	
按法定稅率計算之稅項	Tax at the statutory tax rates	(6,858)	22.1	160	60.4
應佔合資公司及聯營公 司溢利及虧損	Profits and losses attributable to joint ventures and an associate	(279)	0.9	(187)	(70.6)
毋須納稅之收入	Income not subject to tax	(1,587)	5.1	(5,828)	(2199.3)
不可扣稅之支出	Expenses not deductible for tax	6,381	(20.6)	4,192	1581.9
未被確認之稅項虧損	Tax losses not recognised	6,210	(20.0)	4,115	1552.8
過往期間動用之稅項 虧損	Tax losses utilised from previous periods	(3,845)	12.4	(2,452)	(925.3)
按本集團實際稅率計算 之稅項支出	Tax charge at the Group's effective rates	22	(0.1)	—	—

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

11. 股息

董事會不建議就截至二零一六年十二月三十一日止年度及二零一五年四月一日至二零一五年十二月三十一日期間派付任何股息。

12. 本公司普通股股權持有人應佔每股（虧損）／盈利

每股基本虧損乃根據本公司普通股股權持有人應佔年度虧損29,485,000港元（二零一五年四月一日至二零一五年十二月三十一日期間：溢利268,000港元（經重列））及該年度普通股之加權平均數2,874,390,058股（二零一五年：2,038,203,859股）計算。

本集團在截至二零一六年十二月三十一日止年度及二零一五年四月一日至二零一五年十二月三十一日期間並無已發行潛在攤薄普通股。

11. DIVIDEND

The board of directors does not recommend the payment of any dividend for the year ended 31 December 2016 and for the period from 1 April 2015 to 31 December 2015.

12. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the Company of HK\$29,485,000 (Period from 1 April 2015 to 31 December 2015: profit of HK\$268,000 (restated)) and the weighted average number of ordinary shares of 2,874,390,058 (2015: 2,038,203,859) during the year.

The Group had no potentially dilutive ordinary shares in issue during the year ended 31 December 2016 and for the period from 1 April 2015 to 31 December 2015.

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

13. 物業、廠房及設備

13. PROPERTY, PLANT AND EQUIPMENT

		租賃土地 及樓宇 Leasehold land and buildings 千港元 HK\$'000	在建工程 Construction in progress 千港元 HK\$'000	租賃物業裝修 Leasehold improvements 千港元 HK\$'000	傢具、裝置 及設備 Furniture, fixtures and equipment 千港元 HK\$'000	廠房及機器 Plant and machinery 千港元 HK\$'000	工具及工模 Tooling and moulds 千港元 HK\$'000	汽車 Motor vehicles 千港元 HK\$'000	總額 Total 千港元 HK\$'000
二零一六年十二月三十一日	31 December 2016								
於二零一五年十二月三十一日及 二零一六年一月一日：	At 31 December 2015 and 1 January 2016:								
成本	Cost	259,478	—	20,202	77,408	170,576	128,699	9,037	665,400
累計折舊	Accumulated depreciation	(38,306)	—	(19,018)	(73,211)	(87,136)	(127,160)	(7,061)	(351,892)
賬面淨值	Net carrying amount	221,172	—	1,184	4,197	83,440	1,539	1,976	313,508
於二零一六年一月一日， 已扣除累計折舊	At 1 January 2016, net of accumulated depreciation	221,172	—	1,184	4,197	83,440	1,539	1,976	313,508
添置	Additions	2,486	34,661	66	372	22,749	556	1,565	62,455
轉讓	Transfer	672	(17,902)	—	—	17,230	—	—	—
本年度計提折舊	Depreciation provided during the year	(8,952)	—	(737)	(909)	(15,221)	(1,283)	(636)	(27,738)
出售	Disposal	—	—	—	—	—	—	(59)	(59)
匯兌重列	Exchange realignment	(13,798)	(814)	(18)	(221)	(6,687)	(31)	(145)	(21,714)
於二零一六年十二月三十一日， 已扣除累計折舊	At 31 December 2016, net of accumulated depreciation	201,580	15,945	495	3,439	101,511	781	2,701	326,452
於二零一六年十二月三十一日：	At 31 December 2016:								
成本	Cost	248,838	15,945	20,250	77,559	203,868	129,224	10,398	706,082
累計折舊	Accumulated depreciation	(47,258)	—	(19,755)	(74,120)	(102,357)	(128,443)	(7,697)	(379,630)
賬面淨值	Net carrying amount	201,580	15,945	495	3,439	101,511	781	2,701	326,452

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

13. 物業、廠房及設備（續）

13. PROPERTY, PLANT AND EQUIPMENT (continued)

		租賃土地 及樓宇 Leasehold land and buildings 千港元 HK\$'000	租賃物業裝修 Leasehold improvements 千港元 HK\$'000	傢具、裝置 及設備 Furniture, fixtures and equipment 千港元 HK\$'000	廠房及機器 Plant and machinery 千港元 HK\$'000	工具及工模 Tooling and moulds 千港元 HK\$'000	汽車 Motor vehicles 千港元 HK\$'000	總額 Total 千港元 HK\$'000
二零一五年十二月三十一日 31 December 2015								
於二零一五年四月一日：	At 1 April 2015:							
成本	Cost	150,630	20,961	78,755	93,640	129,988	7,820	481,794
累計折舊	Accumulated depreciation	(36,842)	(19,165)	(74,152)	(89,022)	(127,199)	(6,949)	(353,329)
賬面淨值	Net carrying amount	113,788	1,796	4,603	4,618	2,789	871	128,465
於二零一五年四月一日， 已扣除累計折舊	At 1 April 2015, net of accumulated depreciation	113,788	1,796	4,603	4,618	2,789	871	128,465
添置	Additions	—	—	159	618	282	—	1,059
收購一附屬公司(附註34)	Acquisition of a subsidiary (note 34)	117,431	—	222	81,726	—	1,431	200,810
本期間計提折舊	Depreciation provided during the period	(2,911)	(572)	(599)	(1,859)	(1,475)	(301)	(7,717)
匯兌重列	Exchange realignment	(7,136)	(40)	(188)	(1,663)	(57)	(25)	(9,109)
於二零一五年十二月三十一日， 已扣除累計折舊	At 31 December 2015, net of accumulated depreciation	221,172	1,184	4,197	83,440	1,539	1,976	313,508
於二零一五年十二月三十一日：	At 31 December 2015:							
成本	Cost	259,478	20,202	77,408	170,576	128,699	9,037	665,400
累計折舊	Accumulated depreciation	(38,306)	(19,018)	(73,211)	(87,136)	(127,160)	(7,061)	(351,892)
賬面淨值	Net carrying amount	221,172	1,184	4,197	83,440	1,539	1,976	313,508

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

13. 物業、廠房及設備（續）

本集團之租賃土地及樓宇於報告期末之賬面淨值分析如下：

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
於香港之中年期租約	Medium term leases in Hong Kong	6,965	7,245
於中國內地之中年期租約	Medium term leases in Mainland China	194,615	213,927
		201,580	221,172

於二零一六年十二月三十一日，本集團一幢賬面淨值約6,965,000港元之樓宇（二零一五年：7,245,000港元）已被抵押以獲得本集團所獲授之銀行信貸額（附註26）。

於二零一六年十二月三十一日，本集團若干位於中國大陸之樓宇（賬面淨值約為104,703,000港元（二零一五年：114,902,000港元））正申領房地產權證。

13. PROPERTY, PLANT AND EQUIPMENT (continued)

The net book values of the Group's leasehold land and buildings at the end of the reporting period are analysed as follows:

At 31 December 2016, a building of the Group with a net carrying amount of approximately HK\$6,965,000 (2015: HK\$7,245,000) was pledged to secure banking facilities granted to the Group (note 26).

At 31 December 2016, certain buildings of the Group with a net carrying amount of approximately HK\$104,703,000 situated in mainland China (2015: HK\$114,902,000) was in process of obtaining building ownership certificates.

14. 預付土地租賃款額

14. PREPAID LAND LEASE PAYMENTS

		截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 千港元 HK\$'000	二零一五年 四月一日至 二零一五年 十二月三十一日 期間 Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000
於年／期初之賬面值	Carrying amount at the beginning of year/period	46,841	16,654
收購附屬公司（附註34）	Acquisition of a subsidiary (note 34)	—	31,363
於本年度／期間已確認（附註6）	Recognised during the year/period (note 6)	(1,118)	(393)
匯兌重列	Exchange realignment	(2,505)	(783)
於年／期末之賬面值	Carrying amount at the end of the year/period	43,218	46,841
列入預付款項、按金及 其他應收賬款之流動部份	Current portion included in prepayments, deposits and other receivables	(1,115)	(1,173)
非流動部份	Non-current portion	42,103	45,668

租賃土地於中國內地按中期租約持有。

The leasehold lands are held under medium term leases and are situated in Mainland China.

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

15. 遞延開發成本

15. DEFERRED DEVELOPMENT COSTS

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
於年／期初：	At the beginning of the year/period:		
成本	Cost	41,068	40,843
累計攤銷及減值	Accumulated amortisation and impairment	(40,312)	(39,708)
賬面淨值	Net carrying amount	756	1,135
於年／期初之成本， 已扣除累計攤銷 及減值	Cost, net of accumulated amortisation and impairment at the beginning of the year/period	756	1,135
添置—內部開發	Additions — internal development	—	286
本年度／期間計提攤銷 (附註6)	Amortisation provided during the year/period (note 6)	(397)	(428)
年／期內減值(附註6)	Impairment during the year/period (note 6)	(359)	(237)
於年／期末	At the end of the year/period	—	756
於年／期末：	At the end of the year/period:		
成本	Cost	41,068	41,068
累計攤銷及減值	Accumulated amortisation and impairment	(41,068)	(40,312)
賬面淨值	Net carrying amount	—	756

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

16. 合資公司之投資

16. INVESTMENTS IN JOINT VENTURES

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
應佔資產淨值	Share of net assets	4,823	3,713
收購商譽	Goodwill on acquisition	6,680	6,680
		11,503	10,393
應收—合資公司賬款	Amounts due from a joint venture	539	577
減：減值 [#]	Less: Impairment [#]	(6,680)	(6,680)
		5,362	4,290
應收—合資公司賬款—流動	Amounts due from a joint venture — current	133	885

應收—合資公司賬款乃包括於合資公司之投資中，為無抵押、免息及將不會在報告期末後十二個月內償還，故於綜合財務狀況表內列為非流動。

應收—合資公司賬款 133,000 港元（二零一五年：885,000 港元）乃包括於本集團流動資產中，為無抵押、免息及無固定還款期。

[#] 由於董事經參考一合資公司之業務表現（由被投資者之管理層編製）檢討於一合資公司之投資賬面值後，認為有關金額僅有一部分將可收回，故已就該合資公司之投資賬面值 8,232,000 港元（二零一五年：7,851,000 港元）（未扣除減值虧損前）確認減值 6,680,000 港元（二零一五年：6,680,000 港元）。

The amounts due from a joint venture included in investments in joint ventures are unsecured, interest-free and are not repayable within twelve months from the end of the reporting period and are therefore shown in the consolidated statement of financial position as non-current.

The amounts due from a joint venture of HK\$133,000 (2015: HK\$885,000) included in the Group's current assets, are unsecured, interest-free and have no fixed term of repayment.

[#] Impairment of HK\$6,680,000 (2015: HK\$6,680,000) was recognised for an investment in a joint venture with a carrying amount of HK\$8,232,000 (2015: HK\$7,851,000) (before deducting the impairment loss) because the directors have reviewed the carrying amount of the investment in that joint venture with reference to its business performances prepared by the investee's management, and considered that only a portion of the amount could be recoverable.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

16. 合資公司之投資（續）

應收一合資公司賬款減值及於一合資公司之投資減值撥備之變動如下：

16. INVESTMENTS IN JOINT VENTURES (continued)

The movements in the provision for impairment of an amount due from a joint venture and an investment in a joint venture are as follows:

		截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 千港元 HK\$'000	二零一五年 四月一日至 二零一五年 十二月三十一日 期間 Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000
於年／期初 減值虧損確認(附註6)	At the beginning of year/period Impairment loss recognised (note 6)	6,680 —	6,500 180
於年／期末	At the end of year/period	6,680	6,680

本集團主要合資公司之詳情如下：

Particulars of the Group's principal joint ventures are as follows:

名稱 Name	所持註冊股本 之詳情 Particulars of registered capital held	註冊及營商地點 Place of registration and business	百分比 Percentage of			主要業務 Principal activities
			所有權權益 Ownership interest	表決權 Voting power	分成 Profit sharing	
重慶新標醫療設備有限公司(「重慶新標」) Chongqing New Standard Medical Equipment Co., Ltd*	人民幣 5,401,550 元 RMB5,401,550	中國／中國內地 The PRC/ Mainland China	19.78	20	19.78	製造及銷售電子醫療 器械 Manufacture and trading of electronic medical appliances
深圳創新易購有限公司*	人民幣 15,000 元 RMB15,000	中國／中國內地 The PRC/ Mainland China	50	50	50	網上銷售電子產品 Online trading of electronic products

* 未經香港安永會計師事務所或其他安永會計師事務所國際成員所審核

* Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network

以上在合資公司的投資由本公司間接持有。

The above investments in joint ventures are indirectly held by the Company.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

16. 合資公司之投資（續）

下表列示本集團個別不屬重大性質的合資公司之財務資料總值：

16. INVESTMENTS IN JOINT VENTURES

The following table illustrates the aggregate financial information of the Group's joint ventures that are not individually material:

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
本年度／期間應佔合資公司溢利	Share of the joint ventures' profit for the year/period	1,695	1,136
本年度／期間應佔合資公司全面收入總額	Share of the joint ventures' total comprehensive income for the year/period	1,695	1,136
股息收入	Dividend received	585	—
本集團於合資公司投資之賬面總值	Aggregate carrying amount of the Group's investments in the joint ventures	4,823	3,713

17. 聯營公司之投資

17. INVESTMENT IN AN ASSOCIATE

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
應佔資產淨值	Share of net assets	17	18

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

17. 聯營公司之投資（續）

聯營公司之詳情如下：

名稱	所持 註冊股本 之詳情	註冊及 營商地點	本集團應佔 所有權權益 之百分比 Percentage of ownership interest attributable to the Group	主要業務
Name	Particulars of registered capital held	Place of registration and business		Principal activities
廣州中智電子設備有限公司*	人民幣 100 元 RMB100	中國／中國內地 The PRC/ Mainland China	30	暫停業務 Dormant

* 未經香港安永會計師事務所或其他安永會計師事務所國際成員所審核

* Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network

本集團擁有之聯營公司股權包括由本公司一全資附屬公司持有之股權股份。

The Group's shareholdings in the associate comprise equity shares held through a wholly-owned subsidiary of the Company.

下表列示本集團不屬重大性質的聯營公司之財務資料總值：

The following table illustrates the financial information of the Group's associate that is not material:

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
本年度／期間應佔 聯營公司虧損	Share of the associate's loss for the year/period	(1)	(4)
本年度／期間應佔 聯營公司全面虧損總額	Share of the associate's total comprehensive loss for the year/period	(1)	(4)
本集團於一聯營公司 投資之賬面總值	Aggregate carrying amount of the Group's investment in an associate	17	18

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

18. 可供出售投資

18. AVAILABLE-FOR-SALE INVESTMENTS

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
非流動	Non-current		
非上市股權投資，按成本	Unlisted equity investments, at cost	32,680	32,680
減：減值 [#]	Less: Impairment [#]	(25,840)	(25,380)
		6,840	7,300
流動	Current		
非上市債權投資，按公平值	Unlisted debt investments, at fair value	22,245	—

[#] 由於投資表現欠佳，故已就賬面值 32,680,000 港元（扣除減值虧損前）（二零一五年：32,680,000 港元）之非上市股權投資確認減值 25,840,000 港元（二零一五年：25,380,000 港元）。

上述投資包括非上市股權證券及債權投資，其指定作為可供出售投資。

於二零一六年十二月三十一日，非上市股權投資因以合理公平值估算範圍之差異有重大波幅，同時董事認為公平值不能可靠地衡量而以成本減去減值列值。

[#] Impairment of HK\$25,840,000 (2015: HK\$25,380,000) was recognised for unlisted equity investments with a carrying amount of HK\$32,680,000 (before deducting the impairment loss) (2015: HK\$32,680,000) due to the non-performance of these investments.

The above investments consist of investments in unlisted equity securities and debt investments which were designated as available-for-sale investments.

As at 31 December 2016, the unlisted equity investments were stated at cost less impairment because the range of reasonable fair value estimates was so significant that the directors were of the opinion that their fair value cannot be measured reliably.

19. 長期按金

資產概無過期或減值。與按金有關之金融資產在近期並無拖欠記錄。

19. LONG TERM DEPOSITS

None of the assets is either past due or impaired. The financial assets relate to deposits for which there was no recent history of default.

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

20. 存貨

20. INVENTORIES

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
原材料	Raw materials	41,148	37,846
在製品	Work in progress	14,459	9,963
製成品	Finished goods	28,219	10,781
		83,826	58,590

21. 應收貿易賬款

21. TRADE RECEIVABLES

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
應收貿易賬款	Trade receivables	60,599	37,085
減值	Impairment	(17,053)	(16,785)
		43,546	20,300

本集團與其客戶之貿易主要以信貸形式進行。付款期一般介乎30至90天。每個客戶皆有最大信貸額度。本集團務求維持對其未償付之應收款項進行嚴格控制並且信貸風險降至最低。高級管理層定期審閱逾期之餘額。鑒於上文所述，加上本集團之應收貿易賬款與為數眾多而分散之客戶有關，故信貸風險並無重大集中。本集團並無就其應收貿易賬款結餘持有任何抵押品或其他信貸提升保障。應收貿易賬款不計利息。

The Group's trading terms with its customers are mainly on credit. The credit period is generally 30 to 90 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables related to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are interest-free.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

21. 應收貿易賬款（續）

以下為應收貿易賬款於報告期末，按付款到期日（扣除撥備）之賬齡分析：

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
少於60天	Within 60 days	41,659	19,101
61至90天	61 to 90 days	858	127
超過90天	Over 90 days	1,029	1,072
		43,546	20,300

以下為應收貿易賬款於報告期末，按發票日（扣除撥備）之賬齡分析：

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
少於60天	Within 60 days	41,357	18,835
61至90天	61 to 90 days	1,155	284
超過90天	Over 90 days	1,034	1,181
		43,546	20,300

21. TRADE RECEIVABLES (continued)

An ageing analysis of the trade receivables as at the end of the reporting period, based on the payment due dates and net of provisions, is as follows:

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

21. 應收貿易賬款（續）

應收貿易賬款減值撥備之變動如下：

21. TRADE RECEIVABLES (continued)

The movements in the provisions for impairment of trade receivables are as follows:

		截至 二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間
		Year ended 31 December 2016 千港元 HK\$'000	Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000
於年／期初	At the beginning of year/period	16,785	17,765
減值虧損確認(附註6)	Impairment losses recognised (note 6)	784	206
減值虧損撥回(附註6)	Impairment losses reversed (note 6)	(279)	(229)
已撇賬作不可收回之賬款	Amounts written off as uncollectible	(237)	(957)
於年／期末	At the end of year/period	17,053	16,785

上述應收貿易賬款減值撥備包括個別經減值應收貿易賬款之撥備17,053,000港元(二零一五年：16,785,000港元)，其總賬面值為17,835,000港元(二零一五年：16,785,000港元)。個別經減值應收貿易賬款與客戶拖欠或遲繳款項有關，預期此等應收賬款不可收回。

Included in the above provision for impairment of trade receivables is a provision for individually impaired trade receivables of HK\$17,053,000 (2015: HK\$16,785,000) with a gross carrying amount of HK\$17,835,000 (2015: HK\$16,785,000). The individually impaired trade receivables relate to customers that were in default or delinquency in payments and the receivables are not expected to be recovered.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

21. 應收貿易賬款（續）

並無個別或共同視為須予減值之應收貿易賬款之賬齡分析如下：

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
未過期亦無減值	Neither past due nor impaired	38,779	18,362
過期一至兩個月	1 to 2 months past due	2,880	739
過期兩至三個月	2 to 3 months past due	567	127
過期超過三個月	Over 3 months past due	538	1,072
		42,764	20,300

未過期亦無減值之應收賬款屬於在近期並無拖欠記錄的大批分散客戶。

已過期但無減值之應收賬款屬於本集團多個記錄良好的獨立客戶。根據過往記錄，本公司董事認為，由於信貸質素並無重大改變，並認為結餘仍可全數收回，故無須就此等結餘作出減值撥備。

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

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

22. 預付款項、按金及其他應收賬款

22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
預付款項	Prepayments	12,082	3,041
按金	Deposits	3,978	4,221
其他應收款項	Other receivables	26,163	34,569
減值	Impairment	(22,072)	(27,567)
		20,151	14,264

按金概無過期或減值。減值撥備與其他應收賬款有關。

None of the deposits is either past due or impaired. The provision for impairment relates to other receivables.

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

22. 預付款項、按金及其他應收賬款（續）

上述預付款項、按金及其他應收賬款之減值撥備包括22,072,000港元（二零一五年：27,567,000港元）之撥備，其賬面值為22,072,000 港元（二零一五年：27,567,000港元）。個別經減值其他應收賬款與其他應收賬款拖欠或遲繳款項有關，預期僅可收回此等應收賬款之一部份或不可收回此等應收賬款。本集團並無就此等結餘持有任何抵押品或其他信貸提升保障。其餘其他應收賬款概未過期亦無減值及屬於大批在近期並無拖欠記錄之獨立人士。

預付款項、按金及其他應收賬款之減值撥備之變動如下：

22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

Included in the above provision for impairment of prepayments, deposits and other receivables are provisions of HK\$22,072,000 (2015:HK\$27,567,000) with a carrying amount of HK\$22,072,000 (2015: HK\$27,567,000). The individually impaired other receivables relate to other receivables that were in default or delinquency in payments and only a portion or none of the receivables is expected to be recovered. The Group does not hold any collateral or other credit enhancements over this balance. The remaining balance of other receivables is neither past due nor impaired and relates to a large number of independent parties for whom there was no recent history of default.

The movements in the provision for impairment of prepayments, deposits and other receivables are as follows:

		截至 二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間
		Year ended 31 December 2016 千港元 HK\$'000	Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000
於年／期初	At the beginning of year/period	27,567	28,025
減值虧損撥回（附註6）	Impairment losses reversed (note 6)	(5,495)	—
已撇賬作不可收回之賬款	Amounts written off as uncollectible	—	(458)
於年／期末	At the end of year/period	22,072	27,567

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

23. 現金及現金等值項目及已抵押存款

23. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
現金及銀行結餘	Cash and bank balances	97,757	125,161
定期存款	Time deposits	40,000	250,488
		137,757	375,649
減：一筆短期銀行貸款之 抵押存款(附註26)	Less: Pledged deposits for a short term bank loan (note 26)	—	(488)
現金及現金等值項目	Cash and cash equivalents	137,757	375,161

於報告期末，本集團以人民幣（「人民幣」）計值之現金及現金等值項目為16,706,000港元（二零一五年：6,693,000港元）。人民幣不得自由兌換其他貨幣，然而，根據中國外匯管理條例及結匯、售匯及付匯管理規定，本集團獲准透過獲授權可從事匯兌業務的銀行將人民幣兌換為其他貨幣。

銀行現金乃根據銀行每日銀行存款利率之浮動利率賺取利息。視乎本集團即時現金需求，短期定期存款之期限為三個月，並按各自之短期定期存款利率賺取利息。銀行存款及抵押存款存放於具良好信用且沒有近期拖欠付款記錄的銀行。

At the end of the reporting period, the cash and cash equivalents of the Group denominated in Renminbi ("RMB") amounted to HK\$16,706,000 (2015: HK\$6,693,000). RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

24. 應付貿易賬款

以下為應付貿易賬款於報告期末按付款到期日之賬齡分析：

24. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the payment due dates, is as follows:

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
少於60天	Within 60 days	38,623	51,350
61至90天	61 to 90 days	2,108	45
超過90天	Over 90 days	7,686	3,036
		48,417	54,431

以下為應付貿易賬款於報告期末按發票日之賬齡分析：

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice dates, is as follows:

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
少於60天	Within 60 days	35,345	49,585
61至90天	61 to 90 days	2,986	1,775
超過90天	Over 90 days	10,086	3,071
		48,417	54,431

應付貿易賬款無需支付利息，且一般於60天結算。

The trade payables are non-interest-bearing and are normally settled on 60-day terms.

25. 其他應付賬款及應計負債

其他應付賬款及應計負債並無計息，且須按要求償還。

25. OTHER PAYABLES AND ACCRUALS

Other payables and accruals are interest-free and repayable on demand.

二零一六年十二月三十一日 31 December 2016

26. 付息銀行借貸

26. INTEREST-BEARING BANK BORROWINGS

		二零一六年 2016			二零一五年 2015		
		實際利率 Effective interest rate	到期 Maturity	千港元 HK\$'000	實際利率 Effective interest rate	到期 Maturity	千港元 HK\$'000
流動	Current						
銀行貸款 — 有抵押	Bank loans – secured	3.7% – 4.0%	按要求 On demand	21,285	2.6% – 3.6%	按要求 On demand	30,831
銀行貸款 — 有抵押	Bank loans – secured			—	7.1% – 8.6%	2016	38,096
				21,285			68,927

附註：

Notes:

- (a) 於二零一六年十二月三十一日本集團銀行貸款以下述作為抵押：

- (i) 以本集團於報告期末賬面總值約6,965,000港元(二零一五年: 7,245,000港元)之樓宇作為按揭抵押;

- (ii) 以過往期間某些本集團之定期存款
作為抵押，金額為488,000港元；
及

- (iii) 本公司為取得授予本集團的銀行融資向銀行授出的公司擔保，金額為24,000,000港元(二零一五年：24,000,000港元)

- (b) 於二零一六年十二月三十一日，本集團有抵押銀行貸款21,285,000港元(二零一五年：30,831,000港元)以港元計值及並無(二零一五年：38,096,000港元)有抵押銀行貸款以人民幣計值。

- (a) As at 31 December 2016, the Group's bank loans are secured by:

- (i) a mortgage over the Group's building, which had an aggregate carrying value at the end of the reporting period of approximately HK\$6,965,000 (2015: HK\$7,245,000);

- (ii) the pledge of certain of the Group's time deposits in prior period amounting to HK\$488,000; and

- (iii) corporate guarantees by the Company to banks for banking facilities granted to the Group amounting to HK\$24,000,000 (2015: HK\$24,000,000)

- (b) As at 31 December 2016, the Group's secured bank loans of HK\$21,285,000 (2015: HK\$30,831,000) were denominated in Hong Kong dollars and nil (2015: HK\$38,096,000) were denominated in Renminbi.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

27. 撥備

27. PROVISION

		產品保證 Product warranties 千港元 HK\$'000
於二零一六年一月一日	At 1 January 2016	945
撥備增加(附註6)	Additional provision (note 6)	349
於本年度內動用	Amounts utilised during the year	(286)
撥回未動用金額(附註6)	Reversal of unutilised amount (note 6)	(72)
匯兌重列	Exchange realignment	(3)
於二零一六年十二月三十一日	At 31 December 2016	933

本集團就部份電子產品向客戶提供兩年至三年保證，為故障產品進行維修或更換。保證之撥備額乃按銷量及過往的維修及退回情況為基準估計。該估計基準將持續進行檢討，並作適當修訂。

The Group provides two to three year warranties to its customers on certain of its electronic products, under which faulty products are repaired or replaced. The amount of provision for the warranties is estimated based on sales volumes and past experience of the level of repairs and returns. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

28. 應付一附屬公司一非控制股東賬款

28. DUE TO A NON-CONTROLLING SHAREHOLDER OF A SUBSIDIARY

應付一附屬公司一非控制股東之賬款為無抵押、免息及無固定還款期。

The amount due to a non-controlling shareholder of a subsidiary is unsecured, non-interest-bearing and has no fixed terms of repayment.

29. 應付一股東賬款

29. AMOUNT DUE TO A SHAREHOLDER

應付一股東賬款為無抵押、免息及毋須於12個月內償還。

The amount due to a shareholder is unsecured, non-interest-bearing and is not repayable within 12 months.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

30. 遞延稅項

本集團於稅務局（「稅務局」）評估前於香港產生的稅務虧損約為441,463,000港元（二零一五年十二月三十一日：432,571,000港元），並可供無限期抵銷產生有關虧損的公司的未來應課稅溢利。本集團亦於中國內地產生約111,167,000港元（二零一五年：138,799,000港元）的稅務虧損，並可於未來一至五年內抵銷未來應課稅溢利。因此附屬公司已虧損一段時間且認為其應課稅溢利不足以抵銷此等附屬公司可動用之稅務虧損，故就此等虧損而言，並未確認遞延稅項資產。

根據中國企業所得稅法，於中國內地成立之外資企業向外國投資者宣派之股息須徵收10%之暫繳稅。是項規定已由二零零八年一月一日起生效，並適用於二零零七年十二月三十一日之後產生之盈利。倘中國內地與外國投資者所屬司法管轄區之間訂有稅務協議，則可按較低暫繳稅率繳稅。就本集團而言，適用稅率為5%。因此，本集團須就於中國內地成立之附屬公司於二零零八年一月一日以後產生之盈利所分派之股息繳納暫繳稅。

於二零一六年十二月三十一日，本集團並無就於中國內地成立之附屬公司、聯營公司及合資公司因未匯出盈利而產生之應付股息暫繳稅確認任何遞延稅項。董事認為，此等附屬公司、聯營公司及合資公司在可見未來不大可能分派此等盈利。於報告期末，有關於中國內地的附屬公司、合資公司及聯營公司之投資，並未有產生重大暫時差額（二零一五年：無）。

本公司向其股東支付的股息並無附有所得稅後果。

30. DEFERRED TAX

The Group has tax losses arising in Hong Kong before Inland Revenue Department ("IRD") assessment of approximately HK\$441,463,000 (31 December 2015: HK\$432,571,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group also has tax losses arising in Mainland China of approximately HK\$111,167,000 (2015: HK\$138,799,000) that will expire in one to five years for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised by these subsidiaries.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5%. The Group is therefore liable to withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

At 31 December 2016, no deferred tax has been recognised for withholding dividend taxes that would be payable on the unremitted earnings that are subject to withholding dividend taxes of the Group's subsidiaries, associate, and joint ventures established in Mainland China. In the opinion of the directors, it is not probable that these subsidiaries, associate and joint ventures will distribute such earnings in the foreseeable future. There was no significant temporary difference associated with investments in subsidiaries, joint ventures and associate in Mainland China at the end of the reporting period (2015: Nil).

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

31. 股本

31. SHARE CAPITAL

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
已發行及繳足：	Issued and fully paid:		
2,874,390,058 (二零一五年：2,874,390,058) 股	2,874,390,058 (2015: 2,874,390,058)		
每股面值 0.10 港元之	ordinary shares of HK\$0.10 each		
普通股		287,439	287,439

本公司已發行股本之變動概述如下：

A summary of movements in the Company's issued share capital is as follows:

		已發行 股份數目 Number of shares in issue	股本 Share capital 千港元 HK\$'000	股份溢價 賬目 Share premium account 千港元 HK\$'000	總額 Total 千港元 HK\$'000
於二零一五年四月一日	At 1 April 2015	1,437,195,029	143,719	460,312	604,031
發行新股份 (a)	New issues (a)	1,437,195,029	143,720	143,719	287,439
股份發行開支	Share issue expenses	–	–	(2,971)	(2,971)
於二零一五年十二月三十一日、 二零一六年一月一日及 二零一六年十二月三十一日	At 31 December 2015, 1 January 2016 and 31 December 2016	2,874,390,058	287,439	601,060	888,499

附註：

Notes:

- (a) 於二零一五年十月二十三日，按股東名冊上之股東每持有一股股份獲發售一股發售股份之基準以每股發售股份 0.2 港元之發行價進行公開發售，導致發行 1,437,195,029 股股份，現金總代價為 287,439,000 港元（扣除開支前）。

- (a) An open offer of one offer share for every one share held by the members on the register of member on 23 October 2015 was made, at an issue price of HK\$0.2 per offer share, resulting in the issue of 1,437,195,029 shares for a total cash consideration, before expenses, of HK\$287,439,000.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

32. 儲備

本集團於本年度及過往期間之儲備金額及其變動呈列於財務報表第54頁之綜合權益變動表內。

本集團之特別儲備指根據一九九三年本公司之股份上市前所進行之本集團重組而收購之附屬公司股份之面值，為交換此等股份而發行之本公司股份面值之差額。

32. RESERVES

The amounts of the Group's reserves and the movements therein for the current year and prior period are presented in the consolidated statement of changes in equity on page 54 of the financial statements.

The Group's special reserve represents the difference between the nominal value of the shares of the subsidiaries acquired pursuant to the Group reorganisation prior to the listing of the Company's shares in 1993, and the nominal value of the Company's shares issued in exchange therefor.

33. 擁有重大非控制權益之部分擁有附屬公司

擁有重大非控制權益之本集團附屬公司的細節載列如下：

33. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiaries that have material non-controlling interests are set out below:

		二零一六年 2016	二零一五年 2015
非控制權益所持有股權的 有關比率：	Percentage of equity interest held by non-controlling interests:		
中大訊通	中大訊通	49%	49%
廣州通雲	廣州通雲	49%	49%
		截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 千港元 HK\$'000	二零一五年 四月一日至 二零一五年 十二月三十一日 期間 Period from 1 April to 31 December 2015 千港元 HK\$'000
非控制權益分佔本年度 虧損：	Loss for the year allocated to non-controlling interests:		
中大訊通	中大訊通	(760)	516
廣州通雲	廣州通雲	(778)	(519)
於報告日期非控制權益之 累計結餘：	Accumulated balances of non-controlling interests at the reporting dates:		
中大訊通	中大訊通	(6,732)	(6,433)
廣州通雲	廣州通雲	(579)	172

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

33. 擁有重大非控制權益之部分擁有附屬公司（續）

下表列示上述附屬公司財務資料概要。披露之金額尚未作出內部各公司間的沖銷：

截至二零一六年十二月三十一日止年度

33. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (continued)

The following tables illustrate the summarised financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations:

Year ended 31 December 2016

		中大訊通 千港元 HK\$'000	廣州通雲 千港元 HK\$'000
其他收入	Other income	226	282
支出總額	Total expenses	(1,777)	(1,870)
本年度之溢利／（虧損）及 本年度之全面收入總額	Profit/(loss) for the year and total comprehensive income for the year	(1,551)	(1,588)
流動資產	Current assets	464	254
非流動資產	Non-current assets	41,825	33,154
流動負債	Current liabilities	(1,769)	(1,143)
非流動負債	Non-current liabilities	(54,259)	(33,447)
經營業務之現金流入淨額	Net cash flows from operating activities	206	37
投資業務之現金流出淨額	Net cash flows used in investing activities	(212)	—
現金及現金等值項目之 增加／（減少）淨額	Net increase/(decrease) in cash and cash equivalents	(6)	37

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

33. 擁有重大非控制權益之部分擁有附屬公司（續）

下表列示上述附屬公司財務資料概要。披露之金額尚未作出內部各公司間的沖銷：（續）

二零一五年四月一日至二零一五年十二月三十一日期間

33. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (continued)

The following tables illustrate the summarised financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations: (continued)

Period from 1 April 2015 to 31 December 2015

		中大訊通 千港元 HK\$'000	廣州通雲 千港元 HK\$'000
其他收入	Other Income	2,387	–
支出總額	Total expenses	(1,333)	(1,059)
本年度之溢利／（虧損）及 本期間之全面收入總額	Profit/(loss) for the year and total comprehensive income for the period	1,054	(1,059)
流動資產	Current assets	775	60
非流動資產	Non-current assets	45,879	36,486
流動負債	Current liabilities	(191)	(2,300)
非流動負債	Non-current liabilities	(59,592)	(33,894)
經營業務之現金流入淨額	Net cash flows from operating activities	1,240	–
投資業務之現金流入淨額	Net cash flows from investing activities	3	–
融資業務之現金流出淨額	Net cash flows used in financing activities	(1,387)	–
現金及現金等值項目之 減少淨額	Net decrease in cash and cash equivalents	(144)	–

34. 業務合併

於二零一五年十二月十五日，本集團向獨立第三方收購新疆騰翔鎂製品有限公司（「新疆騰翔」）。新疆騰翔主要從事鎂錠及蘭炭生產及貿易。進行收購事項是為了實現本集團多元化發展業務並增強本集團長期增長潛力之戰略。收購事項之購買代價為現金形式，未支付金額於二零一五年十二月三十一日作為其他應付賬款列賬。

於二零一五年財務報表確認之議價收購收益乃根據購買代價之臨時評估計算。根據本集團與賣方訂立的買賣協議，購買代價將按照新疆騰翔於二零一五年五月一日至完成日期止期間之經營損益予以調整。與賣方進行購買代價調整之商討於董事批准刊印二零一五年財務報表之日期前仍未完成。

本集團已於年內完成與賣方商討調整購買代價。根據本集團與賣方訂立的補充協議，收購事項之購買代價落實為人民幣54,482,000元（相等於約66,027,000港元），導致臨時價值減少人民幣17,794,000元，同時為議價收購收益增加相同金額。二零一五年之比較資料乃經重列，以反映對臨時金額作出之調整。因此，於二零一五年十二月三十一日之應付代價減少21,184,000港元，於二零一五年四月一日至二零一五年十二月三十一日期間之議價收購收益提高21,564,000港元及由重新折算應付代價產生之外匯收益減少380,000港元。

年內，本集團已向賣方支付人民幣49,153,000元（相等於57,429,000港元），應付代價餘額已計入二零一六年十二月三十一日之其他應付款項。

34. BUSINESS COMBINATION

On 15 December 2015, the Group acquired the entire interest in Xinjiang Tengxiang Magnesium Products Company Limited (“Xinjiang Tengxiang”) from independent third parties. Xinjiang Tengxiang is engaged in the production and trading of magnesium ingots and semi coke. The acquisition was made as part of the Group’s strategy to diversify the Group’s business and enhance long-term growth potential of the Group. The purchase consideration for the acquisition was in the form of cash and the unpaid amount was recorded as other payable as at 31 December 2015.

The gain on bargain purchase recognised in the 2015 financial statements were based on a provisional assessment on the purchase consideration. Pursuant to the sale and purchase agreement entered into by the Group and the sellers, the purchase consideration shall be adjusted by the operating gain or loss of Xinjiang Tengxiang for the period from 1 May 2015 to the completion date. The negotiation of the adjustments to the purchase consideration with the sellers had not been completed by the date the 2015 financial statements were approved for issue by the directors.

During the year, the Group has completed the negotiation of adjustments to the purchase consideration with the sellers. In accordance with the supplemental agreement agreed by the Group and the sellers, the purchase consideration for the acquisition was finalised at RMB54,482,000 (equivalent to approximately HK\$66,027,000), resulting in a decrease of RMB17,794,000 over the provisional value and increase in gain on bargain purchase of the same amount. The 2015 comparative information was restated to reflect the adjustment to the provisional amounts. As a result, there was a reduction on the consideration payable of HK\$21,184,000 as at 31 December 2015, an increase in the gain on bargain purchase of HK\$21,564,000 and decrease in the foreign exchange gain of HK\$380,000 arising from the retranslation of consideration payable for the period from 1 April 2015 to 31 December 2015.

During the year, the Group paid RMB49,153,000 (equivalent to HK\$57,429,000) to the sellers and the rest of the consideration payable was included in other payable as at 31 December 2016.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

34. 業務合併（續）

由於收購事項於二零一五年四月一日至二零一五年十二月三十一日期間進行，概無對二零一五年四月一日列示之結餘作調整，因此，概無於二零一五年四月一日之綜合財務狀況表內呈列。

新疆騰翔於二零一五年十二月十五日（收購日期）之可識別資產及負債之臨時及最終公平值如下：

34. BUSINESS COMBINATION (continued)

As the acquisition took place during the period from 1 April 2015 to 31 December 2015 and no adjustments were made to the balances stated at 1 April 2015, the consolidated statement of financial position at 1 April 2015 is therefore not presented.

The provisional and finalised fair values of the identifiable assets and liabilities of Xinjiang Tengxiang as at 15 December 2015 (date of acquisition) were as follows:

		附註 Notes	就收購事項 確認之 臨時公平值 Provisional fair value recognised on acquisition 千港元 HK\$'000	就收購事項 確認之 最終公平值 Finalised fair value recognised on acquisition 千港元 HK\$'000
物業、廠房及設備	Property, plant and equipment	13	200,810	200,810
預付土地租賃款額	Prepaid land lease payment	14	31,363	31,363
存貨	Inventories		5,284	5,284
應收貿易賬款	Trade receivables		3,942	3,942
預付款項、按金及其他	Prepayments, deposits and			
應收賬款	other receivables		118	118
可收回稅款	Tax recoverable		1,859	1,859
現金及現金等值項目	Cash and cash equivalents		428	428
應付貿易賬款	Trade payables		(35,087)	(35,087)
其他應付賬款及應計負債	Other payables and accruals		(75,163)	(75,163)
付息銀行借貸	Interest-bearing bank borrowings		(38,781)	(38,781)
可識別資產淨值公平值總額	Total identifiable net assets at fair value		94,773	94,773
於截至二零一五年十二月三十一日止期間之綜合損益及其他全面收入表確認的議價收購收益	Gain on bargain purchase recognised in the consolidated statement of profit or loss and other comprehensive income for the period ended 31 December 2015		7,182	28,746
支付： 就收購事項應付賣方之款項	Satisfied by: Payable to the sellers in connection with the acquisition		87,591	66,027

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

34. 業務合併（續）

議價收購收益 28,746,000 港元（經重列）主要是由本集團與賣方經計及新疆騰翔之經營狀況及業務前景後，按一般商業條款公平磋商而釐定。

新疆騰翔之應收貿易賬款及其他應收賬款於收購日期的公平值與其合約總值相若，本公司董事預期不會有任何重大的所得應收賬款不可收回。

本集團就此收購事項產生交易成本 1,758,000 港元。此等成本已於過往期間之綜合損益表支銷並列入行政支出。

收購附屬公司之現金流量分析如下：

		千港元 HK\$'000
計入投資活動現金流量之所得現金及銀行結餘及現金及現金等值項目流入淨額	Cash and bank balances acquired and net inflow of cash and cash equivalents included in cash flows from investing activities	428
計入經營業務現金流量之收購事項交易成本	Transaction costs of the acquisition included in cash flows from operating activities	(1,758)
		(1,330)

自收購以來，新疆騰翔於二零一五年四月一日至二零一五年十二月三十一日期間並無為本集團之收益帶來任何溢利，為二零一五年四月一日至二零一五年十二月三十一日期間之綜合虧損招致虧損 1,565,000 港元。

由於新疆騰翔於二零一五年四月一日至二零一五年十二月三十一日期間的財務資料之前未經審核，猶如業務合併的收購日期是於期初一般披露合併實體的收入及損益並不可行。

34. BUSINESS COMBINATION (continued)

The gain on bargain purchase of HK\$28,746,000 (restated) was primarily attributable to arm's length negotiations between the Group and the sellers on normal commercial terms, having taken into account the operation and business prospect of Xinjiang Tengxiang.

The fair values of the trade receivables and other receivables of Xinjiang Tengxiang at the date of acquisition approximated to their gross contractual amounts and the directors of the Company do not expect any significant acquired receivables to be uncollectible.

The Group incurred transaction costs of HK\$1,758,000 for this acquisition. These cost have been expensed off and are included in administrative expenses in the consolidated statement of profit or loss for the prior period.

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

Since the acquisition, Xinjiang Tengxiang did not contribute any profit to the Group's revenue for the period from 1 April 2015 to 31 December 2015 and caused loss of HK\$1,565,000 to the consolidated loss for the period from 1 April 2015 to 31 December 2015.

As the financial information of Xinjiang Tengxiang for the period from 1 April 2015 to 31 December 2015 had not been previously audited, it is impractical to disclose the revenue and profit or loss of the combined entity, as though the acquisition date for the business combination had been at the beginning of the period.

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

35. 出售附屬公司

35. DISPOSALS OF SUBSIDIARIES

		截至 二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間
		Year ended 31 December 2016 千港元 HK\$'000	Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000
	附註 Notes		
出售負債淨值：	Net liabilities disposed of:		
現金及現金等值項目	Cash and cash equivalents	—	8
其他應收賬款及按金	Other receivables and deposits	—	22
其他應付賬款及應計負債	Other payables and accruals	—	(197)
		—	(167)
出售附屬公司之收益	Gain on disposals of subsidiaries	5	179
		—	12
支付：	Satisfied by:		
現金	Cash	—	12

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

35. 出售附屬公司（續）

以下為就出售附屬公司之現金及現金等值項目流入淨額分析：

		截至 二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間
		Year ended 31 December 2016 千港元 HK\$'000	Period from 1 April 2015 to 31 December 2015 千港元 HK\$'000
現金代價	Cash consideration	-	12
出售現金及現金等值項目	Cash and cash equivalents disposed of	-	(8)
就出售附屬公司之現金及現金等值項目流入淨額	Net inflow of cash and cash equivalents in respect of the disposals of subsidiaries	-	4

35. DISPOSALS OF SUBSIDIARIES (continued)

An analysis of the net inflow of cash and cash equivalents in respect of the subsidiaries disposed of is as follows:

36. 綜合現金流量表附註

主要非現金交易：

- (i) 截至二零一六年十二月三十一日止年度，本集團已將10,401,000港元（二零一五年：無）由長期按金轉撥至物業、廠房及設備。

36. NOTE TO CONSOLIDATED STATEMENT OF CASH FLOWS

Major non-cash transaction:

- (i) During the year ended 31 December 2016, the Group has transferred HK\$10,401,000 (2015: Nil) from long term deposits to property, plant and equipment.

37. 或然負債

於二零一六年十二月三十一日，本集團概無任何或然負債（二零一五年：無）。

37. CONTINGENT LIABILITIES

As at 31 December 2016, the Group has no contingent liabilities (2015: Nil).

38. 資產抵押

本集團以某些資產作為抵押的銀行貸款的詳情見附註13、23及26。

38. PLEDGE OF ASSETS

Details of the Group's bank loans, which are secured by certain assets of the Group, are included in notes 13, 23 and 26.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

39. 經營租賃安排

本集團根據經營租賃安排租用其若干寫字樓物業及員工宿舍。物業之租賃釐定期乃一至二十年。

於二零一六年十二月三十一日，本集團尚有不可取消之經營租賃中未來最少應付租金總額，按租賃屆滿期計算如下：

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
一年內	Within one year	1,505	1,596
於第二年至第五年(包括 首尾兩年)	In the second to fifth years, inclusive	4,086	4,416
		5,591	6,012

40. 承擔

除上文附註39之經營租賃安排詳情外，本集團於報告期末亦有下列資本承擔：

39. OPERATING LEASE ARRANGEMENTS

The Group leases certain of its office premises and staff quarters under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to twenty years.

At 31 December 2016, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

40. COMMITMENTS

In addition to the operating lease commitments detailed in note 39 above, the Group had the following capital commitments at the end of the reporting period:

		二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
已訂約但未作撥備： 物業、廠房及設備	Contracted, but not provided for: Property, plant and equipment	10,038	5,751

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

41. 關連人士交易

- (a) 除在此等財務報表其他章節詳述的交易外，於年／期內，本集團有下列重大關連人士交易：

41. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year/period:

		截至 二零一六年 十二月三十一日 止年度	二零一五年 四月一日至 二零一五年 十二月三十一日 期間 Period from 1 April 2015 to 31 December 2015	
		Year ended 31 December 2016 千港元 HK\$'000	千港元 HK\$'000	
	附註 Notes			
向一合資公司銷售	Sales to a joint venture	(i)	2,921	3,363
向直接控股公司支付 之管理費	Management fee paid to intermediate holding company	(ii)	1,200	900
向一同系附屬公司購買 原材料	Purchase of raw materials from a fellow subsidiary	(iii)	8,468	—

附註：

- (i) 向一合資公司的銷售乃根據本集團向其主要客戶銷售之公開價格及條款進行。
- (ii) 向直接控股公司支付之管理費按每月100,000港元收取。
- (iii) 向一同系附屬公司白山市天安金屬鎂礦業有限公司購買原材料乃根據雙方共同協定之銷售協議進行。

Notes:

- (i) The sales to a joint venture was made according to the published prices and conditions offered to the major customers of the Group.
- (ii) The management fee paid to an intermediate holding company was charged at a monthly rate of HK\$100,000.
- (iii) The purchase of raw materials from a fellow subsidiary, Baishan City Tianan Magnesium Resources Co., Ltd., was made according to a sale and purchase agreement mutually agreed between the parties.

- (b) 本集團主要管理人員報酬：

董事袍金及酬金進一步詳情載於財務報表附註8。

上文第(a)(i)及(a)(ii)項之關連人士交易亦構成上市規則第14A章定義的關連交易。

- (b) Compensation of key management personnel of the Group:

Further details of directors' fee and emoluments are included in note 8 to the financial statements.

The related party transaction in respect of items (a)(ii) and (a)(iii) above also constitute connected transaction as defined in Chapter 14A of the Listing Rules.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

42. 按類別劃分之金融工具

各類別金融工具於報告期末之賬面值如下：

二零一六年十二月三十一日
31 December 2016

金融資產 Financial assets

42. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

		貸款及 應收賬款	可供出售 金融資產	總額
		Loans and receivables	Available- for-sale financial assets	Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
可供出售投資	Available-for-sale investments	—	29,085	29,085
列為長期按金之金融 資產	Financial assets included in long term deposits	36	—	36
應收貿易賬款	Trade receivables	43,546	—	43,546
列為預付款項、按金及 其他應收賬款之金融 資產	Financial assets included in prepayments, deposits and other receivables	8,069	—	8,069
應收合資公司賬款	Amounts due from joint ventures	672	—	672
現金及現金等值項目	Cash and cash equivalents	137,757	—	137,757
		190,080	29,085	219,165

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

42. 按類別劃分之金融工具（續）

各類別金融工具於報告期末之賬面值如下：

二零一六年十二月三十一日
31 December 2016

金融負債

Financial liabilities

42. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

		按攤銷 成本計量 之金融負債 Financial liabilities at amortised cost 千港元 HK\$'000
應付貿易賬款	Trade payables	48,417
列為其他應付賬款及 應計負債之金融負債	Financial liabilities included in other payables and accruals	51,155
附息銀行借貸	Interest-bearing bank borrowings	21,285
應付一附屬公司— 非控制股東賬款	Amounts due to a non-controlling shareholder of a subsidiary	216
應付一股東賬款	Amount due to a shareholder	121,000
		242,073

財務報表附註（續）
Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

42. 按類別劃分之金融工具（續）

42. FINANCIAL INSTRUMENTS BY CATEGORY
(continued)

二零一五年十二月三十一日

31 December 2015

金融資產

Financial assets

		貸款及 應收賬款	可供出售 金融資產	總額
		Loans and receivables	Available- for-sale financial assets	Total
		千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000
可供出售投資	Available-for-sale investments	—	7,300	7,300
列為長期按金之金融 資產	Financial assets included in long term deposits	58	—	58
應收貿易賬款	Trade receivables	20,300	—	20,300
列為預付款項、按金及 其他應收賬款之金融 資產	Financial assets included in prepayments, deposits and other receivables	11,223	—	11,223
應收合資公司賬款	Amounts due from joint ventures	1,462	—	1,462
已抵押存款	Pledged deposits	488	—	488
現金及現金等值項目	Cash and cash equivalents	375,161	—	375,161
		408,692	7,300	415,992

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

42. 按類別劃分之金融工具（續）

42. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

二零一五年十二月三十一日

31 December 2015

金融負債

Financial liabilities

按攤銷
成本計量
之金融負債
Financial
liabilities
at amortised
cost
千港元
HK\$'000
(經重列)
(restated)

應付貿易賬款	Trade payables	54,431
列為其他應付賬款及 應計負債之金融負債	Financial liabilities included in other payables and accruals	106,702
附息銀行借貸	Interest-bearing bank borrowings	68,927
應付一股東賬款	Amount due to a shareholder	110,000
		340,060

43. 金融工具之公平值及公平值等 級

43. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

管理層已評估本集團之金融資產及負債之公平值，不包含非上市股權可供出售投資及非上市債權可供出售投資，與賬面值相若，此乃頗大程度由於此等工具將於短期內到期。

Management has assessed that the fair values of the Group's financial assets and liabilities, except for an unlisted equity available-for-sale investments and an unlisted debt available-for-sale investments, approximate to their carrying amounts largely due to the short term maturities of these instruments.

因公平值不能可靠計量，非上市股權可供出售投資按成本減任何減值入賬。按公平值記入損益賬之非上市債權可供出售投資之公平值乃根據相同資產或負債於活躍市場之報價（未經調整）得出。

The unlisted equity available-for-sale investments are stated at cost less impairment as their fair values cannot be reliably measured. The fair value of an unlisted debt available-for-sale investment at fair value through profit or loss is derived from quoted prices (unadjusted) in an active market for identical assets or liabilities.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

43. 金融工具之公平值及公平值等級（續）

公平值等級

下表列述本集團之金融工具之公平值計量等級：

按公平值列賬的資產：

於二零一六年十二月三十一日

43. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2016

		公平值計量採用 Fair value measurement using			
		於活躍市場 之報價 Quoted prices in active markets (第1級) (Level 1) 千港元 HK\$'000	重大可觀察 輸入值 Significant observable inputs (第2級) (Level 2) 千港元 HK\$'000	重大不可觀察 輸入值 Significant unobservable inputs (第3級) (Level 3) 千港元 HK\$'000	合計 Total 千港元 HK\$'000
可供出售投資 債權投資	Available-for-sale investments: Debt investment	22,245	—	—	22,245

於二零一六年十二月三十一日，本集團概無任何按公平值計量之金融資產及負債（二零一五年按公平值計量之金融資產及負債：無）。

於本年度內，金融資產及金融負債第1層與第2層公平值計量之間並無轉移，第3層亦並無轉入或轉出（二零一五年：無）。

The Group did not have any financial liabilities measured at fair value as at 31 December 2016 (2015 financial assets and liabilities measured at fair value: Nil).

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2015: Nil).

44. 財務風險管理目標及政策

本集團主要金融工具包括投資、應收貿易賬款及其他應收賬款、現金及短期存款、長期按金、聯營公司及合資公司結餘、應付貿易賬款、其他應付賬款、附息銀行借貸以及應付一附屬公司一非控制股東賬款。

本集團金融工具產生的主要風險為信貸風險、流動資金風險及外幣風險。董事會檢討及同意管理此類風險的政策，概述如下：

信貸風險

本集團之信貸風險主要來自其應收貿易賬款。本集團很大程度上依賴於少數佔其大部份業務之客戶。於二零一六年十二月三十一日前五大客戶佔其應收貿易賬款金額超過47%（二零一五年十二月三十一日：超過38%）。倘這些客戶未能按要求支付賬款，這將對本集團經營業績造成重大負面影響。為將信貸風險減至最低，本集團管理層已委派一組人員，負責釐定信貸限額，信貸審批及其他監控程序，以確保採取跟進措施收回逾期債務。此外，本集團會定期審閱每項個別應收貿易賬款之可收回金額，以確保就不可收回金額作出足夠之減值虧損。就此而言，本集團董事認為本集團之信貸風險已妥善管理並大幅降低。

由於本集團僅與認可之信譽超卓之第三方進行買賣，故並無要求提供抵押品。

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments mainly comprise investments, trade and other receivables, cash and short term deposits, long term deposits, balances with the associate and a joint venture, trade payables, other payables, interest-bearing bank borrowings and an amount due to a non-controlling shareholder of a subsidiary.

The main risks arising from the Group's financial instruments are credit risk, liquidity risk and foreign currency risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Credit risk

The Group's credit risk is primarily attributable to its trade receivables. The Group has been largely dependent on a small number of customers for a substantial portion of its business. Over 47% (31 December 2015: over 38%) of the Group's trade receivables as at 31 December 2016 were due from the Group's five largest customers. The failure of these customers to make the required payments could have a negative impact on the Group's operating results. In order to minimise the credit risk, management of the Group has delegated a team responsible for the determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group regularly reviews the recoverable amount of each individual trade receivable to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors consider that the Group's credit risk is properly managed and significantly reduced.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

44. 財務風險管理目標及政策（續）

信貸風險（續）

本集團其他金融資產（包括現金及現金等值項目、可供出售投資、應收合資公司及聯營公司賬款及包含於預付款項、按金及其他應收款項內之金融資產）之信貸風險來自對約方失責，而風險之最高上限相等於此等工具之賬面值。

就本集團所面對來自應收貿易賬款之信貸風險，其進一步的量化數據於財務報表附註21披露。

流動資金風險

本集團以經常性流動資金規劃工具監察其資金短缺風險。該工具審議其金融工具及金融資產（如應收貿易賬款）之到期情況，並預測經營業務之現金流量情況。

本集團運用銀行借貸及銀行信貸額，致力在資金持續性及靈活性中間取得平衡。本集團於二零一六年十二月三十一日一年內到期之銀行借貸乃根據賬面值反映於財務報表內。

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, available-for-sale investments, amounts due from joint ventures and the associate and financial assets included in prepayments, deposits and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in notes 21 to the financial statements.

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings and banking facilities. The Group's bank borrowings would mature in less than one year as at 31 December 2016 based on the carrying value of borrowings reflected in the financial statements.

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

44. 財務風險管理目標及政策（續）

流動資金風險（續）

於報告期末，以已訂約未貼現款項為基準，本集團金融負債之還款期概況如下：

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

		二零一六年十二月三十一日 31 December 2016			總計 Total 千港元 HK\$'000
		應要求 On demand 千港元 HK\$'000	少於三個月 Less than 3 months 千港元 HK\$'000	超過一年 Over 1 year 千港元 HK\$'000	
應付貿易賬款	Trade payables	13,005	35,412	–	48,417
列為其他應付賬款及 應計負債之金融負債	Financial liabilities included in other payables and accruals	45,228	5,927	–	51,155
應付一附屬公司— 非控制股東賬款	Amounts due to a non- controlling shareholder of a subsidiary	216	–	–	216
付息銀行借貸	Interest-bearing bank borrowings	21,285	–	–	21,285
應付一股東賬款	Amount due to a shareholder	–	–	121,000	121,000
		79,734	41,339	121,000	242,073

		二零一五年十二月三十一日 31 December 2015			總計 Total 千港元 HK\$'000
		應要求 On demand 千港元 HK\$'000	少於三個月 Less than 3 months 千港元 HK\$'000	超過一年 Over 1 year 千港元 HK\$'000	
應付貿易賬款	Trade payables	4,809	49,622	–	54,431
列為其他應付賬款及 應計負債之金融負債 (經重列)	Financial liabilities included in other payables and accruals (restated)	106,702	–	–	106,702
付息銀行借貸	Interest-bearing bank borrowings	69,632	–	–	69,632
應付一股東賬款	Amount due to a shareholder	–	–	110,000	110,000
		181,143	49,622	110,000	340,765

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

44. 財務風險管理目標及政策（續）

外幣風險

下表顯示在其他變數維持不變的情況下，人民幣及日圓匯率之合理可能變動，對報告期末時本集團稅前溢利／（虧損）之敏感度（因貨幣性資產及負債之公平值變動所致）。

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the Renminbi and Japanese yen exchange rates, with all other variables held constant, of the Group's profit/(loss) before tax (due to changes in the fair value of monetary assets and liabilities).

		變動百分比	稅前溢利／ （虧損） 之變動	增加／ （減少）權益*
		Change in rate	Change in profit/ (loss) before tax	Increase/ (decrease) in equity*
		%	千港元	千港元
		%	HK\$'000	HK\$'000
二零一六年十二月 三十一日	31 December 2016			
若港元兌以下貨幣匯率 貶值：	If the Hong Kong dollar weakens against:			
人民幣	Renminbi	4	(1,853)	—
日圓	Japanese yen	4	123	—
若港元兌以下貨幣匯率 升值：	If the Hong Kong dollar strengthens against:			
人民幣	Renminbi	4	1,853	—
日圓	Japanese yen	4	(123)	—
二零一五年十二月 三十一日	31 December 2015			
若港元兌以下貨幣匯率 貶值：	If the Hong Kong dollar weakens against:			
人民幣	Renminbi	5	(4,764)	—
日圓	Japanese yen	8	412	—
若港元兌以下貨幣匯率 升值：	If the Hong Kong dollar strengthens against:			
人民幣	Renminbi	5	4,764	—
日圓	Japanese yen	8	(412)	—

* 不包括累計虧損

* Excluding accumulated losses

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

44. 財務風險管理目標及政策（續）

資本管理

本集團之資本管理，主要目標乃保障本集團能持續經營，並維持健康之資本比率，以支持其業務及提高股東價值。

本集團管理其資本架構，並因應經濟狀況之變動及資產風險特性作出調整。在保持或調整其資本架構時，本集團或會向股東退回資本或發行新股份。於截至二零一六年十二月三十一日止年度及二零一五年四月一日至十二月三十一日期間，其目標、政策或程序並無變動。

本集團以流動比率（流動資產除以流動負債）監察資本。本集團之政策為使流動比率維持超過一。報告期末時之流動比率如下：

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 December 2016 and period from 1 April to 31 December 2015.

The Group monitors capital using a current ratio, which is current assets divided by current liabilities. The Group's policy is to maintain the current ratio over one. The current ratios as at the end of the reporting periods were as follows:

		二零一六年 十二月三十一日 31 December 2016 千港元 HK\$'000	二零一五年 十二月三十一日 31 December 2015 千港元 HK\$'000 (經重列) (Restated)
流動資產	Current assets	309,364	471,514
流動負債	Current liabilities	141,056	257,240
流動比率	Current ratio	2.19	1.83

財務報表附註（續）

Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

45. 本公司之財務狀況表

本公司於報告期末之財務狀況表資料如下：

45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

		二零一六年 十二月三十一日 31 December 2016 千港元 HK\$'000	二零一五年 十二月三十一日 31 December 2015 千港元 HK\$'000
非流動資產	NON-CURRENT ASSETS		
附屬公司之投資	Investments in subsidiaries	—	—
流動資產	CURRENT ASSETS		
應收附屬公司賬款	Due from subsidiaries	444,257	270,660
預付款項	Prepayments	456	1,260
現金及銀行結餘	Cash and bank balances	59,793	254,354
流動資產總額	Total current assets	504,506	526,274
流動負債	CURRENT LIABILITIES		
其他應付款項及應計負債	Other payables and accruals	1,204	1,463
流動資產淨值	NET CURRENT ASSETS	503,302	524,811
資產總值減流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES	503,302	524,811
非流動負債	NON-CURRENT LIABILITY		
應付附屬公司賬款	Due to subsidiary	60,000	60,000
資產淨值	Net assets	443,302	464,811
股權	EQUITY		
已發行股本	Issued capital	287,439	287,439
儲備(附註)	Reserves (note)	155,863	177,372
股權總額	Total equity	443,302	464,811

財務報表附註（續） Notes to Financial Statements (continued)

二零一六年十二月三十一日 31 December 2016

45. 本公司之財務狀況表（續）

附註：

本公司之儲備概要如下：

45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

		股份溢價 賬戶 Share premium account 千港元 HK\$'000	繳入盈餘 Contributed surplus 千港元 HK\$'000	資本贖回 儲備 Capital redemption reserve 千港元 HK\$'000	累計損失 Accumulated losses 千港元 HK\$'000	總額 Total 千港元 HK\$'000
	附註 Notes					
於二零一五年四月一日	At 1 April 2015	460,312	21,976	419	(416,981)	65,726
期間全面虧損總額	Total comprehensive loss for the period	-	-	-	(29,102)	(29,102)
發行股份	Issues of shares	143,719	-	-	-	143,719
股份發行開支	Share issue expenses	(2,971)	-	-	-	(2,971)
於二零一五年十二月三十一日 及二零一六年一月一日	At 31 December 2015 and 1 January 2016	601,060	21,976	419	(446,083)	177,372
年度全面虧損總額	Total comprehensive loss for the year	-	-	-	(21,509)	(21,509)
於二零一六年十二月三十一日	At 31 December 2016	601,060	21,976	419	(467,592)	155,863

本公司之繳入盈餘指根據一九九三年本公司之股份上市前所進行之集團重組而收購之附屬公司股份之公平值超逾為交換此等股份而發行之本公司股份面值之部份。根據百慕達公司法1981，一間公司可在若干情況下，以繳入盈餘賬內之款項向其成員作出分派。

The Company's contributed surplus represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the Group reorganisation prior to the listing of the Company's shares in 1993, over the nominal value of the Company's shares issued in exchange therefor. Under the Bermuda Companies Act 1981, a company may make distributions to its members out of the contributed surplus in certain circumstances.

46. 比較數據

比較綜合財務狀況表乃經重列，原因是財務報表附註34所披露之業務合併之經調整購買代價。

46. COMPARATIVE AMOUNTS

The comparative consolidated statement of financial position has been restated due to the adjusted purchase consideration for a business combination as disclosed in note 34 to the financial statements.

47. 財務報表之批准

財務報表於二零一七年三月二十九日已獲得董事會批准及授權刊印。

47. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 29 March 2017.

財務概要

Financial Summary

本概要並非組成經審核財務報表之其中一部份。

This summary does not form part of the audited financial statements.

業績

RESULTS

		截至三月三十一日止年度 For the year ended 31 March			二零一五年 四月一日至 二零一五年 十二月 三十一日 期間 For the period from 1 April 2015 to 31 December 2015 千港元 HK\$'000 (經重列) (restated)	截至 二零一六年 十二月 三十一日 止年度 For the year ended 31 December 2016 千港元 HK\$'000
		二零一三年 2013 千港元 HK\$'000	二零一四年 2014 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000		
收入	Revenue	383,340	349,382	223,933	139,537	363,676
稅前虧損	Loss before tax	(76,688)	(86,789)	(110,504)	265	(31,001)
所得稅	Income tax	3	(16)	(13)	—	(22)
本年度／期間(虧損)／溢利(Loss)/profit for the year/period		(76,685)	(86,805)	(110,517)	265	(31,023)
應佔溢利／(虧損)：	Profit/(Loss) attributable to:					
本公司股權持有人	Equity holders of the Company	(75,724)	(80,409)	(107,460)	268	(29,485)
非控制權益	Non-controlling interests	(961)	(6,396)	(3,057)	(3)	(1,538)
本年度／期間(虧損)／溢利(Loss)/profit for the year/period		(76,685)	(86,805)	(110,517)	265	(31,023)

資產與負債

ASSETS AND LIABILITIES

		於三月三十一日 As at 31 March			二零一五年 十二月 三十一日 As at 31 December 2015 千港元 HK\$'000 (經重列) (restated)	於 二零一六年 十二月 三十一日 As at 31 December 2016 千港元 HK\$'000
		二零一三年 2013 千港元 HK\$'000	二零一四年 2014 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000		
資產總值	Total assets	431,960	349,791	339,496	853,742	690,510
負債總值	Total liabilities	(96,223)	(102,861)	(129,756)	(367,240)	(262,056)
		335,737	246,930	209,740	486,502	428,454
本公司股權持有人	Equity attributable to equity					
應佔股權	holders of the Company	332,392	250,509	216,311	492,765	435,767
非控制權益	Non-controlling interests	3,345	(3,579)	(6,571)	(6,263)	(7,313)
		335,737	246,930	209,740	486,502	428,454

主要物業之詳情

Particulars of Major Properties

本集團於二零一六年十二月三十一日持有主要物業之詳情如下：

Particulars of major properties held by the Group as at 31 December 2016 are set out below:

名稱／位置 Name/location	類別 Type	租期 Lease term
租賃物業： Leasehold properties:		
1. 香港九龍灣啟祥道9號 信和工商中心2樓 第13-24號工場及 地庫P3號停車位 Workshop Nos.13 to 24 on 2nd Floor and Car Parking Space No. P3 on Basement, Sino Industrial Plaza 9 Kai Cheung Road Kowloon Bay Hong Kong	工業 Industrial	中年期 Medium-term lease
2. 中國東莞長安權智電子廠 東莞市長安鎮 烏沙管理區 第四工業區 Dongguan Chang An Group Sense Electronics Factory Fourth Industrial Zone, Wusha Chang An, Dongguan The People's Republic of China	工業 Industrial	中年期 Medium-term lease
3. 中國廣東省 廣州市科學城 伴河路96號 96 Ban He Road Guangzhou Science Park Guangzhou City Guangdong Province The People's Republic of China	工業 Industrial	中年期 Medium-term lease
4. 中國哈密市重工業園區 Hami Heavy Industrial Park District Hami City The People's Republic of China	工業 Industrial	中年期 Medium-term lease



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