



# Yan Tat Group Holdings Limited 恩達集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 1480

ANNUAL REPORT 年報

2016



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# Corporate Information 公司資料

## BOARD OF DIRECTORS Executive Directors

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

## Independent Non-executive Directors

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

## COMPANY SECRETARY

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

## AUDIT COMMITTEE

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

## NOMINATION COMMITTEE

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

## REMUNERATION COMMITTEE

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

## AUTHORISED REPRESENTATIVES

Mr. Chan Yan Wing  
Mr. Lai Hau Yin

## AUDITOR

Ernst & Young

## LEGAL ADVISER

Li & Partners

## REGISTERED OFFICE

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

## 董事會 執行董事

陳榮賢先生 (*主席*)  
陳勇女士  
陳恩光先生  
陳恩永先生

## 獨立非執行董事

鍾玉明先生  
劉順銓先生  
邱榮耀先生

## 公司秘書

黎孝賢先生 · *FCPA, FCPA (Aust.)*

## 審計委員會

邱榮耀先生 (*主席*)  
劉順銓先生  
鍾玉明先生

## 提名委員會

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

## 薪酬委員會

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

## 授權代表

陳恩永先生  
黎孝賢先生

## 核數師

安永會計師事務所

## 法律顧問

李偉斌律師行

## 註冊辦事處

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

# Corporate Information

## 公司資料

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

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

### HEADQUARTERS IN THE PRC

No. 8 Yantat Road  
Pingshan New District  
Shenzhen  
The PRC

### PRINCIPAL BANKERS

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

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

### PLACE OF LISTING

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

### STOCK CODE

1480

### COMPANY'S WEBSITE

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

### 總部及香港主要營業地點

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

### 中國總部

中國  
深圳  
坪山新區  
恩達路8號

### 主要往來銀行

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

### 股份過戶登記總處

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

### 香港股份過戶登記分處

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

### 上市地點

香港聯合交易所有限公司(「聯交所」)

### 股份代號

1480

### 公司網站

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

# Chairman's Statement

## 主席報告

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of Yan Tat Group Holdings Limited (the "Company"), I am pleased to present the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2016.

### PERFORMANCE

Our Group's turnover decreased from approximately HK\$638.9 million in 2015 to approximately HK\$591.4 million in 2016, representing a decline of approximately 7.4%. Gross profit was approximately HK\$119.9 million in 2016, representing an decrease of approximately 16.8% from that of 2015. Earnings before interest, taxes, depreciation and amortisation ("EBITDA") was approximately HK\$67.1 million in 2016, representing a decrease of approximately 6.3% from that of 2015. Profit attributable to ordinary equity holders of the Company was approximately HK\$23.4 million in 2016, representing a decrease of approximately 44.8% from that of 2015. Drop in EBITDA and net profit was primarily due to the decrease in sales orders resulting from global economic slowdown, which adversely affected the Group's sales volume. At the same time, new production facilities and equipment commenced full operation at the end of 2015, resulting in significant increase of depreciation expense and operating costs during the year.

### FUTURE PROSPECTS

The Group has 27 years' experience in manufacturing and sales of printed circuit board ("PCB") and an extensively experienced management team as well as a diverse customer base worldwide. Looking ahead to the year of 2017, taking precarious external factors into consideration which include uncertainties over the progress of Brexit, the foreign trade policy direction of Donald Trump, the President of United States of America, and influences of election results of several countries, the Group will remain a prudent operation in searching of business opportunities.

With wide range of application and mature development, the PCB industry remained relatively stable and suffered less from the volatile macro-environment. As always, the Group focuses on the PCB business and will capture different market opportunities with diversified customer groups.

Among the PCB customer groups, automotive application segment and smart city ("SMART CITY") have been more active during recent years. With increased application of more advanced electric technologies in automotive industry and the more penetrated application of electric automotive, the growth of PCB products for automotive sector was higher than that of other segments. Meanwhile, SMART CITY has also become the future development in trend for cities which has brought a positive influence to the demand of circuit board. The Group had the foresight of this trend and well prepared to capture the business opportunities.

各位股東：

本人謹代表恩達集團控股有限公司(「本公司」)及其附屬公司(統稱為「本集團」)之董事(「董事」)會(「董事會」)，欣然呈報本集團截至二零一六年十二月三十一日止年度之經審核綜合業績。

### 業績表現

本集團之營業額由二零一五年的約638.9百萬港元，減少約7.4%至二零一六年約591.4百萬港元。於二零一六年，毛利約為119.9百萬港元，較二零一五年下調約16.8%。於二零一六年，利息、稅項、折舊及攤銷前溢利(「EBITDA」)約為67.1百萬港元，較二零一五年減少約6.3%。於二零一六年，本公司普通權益擁有人應佔溢利約23.4百萬港元，較二零一五年減少約44.8%。EBITDA及純利下降主要由於環球經濟放緩導致銷售訂單減少，對本集團銷量造成負面影響；同時，新生產設施及設備於二零一五年末全面投入運作，導致本年度的折舊費用及經營成本大幅增加。

### 未來展望

本集團經營印刷電路板(「印刷電路板」)生產及銷售已經有廿七年經驗，擁有豐富經驗之管理團隊及廣闊的全球性客戶羣組。展望二零一七年，由於外圍因素未見明朗，包括英國脫歐的步伐未明，美國總統特朗普的對外貿易政策方向及多國大選的影響下，本集團將會繼續審慎經營，找着商機。

由於印刷電路板行業應用層面廣，發展已十分成熟，面對大氣候的起伏，相對較平穩，影響較少。本集團一如以往，專注於印刷電路板業務，多元化的客戶羣，可以抓着不同的市場機遇。

印刷電路板客戶羣中，近年以汽車應用板塊及智慧城市(「SMART CITY」)最為活躍，隨着汽車產業應用更多更高級的電子技術，及電動汽車應用更為普及，汽車領域的印刷電路板產品較其他板塊的增長為高；同時SMART CITY亦成為各城市未來發展趨勢，對電路板需求帶來正面影響。本集團在早年已預見這個趨勢作出準備，正好找着這個商機。

# Chairman's Statement

## 主席報告

### APPRECIATION

Last but not least, I would like to take this opportunity to extend my sincere gratitude to all fellow directors, management and our staff for their unwavering dedication and contribution to our Group's development. I would also like to thank all of our shareholders, for their trust and continuous support over a challenging but rewarding 2016.

**Yan Tat Group Holdings Limited**  
**Chan Wing Yin**  
*Chairman*  
Hong Kong, 24 March 2017

### 致謝

最後，本人謹藉此機會衷心感謝全體董事、管理層及旗下職工的竭誠投入以及對本集團發展的貢獻。本人亦謹此感謝全體股東於充滿挑戰又具意義的二零一六年裡一直給予信任及支持。

**恩達集團控股有限公司**  
**主席**  
**陳榮賢**  
香港，二零一七年三月二十四日

# Financial Highlights

## 財務摘要

		For the year ended 31 December 截至十二月三十一日止年度		
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	Change 變動 (%)
<b>Results</b> 業績				
Revenue	收益	591,407	638,930	(7.4)
Profit before tax	除稅前溢利	30,413	49,724	(38.8)
Profit attributable to ordinary equity holders of the Company	本公司普通權益持有人應佔溢利	23,383	42,413	(44.9)
Basic earnings per share (expressed in HK cents per share)	每股基本盈利 (以每股港仙列示)	HK9.7 cents 港仙	HK17.7 cents 港仙	(45.2)
Diluted earnings per share (expressed in HK cents per share)	每股攤薄盈利 (以每股港仙列示)	HK9.7 cents 港仙	HK17.7 cents 港仙	(45.2)
Dividend per share (expressed in HK cents per share)	每股股息 (以每股港仙列示)	Nil 無	HK5 cents 港仙	N/A 不適用
		As at 31 December 於十二月三十一日		
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	Change 變動 (%)
<b>Financial Position</b> 財務狀況				
Total assets	資產總值	829,988	863,581	(3.9)
Net debts (excluding cash and bank balances, pledged deposits and restricted cash)	淨債務(不包括現金及銀行結餘, 已抵押存款及限制性現金)	105,482	82,686	27.6
Shareholders' equity	股東權益	421,829	428,784	(1.6)
Net assets per share (expressed in HK\$ per share)	每股資產淨值 (以每股港元列示)	1.76	1.79	(1.7)
Net debts to total assets	淨債務對總資產	12.7%	9.6%	32.3
Net debts to shareholders' equity	淨債務對股東權益	25.0%	19.3%	29.5

# Financial Summary

## 財務概要

		Year ended 31 December 截至十二月三十一日止年度				
in HK\$'000 千港元		2016 二零一六年	2015 二零一五年	2014 二零一四年	2013 二零一三年	2012 二零一二年
<b>RESULTS</b>	<b>業績</b>					
Revenue	收益	<b>591,407</b>	638,930	663,566	581,557	576,663
Profit before tax	除稅前溢利	<b>30,413</b>	49,724	50,857	42,822	33,972
Income tax expense	所得稅開支	<b>(7,030)</b>	(7,311)	(6,649)	(3,055)	(3,794)
Profit for the year	年內溢利	<b>23,383</b>	42,413	44,208	39,767	30,178
		As at 31 December 於十二月三十一日				
in HK\$'000 千港元		2016 二零一六年	2015 二零一五年	2014 二零一四年	2013 二零一三年	2012 二零一二年
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	資產總值	<b>829,988</b>	863,581	772,814	659,181	579,781
Total liabilities	負債總額	<b>408,159</b>	434,797	354,640	391,356	361,147
Net assets	資產淨值	<b>421,829</b>	428,784	418,174	267,825	218,634



# Management Discussion and Analysis

## 管理層討論及分析

### INDUSTRY OVERVIEW

2016 witnessed the stagnation for global trade, weak investments and increased uncertainties in government policies, resulting in an estimated global growth in 2016 of approximately 3.1%<sup>#</sup>. Looking forward to 2017, the global economy will be rattled by a wide range of questions, particularly the progress of Brexit, protectionism from Donald Trump, the President of the United States of America, and Europe's "super election year". Sluggish global growth rate is expected to continue, probably register a marginal increase of approximately 3.4%<sup>#</sup> as compared to last year.

Despite various internal challenges, the economic growth of the PRC far exceeded the global level. According to the data from the International Monetary Fund (IMF), the economic growth of the PRC in 2016 returned to top spot in the world at 6.7%, 0.1% higher than India, the previous leader. The PRC will also remain the biggest driver of global economic growth in 2017.

Printed circuit board ("PCB(s)") is a basic component necessary for electronic products, known as the "mother of the electronic industry". As the global electronics industry is fundamentally correlated to the global economy and the level of demand is generally lower according to the data from Industrial Technology Research Institute, it is expected that the global value output of PCBs will increase slightly by 1.2% from approximately US\$59.31 billion in 2015 to approximately US\$60.03 billion in 2016.

One of the major drivers of the global PCB market is the demand for 3C products, being communications, computer and consumer electronics products. Regarding communications products, the industry is dominated by handsets and infrastructure related to applications of 4G and 5G communications. Given the fierce competitions in the 3C application market and its susceptibility to fluctuation in market sentiment, many factories have increased the portion of non-3C market applications.

Automobile circuit products have been an outstanding non-3C market application of PCBs in 2016. PCBs are commonly found in engine, control, safety, information and internal environment system. Recently, rapid development of new energy cars has also created great development opportunities of PCBs in the car batteries and charging system sectors.

### 行業概覽

二零一六年全球貿易停滯不前，投資疲弱，政策不確定性的增加，二零一六年的全球增長估計約為3.1%<sup>#</sup>，而在二零一七年，全球經濟受種種問題困擾，特別是英國脫歐的步伐、美國總統特朗普的保護主義，加上歐洲多國的大選年，預計全球增長率依然緩慢，對比去年有機會微升至約3.4%<sup>#</sup>。

至於中國，雖然內部面對各種挑戰，但經濟增長大大超前全球水平，根據國際貨幣基金組織(IMF)資料，二零一六年中國經濟增長重回全球第一，為6.7%，較早年首位的印度，高出0.1%；在二零一七年，中國亦是世界經濟增長的第一引擎。

印刷電路板(「印刷電路板」)是電子產品中不可或缺的基礎零件，稱為「電子工業之母」，而世界電子行業增長基本與世界經濟同步，需求均呈現低迷的狀態，所以，根據工業技術研究院資料預測二零一六年全球印刷電路板產值由二零一五年的約593.1億美元，微升1.2%至約600.3億美元。

全球印刷電路板市場的一大動力源於3C產品需求(包括通訊、電腦及消費電子產品)。通訊產品主要由4G及5G通訊應用有關及基礎設施主導，由於3C應用市場競爭激烈，且受到市場景氣波動影響大之特性，不少廠家均加重非3C市場之應用比重。

印制電路板非3C市場之應用，在二零一六年中的表表者可說是汽車電路板產品，無論是發動機系統，操縱系統、安全系統、信息系統及車內環境系統等，都不難找到印刷電路板的蹤影。近期，新能源汽車的迅速發展，更大大提供印刷電路板在汽車電池及充電系統上的發展機遇。

<sup>#</sup> According to the data from the International Monetary Fund

<sup>#</sup> 根據國際貨幣基金組織(IMF)資料

# Management Discussion and Analysis

## 管理層討論及分析

According to the data from Industrial Technology Research Institute, the output value of PCBs in the PRC is estimated to be accounted for approximately 48.2% of the global market share, amounting to approximately US\$28.91 billion in 2016. In recent years, raw material and labour costs have been on the rise, and laws and environmental regulations are increasingly stringent, resulting in operation difficulties for factories in the PRC. Nevertheless, depreciation of Renminbi somewhat relieved the pressure. Despite its eroding advantage in production, the PRC will remain an indispensable global production base in the near future.

Industry 4.0 or Made in China 2025 centres on customised mass production and intelligent production which satisfy customers' specific requirements. It is a ground-breaking development for the PCB industry. It is rather complicated to satisfy customers' diverse needs while allocate proper resources to achieve efficient production. Enterprises will be encouraged to implement informatized and automated means of production, leading to improvements in cost and quality control.

The global PCB industry is witnessing changes in its development momentum, oversupply and fierce market competitions. The advantage of low labour costs traditionally enjoyed by manufacturers in the PRC is gradually fading, which forced manufacturers in the PRC to make greater strides in informatization and automation and adhere to the principle of Made in China 2025 in the future.

### BUSINESS REVIEW AND DEVELOPMENT

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

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

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

就中國的印刷電路板產值而言，根據工業技術研究院資料，在二零一六年中估計佔全球市場份額約有48.2%，約289.1億美元。近年原材料及工資上升，法規及環保越見嚴緊，增加了廠家在中國經營上的難度，人民幣的下浮，剛好舒緩了部份壓力。雖然中國大陸生產優勢逐漸弱化，但短時間作為全球生產基地地位還是無可替代。

工業4.0或中國製造2025的中心思想是定制量產，生產智能化針對性滿足客戶需要，在印刷電路板行業，實是一大衝擊，客戶多樣化的需求，充份調配資源有效生產，有一定複雜性，繼而推動各企業用信息及自動化手段生產，而帶來成本與質量優化改善。

全球印刷電路板行業發展勢頭有所變化，供大於求，引致市場競爭很激烈，從前在國內生產有廉價勞動成本優勢，現在漸漸下降，無疑推動國內廠家在息信化及自動化大步提升，未來才能配合中國製造2025路徑行走。

### 業務回顧及發展

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

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

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

# Management Discussion and Analysis

## 管理層討論及分析

Over the past 27 years of our operation, the Group has established a solid foundation and close relationship with our customers. The Group provided direct and indirect services to OEM customers across Asia, North America, Europe, Africa and Oceania, who are engaged in various industries with many of them running in a multinational model. Certain of our major OEM customers are leading players in their markets. The Group supplied PCB products directly to a number of leading electronic manufacturing service providers, in order to assemble finished goods of OEM for the Group's indirect OEM customers. To date, the Group has built up long-term relationship with major customers, and some of them have been working with us for over a decade. The Company believed that these customers also considered the Group as their important partner for their supply chain. Therefore, our profound and long-term relationship with customers will enable the Group to know the trend of customers' demand more quickly.

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

The commissioning of the new production facility of the Group has significantly boosted equipment precision and automation level. Upon several rounds of fine-tuning and optimisation, we are capable of handling extra orders for more advanced products. Despite a disappointing global economy leading to decrease in order and turnover for the year, we are confident that the difficulty will fade and we will be well-equipped to capitalise on the rebound.

As operation of the Group's new production facilities and equipment commences, the annual depreciation costs and relevant fixed costs increased significantly this year and in the future, the gross profit margin of the Group may be reduced. However, the management of the Group is confident that the gross profit margin will be restored to a healthy level through economy of scale when customer orders and production capacity gradually increase.

The Group has been concentrating on its PCB business for over 27 years, accumulating experience and network throughout the years, which allows the Group to make further development into the PCB market and put existing hardware and software into efficient use for the future. In the course of its principal PCB business, the Group will also consider opportunities to maximize shareholders' benefits from time to time.

在過去超過二十七年的經營，本集團建立了穩固的根基及深厚的客戶關係，本集團向遍佈在亞洲、北美洲、歐洲、非洲及大洋洲的原設備製造商客戶提供直接及間接的服務，該等客戶在各行各業經營，許多更以跨國模式運作。若干主要原設備製造商客戶為其所屬市場中的表表者。本集團亦向多家領先電子製造服務提供者，直接供應印刷電路板產品，藉以為本集團的間接原設備製造商客戶組裝原設備製造商製成品。迄今，本集團與主要客戶建立長遠關係，當中部份已合作逾十載，而本公司相信彼等亦視本集團為其供應鏈上的重要夥伴。因此，與客戶所建立的深厚長久關係，可使本集團更快掌握客戶需求的動向。

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

本集團新生產設施已投產，設備精密度自動化水平大幅提升，經過多番調試、優化，我們已具備迎接更多、更高端訂單的能力，雖然全球經濟未及我們所預期，引致本年度訂單減少，營業額下降，但我們有信心，這個寒冬很快就會過，春天到來時，我們已有充足的準備。

由於本集團使用新的生產設施、設備，今年及未來每年的折舊費用及相關的固定費用大幅上升，因而有可能削弱集團毛利率，然而本集團管理層有信心，隨著客戶訂單及產量逐步上升，進一步體現規模經濟效益，有助毛利率回復至健康水平。

本集團專注印刷電路板業務超過二十七年，所累積經驗及網絡有利集團在印刷電路板市場進一步發展，有效地運用現有軟件硬件，創造未來。在經營印刷電路板主業的同時，集團亦會不時研究考慮為股東爭取最大利益的機會發展。

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW

### 財務回顧

in HK\$'000 千港元		2016 二零一六年	2015 二零一五年
Turnover	營業額	591,407	638,930
Gross profit	毛利	119,893	144,120
Earnings before interest, taxes, depreciation and amortisation ("EBITDA")	利息、稅項、折舊及攤銷前盈利 (「EBITDA」)	67,056	71,601
Net profit	純利	23,383	42,413

The Group's turnover for the year of 2016 was approximately HK\$591.4 million, representing a decrease of approximately 7.4% compared to that of the last year, primarily due to the slowdown in global economy causing decrease in sales orders which negatively affects the sales amount of the Group.

The Group's gross profit for the year of 2016 was approximately HK\$119.9 million, representing a decrease of approximately 16.8% compared to that of the last year. Gross profit margin decreased by approximately 2.3% to 20.3% from 22.6%, primarily due to the significant increase in depreciation cost and operation cost for the new production facilities and equipment.

The Group's total operating expenses for the year of 2016 were approximately HK\$92.6 million, representing a decrease of approximately 5.3% compared to approximately HK\$97.8 million for the last year, primarily due to decrease in commission and transportation expenses.

The Group's EBITDA amounted to approximately HK\$67.1 million for the year of 2016 as compared to approximately HK\$71.6 million for the last year.

The Group recorded a profit attributable to ordinary equity holders of the Company of approximately HK\$23.4 million for the year of 2016 as compared to approximately HK\$42.4 million for the last year.

#### Other income and gains

Our other income and gains increased by approximately HK\$4.1 million, or 51.3%, to approximately HK\$12.1 million for the year ended 31 December 2016 from approximately HK\$8.0 million for the year ended 31 December 2015, primarily due to the fair value gains on investment properties of approximately HK\$8.7 million and the decrease in government grants of approximately HK\$2.2 million in 2016.

#### Selling and distribution expenses

Our selling and distribution expenses decreased by approximately HK\$4.8 million, or 19.0%, to approximately HK\$20.5 million for the year ended 31 December 2016 from approximately HK\$25.3 million for the year ended 31 December 2015. The decrease was primarily due to decrease in commission and transportation expenses.

本集團於二零一六年之營業額約591.4百萬港元，較去年減少約7.4%，環球經濟放緩導致銷售訂單減少對本集團銷量造成負面影響。

本集團於二零一六年之毛利約119.9百萬港元，較去年減少約16.8%。毛利率由22.6%減少約2.3%至20.3%，主要由於新生產設施及設備所提的折舊費用及經營成本大幅增加所致。

本集團於二零一六年的經營開支總額約為92.6百萬港元，較去年約97.8百萬港元減少約5.3%，主要由於佣金及運輸開支減少所致。

本集團於二零一六年的EBITDA約為67.1百萬港元，而去年則為約71.6百萬港元。

本集團於二零一六年錄得本公司普通權益持有人應佔溢利約23.4百萬港元，而去年則為約42.4百萬港元。

#### 其他收入及收益

其他收入及收益由截至二零一五年十二月三十一日止年度約8.0百萬港元增加約4.1百萬港元或51.3%，至截至二零一六年十二月三十一日止年度約12.1百萬港元，主要由於在二零一六年獲得約8.7百萬港元的投資物業之公平值收益及政府補貼減少約2.2百萬港元。

#### 銷售及分銷開支

銷售及分銷開支由截至二零一五年十二月三十一日止年度約25.3百萬港元減少約4.8百萬港元或19.0%，至截至二零一六年十二月三十一日止年度約20.5百萬港元。減少主要由於佣金及運輸開支減少。

# Management Discussion and Analysis

## 管理層討論及分析

### General and administrative expenses

Our general and administrative expenses slightly decreased by approximately HK\$0.4 million, or 0.6%, to approximately HK\$72.1 million for the year ended 31 December 2016 from approximately HK\$72.5 million for the year ended 31 December 2015. The decrease was primarily due to decrease in legal and professional fees and reversal of impairment of trade receivables.

### Other expenses

Our other expenses increased by approximately HK\$0.8 million, or 133.3%, to approximately HK\$1.4 million for the year ended 31 December 2016 from approximately HK\$0.6 million for the year ended 31 December 2015.

### Finance costs

Our finance costs increased by approximately HK\$3.5 million, or 87.5%, to approximately HK\$7.5 million for the year ended 31 December 2016 from approximately HK\$4.0 million for the year ended 31 December 2015. The increase was primarily due to an interest of approximately HK\$2.5 million being capitalised for the year ended 31 December 2015.

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

The Group recorded a profit attributable to ordinary equity holders of the Company of approximately HK\$23.4 million for the year ended 31 December 2016 compared to approximately HK\$42.4 million for the year ended 31 December 2015, representing a decrease of approximately 44.8%. The decrease of profit attributable to ordinary equity holders of the Company was mainly due to the decrease in gross profit of approximately HK\$24.2 million.

### Property, plant and equipment

The net carrying amount as at 31 December 2016 was approximately HK\$396.5 million, representing a decrease of approximately HK\$13.6 million from that of 31 December 2015. This was mainly due to the increase in accumulated depreciation of approximately HK\$17.3 million.

### Trade and bills receivables

There was a decrease in trade and bills receivables as at 31 December 2016 of approximately HK\$1.6 million as compared to that of 31 December 2015, which was mainly due to the net effect of the corresponding decrease of trade receivables resulting from the drop in sales and increase of bills receivable of longer payment terms. For further details, please refer to note 19 to the financial statements.

### Trade and bills payables

There was a decrease in trade and bills payables as at 31 December 2016 of approximately HK\$5.3 million as compared to that of 31 December 2015, which was mainly due to the decrease of trade payables caused by the drop in sales as well as purchases. For further details, please refer to note 22 to the financial statements.

### 一般及行政開支

一般及行政開支由截至二零一五年十二月三十一日止年度約72.5百萬港元輕微減少約0.4百萬港元或0.6%，至截至二零一六年十二月三十一日止年度約72.1百萬港元。減少主要由於法律及專業費用及撥回貿易應收款項減值減少所致。

### 其他開支

截至二零一六年十二月三十一日止年度，其他開支由截至二零一五年十二月三十一日止年度約0.6百萬港元增加約0.8百萬港元或133.3%至約1.4百萬港元。

### 融資成本

融資成本由截至二零一五年十二月三十一日止年度約4.0百萬港元增加約3.5百萬港元或87.5%，至截至二零一六年十二月三十一日止年度約7.5百萬港元。此增幅主要由於約2.5百萬港元利息在截至二零一五年十二月三十一日止年度作資本化。

### 本公司普通權益持有人應佔溢利

截至二零一六年十二月三十一日止年度，本集團錄得本公司普通權益持有人應佔溢利約23.4百萬港元，較截至二零一五年十二月三十一日止年度約42.4百萬港元減少約44.8%。本公司普通權益持有人應佔溢利減少主要由於毛利減少約24.2百萬港元。

### 物業、廠房及設備

於二零一六年十二月三十一日，賬面淨值約396.5百萬港元，較二零一五年十二月三十一日減少約13.6百萬港元，主要由於累積折舊上升約17.3百萬港元。

### 貿易應收款項及應收票據

貿易應收款項及應收票據於二零一六年十二月三十一日較二零一五年十二月三十一日減少約1.6百萬港元，主要由於銷售下降引至貿易應收款項相應下調及較長付款期的應收票據付款方式增加的淨影響。更多詳情，請參閱財務報表附註19。

### 貿易應付款項及應付票據

於二零一六年十二月三十一日之貿易應付款項及應付票據較二零一五年十二月三十一日減少約5.3百萬港元，主要由於銷售下調的同時，採購下降，貿易應付款項也下調。更多詳情，請參閱財務報表附註22。

# Management Discussion and Analysis

## 管理層討論及分析

### Bank and other borrowings

The Group had bank and other borrowings as at 31 December 2016 in the sum of approximately HK\$223.4 million, which were increased by approximately HK\$17.1 million from the sum of approximately HK\$206.3 million as at 31 December 2015. The main reason for the increase in borrowings was to finance the internal decoration for the new factory and the purchase of new equipment. No financial instruments were used for hedging purposes, nor were there any foreign currency net investments hedged by current borrowings and/or other hedging instruments. For further details, please refer to note 24 to financial statements.

### Liquidity and financial resources

As at 31 December 2016, the Group had current assets of approximately HK\$386.7 million (2015: HK\$394.3 million) including cash and bank balances, pledged deposits and restricted cash totalling of approximately HK\$117.9 million (2015: HK\$123.6 million). As at 31 December 2016, the Group had non-current liabilities of approximately HK\$25.8 million (2015: HK\$46.4 million), and its current liabilities amounted to approximately HK\$382.3 million (2015: HK\$388.4 million), consisting mainly of payables arising in the normal course of operations and bank borrowings for financing of new production facilities. Accordingly, the current ratio, being the ratio of current assets to current liabilities, was around 1.0 as at 31 December 2016 (2015: 1.0).

### Gearing ratio

The gearing ratio of the Group, calculated as total borrowings over total equity, was approximately 0.5 as at 31 December 2016 (2015: approximately 0.5).

### Treasury policies

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the year of 2016. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

### Foreign exchange exposure

As at 31 December 2016, we had cash and bank balances, pledged deposits and restricted cash, trade and bills receivables, trade and bills payables, other payables and interest-bearing bank and other borrowings which are denominated in currencies other than Hong Kong dollar, and consequently we have foreign exchange exposure from translation of amount denominated in foreign currencies as at the reporting date. During the year ended 31 December 2016, the Group did not engage in any derivatives activities and did not commit to any financial instruments to hedge its foreign currency exposure.

### 銀行及其他借款

於二零一六年十二月三十一日，本集團的銀行及其他借款合計約223.4百萬港元，較二零一五年十二月三十一日合共約206.3百萬港元增加約17.1百萬港元。借款增加的主要原因為新廠房內部裝修及新購設備的融資。並未動用財務工具作對沖用途，亦無通過現有借款及／或其他對沖工具對沖任何外幣投資淨額。更多詳情，請參閱財務報表附註24。

### 流動資金及財務資源

於二零一六年十二月三十一日，本集團流動資產約為386.7百萬港元(二零一五年：394.3百萬港元)，包括現金及銀行結餘、已抵押存款及限制性現金總計約117.9百萬港元(二零一五年：123.6百萬港元)。於二零一六年十二月三十一日，本集團之非流動負債約為25.8百萬港元(二零一五年：46.4百萬港元)，及其流動負債約為382.3百萬港元(二零一五年：388.4百萬港元)，主要包括一般業務過程中產生的應付款項及就新生產設施融資之銀行借款。因此，於二零一六年十二月三十一日，流動比率(流動資產除以流動負債)約為1.0(二零一五年：1.0)。

### 資產負債比率

於二零一六年十二月三十一日，本集團之資產負債比率(按總借款除以總權益計算)約為0.5(二零一五年：約0.5)。

### 庫務政策

本集團已就庫務政策採取審慎的財務管理方針，因此於二零一六年內維持穩健流動資金狀況。本集團致力減低信貸風險，持續進行信貸評估及評估其客戶之財務狀況。為管理流動資金風險，董事會密切監察本集團流動資金狀況，確保本集團資產、負債及其他承擔之流動資金結構能應付不時之資金需要。

### 外匯風險

於二零一六年十二月三十一日，我們的現金及銀行結餘、已抵押存款及限制性現金、貿易應收款項及應收票據、貿易應付款項及應付票據、其他應付款項及計息銀行及其他借款若是非香港貨幣計值，因而我們於報告日期面對轉換外幣計值金額之外匯風險。於截至二零一六年十二月三十一日止年度，本集團並無從事任何衍生工具活動，亦無作出任何財務工具承擔，以對沖所面對之外匯風險。

# Management Discussion and Analysis

## 管理層討論及分析

### Capital structure

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

### Capital commitments

As at 31 December 2016, capital commitments of the Group amounted to approximately HK\$9.7 million (2015: HK\$23.9 million).

### Dividend

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

### Information on employees

As at 31 December 2016, the Group had 936 employees (2015: 1,124 employees), including the executive Directors. Total employee benefit expense (including Directors' remuneration) was approximately HK\$100.1 million, as compared to approximately HK\$100.9 million for the year ended 31 December 2015. Remuneration is determined with reference to market norms and individual employee's performance, qualification and experience.

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

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

Details of the Share Option Scheme are disclosed in the section headed "Share Option Scheme" on pages 60 to 62 of this annual report.

The Company did not grant any share option under the Share Option Scheme during the current and prior years. Details of remuneration of Directors and chief executive officer and the five highest paid individuals of the Group for the year ended 31 December 2016 are set out on note 8 and note 9 to the consolidated financial statements.

### 資本架構

於本年度及去年，本公司資本架構概無變動。本公司資本包括普通股及資本儲備。

### 資本承擔

於二零一六年十二月三十一日，本集團的資本承擔約為9.7百萬港元(二零一五年：23.9百萬港元)。

### 股息

董事會不建議於截至二零一六年十二月三十一日止年度派付末期股息(二零一五年：無)。

### 僱員資料

於二零一六年十二月三十一日，本集團有936名僱員(二零一五年：1,124名僱員)，包括執行董事。僱員福利開支總額(包括董事薪酬)約為100.1百萬港元，而截至二零一五年十二月三十一日止年度則約為100.9百萬港元。薪酬乃參考市場常規及個別僱員之表現、資格及經驗而釐訂。

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

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

購股權計劃詳情披露於本年報第60至62頁「購股權計劃」一節。

於年內及過往年度本公司沒有根據購股權計劃授出任何購股權。截至二零一六年十二月三十一日止年度，本集團董事及行政總裁及五名最高薪酬人士之薪酬詳情載於綜合財務報表附註8及9。

# Management Discussion and Analysis

## 管理層討論及分析

### Significant investments held

Except for an available-for-sale investment as at 31 December 2016 (please see note 17 to the consolidated financial statements), the Group did not hold any significant investment in equity interest in any other company.

### Future plans for material investments and capital assets

Save as disclosed in the prospectus of the Company dated 26 November 2014, currently the Group does not have other plans for material investments and capital assets.

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

During the year ended 31 December 2016, the Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures.

### Charges of assets

As at 31 December 2016, certain assets of the Group as set out below were charged to secure banking facilities granted to the Group:

- (i) the Group's leasehold land and buildings, construction in progress and investment property with an aggregate net carrying amount of approximately HK\$183.2 million (2015: HK\$242.3 million).
- (ii) the Group's leasehold lands situated in Mainland China, which are classified as prepaid land lease payments with a carrying amount of approximately HK\$5.2 million (2015: HK\$5.8 million).
- (iii) pledged deposits with banks amounting to approximately HK\$34.4 million (2015: HK\$21.1 million).

### Contingent liabilities

The Group had no material contingent liabilities as at 31 December 2016 (2015: nil).

### 持有之重大投資

除於二零一六年十二月三十一日之一項可供出售投資(請參閱綜合財務報表附註17)外,本集團並無於任何其他公司持有任何重大股權投資。

### 重大投資及資本資產之未來計劃

除於本公司日期為二零一四年十一月二十六日之招股章程所披露外,本集團目前並無其他重大投資及資本資產計劃。

### 重大收購及出售附屬公司、聯營公司及合營公司

截至二零一六年十二月三十一日止年度,本集團並無任何重大收購及出售附屬公司、聯營公司及合營公司事項。

### 資產抵押

於二零一六年十二月三十一日,下文所載本集團的部份資產已抵押,作為本集團獲授銀行融資的擔保:

- (i) 本集團租賃土地及樓宇、在建工程及投資物業,總賬面淨值約為183.2百萬港元(二零一五年:242.3百萬港元)。
- (ii) 本集團於中國內地的租賃地塊,分類為預付土地租賃款項,賬面值約為5.2百萬港元(二零一五年:5.8百萬港元)。
- (iii) 已抵押予銀行的存款約為34.4百萬港元(二零一五年:21.1百萬港元)。

### 或然負債

本集團於二零一六年十二月三十一日並無任何重大或然負債(二零一五年:無)。



# Directors and Senior Management Profile

## 董事及高級管理層簡歷

### DIRECTORS

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

### 董事

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

Name 姓名	Appointment Date 委任日期	Resignation Date 離任日期	Age 年齡
<b>Executive Directors</b> 執行董事			
Mr. Chan Wing Yin 陳榮賢先生	8 July 2014 二零一四年七月八日	—	67
Mrs. Chan Yung 陳勇女士	8 July 2014 二零一四年七月八日	—	67
Mr. Chan Yan Kwong 陳恩光先生	8 July 2014 二零一四年七月八日	—	38
Mr. Chan Yan Wing 陳恩永先生	8 July 2014 二零一四年七月八日	—	37
<b>Independent Non-executive Directors</b> 獨立非執行董事			
Mr. Chung Yuk Ming 鍾玉明先生	18 November 2014 二零一四年十一月十八日	—	69
Mr. Yeung Kam Ho 楊錦浩先生	18 November 2014 二零一四年十一月十八日	30 September 2016 二零一六年九月三十日	53
Mr. Yau Wing Yiu 邱榮耀先生	18 November 2014 二零一四年十一月十八日	—	49
Mr. Lau Shun Chuen 劉順銓先生	30 September 2016 二零一六年九月三十日	—	66

### CHAIRMAN, EXECUTIVE DIRECTOR & CHIEF EXECUTIVE OFFICER

**Mr. Chan Wing Yin (陳榮賢)**, aged 67, is our chairman, executive Director and chief executive officer. He is the founder of the Group and has participated in the management of the Group since January 1992. Mr. Chan is the director of all our subsidiaries. Mr. Chan is responsible for the corporate strategic planning and overall business development of the Group. Mr. Chan is the spouse of Mrs. Chan Yung, the father of Mr. Chan Yan Kwong and Mr. Chan Yan Wing, all being the executive Directors.

### 主席、執行董事及行政總裁

**陳榮賢先生**，67歲，為主席、執行董事及行政總裁。彼為本集團創辦人，自一九九二年一月起已參與本集團的管理。陳先生為本集團所有附屬公司的董事。陳先生負責本集團的企業策略規劃及整體業務發展。陳先生為陳勇女士的配偶、陳恩光先生及陳恩永先生(均為執行董事)的父親。

Before incorporation of Yan Tat (HK) Industrial Limited (“YT Industrial”) in 1992, Mr. Chan was a sole proprietorship conducting business under the name of Yan Tat (HK) Industrial Co. from September 1989, which was primarily engaged in the manufacturing of PCBs and which enabled Mr. Chan to acquire relevant industry knowledge and accumulate relevant experience. Mr. Chan has more than 27 years of experience in the PCB production and sales.

在恩達(香港)實業有限公司(「恩達實業」)於一九九二年註冊成立前，陳先生自一九八九年九月起以恩達(香港)實業公司之名義獨資經營業務，並主要從事印刷電路板製造，讓陳先生汲取相關行業知識及累積相關經驗。陳先生於印刷電路板產銷擁有逾27年經驗。

# Directors and Senior Management Profile

## 董事及高級管理層簡歷

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

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

### EXECUTIVE DIRECTORS

**Mrs. Chan Yung (陳勇)**, aged 67, is our executive Director and vice president. She has participated in the management of the Group since September 1996. Mrs. Chan is one of the directors of four of our subsidiaries. Mrs. Chan is responsible for overseeing the administration, purchasing and logistics of the Group, corporate strategic planning and overall business development of the Group. Mrs. Chan is the spouse of Mr. Chan Wing Yin, and the mother of Mr. Chan Yan Kwong and Mr. Chan Yan Wing.

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

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

Mr. Chan joined our Group in April 2011 and is primarily responsible for overseeing factory expansion, information technology, human resources and building management of the Group. Prior to joining our Group, Mr. Chan worked at Benoy Limited (a private architectural firm) from June 2006 to March 2011 with his last position as a senior graphic designer where he was responsible for coordinating project construction and installation and architectural design.

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

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

陳先生於一九六二年至一九六四年在中國福建省修讀中學課程。

### 執行董事

**陳勇女士**，67歲，為執行董事及副總裁。彼自一九九六年九月起參與本集團的管理。陳女士為本集團四間附屬公司的其中一名董事。陳女士負責監督本集團的行政、採購及物流及本集團企業策略規劃及整體業務發展。陳女士為陳榮賢先生的配偶、陳恩光先生及陳恩永先生的母親。

陳女士於一九六八年六月在中國福建省完成中學課程。

**陳恩光先生**，38歲，為執行董事及副總裁。陳恩光先生為陳榮賢先生及陳勇女士的兒子及陳恩永先生的胞兄。陳恩光先生為三間附屬公司的董事之一。

陳恩光先生於二零一一年四月加入本集團，主要負責監督本集團廠房擴展、資訊科技、人力資源及樓宇管理。加盟本集團前，陳恩光先生於二零零六年六月至二零一一年三月任職於私人建築公司Benoy Limited，離任前職位為高級圖則設計師，負責協調項目工程及安裝及建築設計。

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

# Directors and Senior Management Profile

## 董事及高級管理層簡歷

**Mr. Chan Yan Wing (陳恩永)**, aged 37, is our executive Director and vice president. Mr. Chan is the son of Mr. Chan Wing Yin and Mrs. Chan Yung, and the brother of Mr. Chan Yan Kwong. Mr. Chan is one of the directors of two of our subsidiaries.

Mr. Chan has approximately 13 years of experience in the PCB industry. Mr. Chan joined our Group in July 2003 and is primarily responsible for overseeing the sales and marketing of the Group.

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

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Chung Yuk Ming (鍾玉明)**, aged 69, was appointed as our independent non-executive Director on 18 November 2014. Mr. Chung has over 31 years of experience in manufacturing of motor cars, toys, electronics and communications. Mr. Chung has been working for L.K. Technology Holdings Limited (stock code: 558) since February 2001 (for the period from October 2006 to March 2014, Mr. Chung served as the executive director, where he was responsible for the strategic planning, the finance and investment. For the period from April 2014 to March 2016, he served as consultant. Since April 2016, he has served as chief executive officer). From July 1988 to January 2001, Mr. Chung worked for Kader Holdings Company Limited (stock code: 180) (a toy manufacturer) with his last position as an executive director, where he was responsible for overseeing all the operation of the group. From May 1986 to June 1988, he worked as a financial controller for Wong's Electronics Co., Ltd., a company which is principally engaged in the manufacturing of high-end electronics products, where he was primarily responsible for accounting and treasury. Between April 1984 and May 1986, Mr. Chung worked as a financial controller in WEBCOR Telecommunication Ltd. (a telephone manufacturer) where he was primarily responsible for accounting and the overall management of the group. From July 1982 to March 1984, Mr. Chung served as a chief accountant in Swedish Motors Ltd. (a sales agent of automobile) where he had the responsibility for all financial and economic control functions in the company.

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

陳恩永先生，37歲，為執行董事及副總裁。陳恩永先生為陳榮賢先生及陳勇女士的兒子及陳恩光先生的胞弟。陳恩永先生為兩間附屬公司的董事之一。

陳恩永先生於印刷電路板行業擁有約13年經驗。彼於二零零三年七月加入本集團，主要負責監督本集團的銷售及市場營銷。

陳恩永先生二零零二年八月畢業於英國倫敦大學，獲頒管理理學士學位。在二零一六年十二月，陳恩永先生被委任為中國人民政治協商會議深圳市坪山區第一屆委員會委員，並自二零一三年一月起，任香港線路板協會青年委員會委員，並自二零一二年一月起任深圳市福建商會副會長。

### 獨立非執行董事

**鍾玉明先生**，69歲，於二零一四年十一月十八日獲委任為獨立非執行董事。鍾先生於製造汽車、玩具、電子及電訊擁有逾31年工作經驗。彼自二零零一年二月任職於力勁科技集團有限公司(股份代號：558)(二零零六年十月至二零一四年三月期間，鍾先生擔任執行董事，負責策略規劃、財務及投資，二零一四年四月至二零一六年三月擔任顧問，自二零一六年四月擔任行政總裁)；於一九八八年七月至二零零一年一月，鍾先生任職開達集團有限公司(股份代號：180)(一家玩具製造商)，最後出任的職位是執行董事，負責監察集團的一切營運。一九八六年五月至一九八八年六月，彼於王氏電子有限公司擔任財務總監，該公司主要從事製造高端電子產品，而彼主要負責會計及庫務。於一九八四年四月至一九八六年五月期間，鍾先生於偉高電訊有限公司(電話製造商)擔任財務總監，主要負責集團的會計及整體管理。自一九八二年七月至一九八四年三月，鍾先生於瑞典汽車有限公司(汽車銷售代理)擔任首席會計師，負責該公司所有財務及經濟監控職能。

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

## Directors and Senior Management Profile

### 董事及高級管理層簡歷

**Mr. Lau Shun Chuen (劉順銓)**, aged 66, was appointed as our independent non-executive Director on 30 September 2016. He is a retired banker. Mr. Lau has over 36 years of experience in the banking industry in Hong Kong, China and Canada. From August 1973 to April 1992, Mr. Lau worked at the Bank of East Asia, Limited, holding senior positions including head of business development, head of branch operations, head of human resources and head of corporate communications. From August 1992 to July 1994, Mr. Lau served as the senior credit manager at the Toronto main office of Hong Kong Bank of Canada. Since August 1994, Mr. Lau joined Hang Seng Bank Limited (“Hang Seng Bank”) and was appointed as assistant general manager of Hang Seng Bank in January 2001. He held a number of senior positions in Hang Seng Bank including head of personal financial services, head of retail services and sales and head of relationship management, commercial banking. He was responsible for commercial banking business of Hang Seng Bank in China since November 2006 and later also its network in Northern China. Mr. Lau acted as the deputy chief executive of Hang Seng Bank (China) Limited before his retirement in July 2010. Mr. Lau obtained a Bachelor of Science degree from the University of Hong Kong in July 1973. He was a Fellow of the Chartered Institute of Bankers and a Fellow of the Hong Kong Institute of Bankers. From October 2010 to October 2013, he was an independent non-executive director of Integrated Waste Solutions Group Holdings Limited (stock code 923), a company listed on the Main Board of the Stock Exchange.

劉順銓先生，66歲，於二零一六年九月三十日獲委任為獨立非執行董事，他是退休銀行家。劉先生在香港、中國及加拿大銀行業累積逾36年經驗。自一九七三年八月至一九九二年四月，劉先生任職於東亞銀行有限公司，出任高級職位，包括業務發展主管、分行管理主管、人力資源主管及企業傳訊部主管。自一九九二年八月至一九九四年七月，劉先生擔任加拿大滙豐銀行多倫多總辦事處高級信貸經理一職。自一九九四年八月起，劉先生加入恒生銀行有限公司(「恒生銀行」)，並於二零零一年一月獲委任為恒生銀行助理總經理。彼於恒生銀行擔任若干高級職位，包括個人理財服務主管、零售銀行服務主管以及商業銀行客戶關係業務主管。彼自二零零六年十一月起負責恒生銀行於中國的商業銀行業務，其後並負責華北之網絡。於二零一零年七月退休前，劉先生為恒生銀行(中國)有限公司副行政總裁。劉先生於一九七三年七月獲得香港大學理學士學位。彼為英國特許銀行學會及香港銀行學會資深會士。於二零一零年十月至二零一三年十月期間，彼曾出任聯交所主板上市公司綜合環保集團有限公司(股份代號：923)的獨立非執行董事。

## Directors and Senior Management Profile

### 董事及高級管理層簡歷

**Mr. Yau Wing Yiu (邱榮耀)**, aged 49, was appointed as our independent non-executive Director on 18 November 2014. Mr. Yau has more than 24 years of working experience in the field of finance and accounting. Mr. Yau has been a financial controller of Prosperity Investment Holdings Limited (stock code: 310) ("Prosperity Investment") (principally engaged in investment and other related assets) since September 2011 and company secretary of Prosperity Investment since June 2015, where he has been responsible for accounting and finance and company secretarial affairs. Prior to joining our Group and Prosperity Investment, from July 2008 to July 2011, Mr. Yau worked for Anxian Yuan China Holdings Limited (formerly known as China Boon Holdings Limited and Vision Tech International Holdings Limited, stock code: 922) (an operator of cemetery in the PRC) as the financial controller and company secretary where he was responsible for finance and company secretarial matters. From July 2006 to July 2008, Mr. Yau worked for Fufeng Group Limited (stock code: 546) (a food additive manufacturer) as the qualified accountant, company secretary and authorised representative. From October 2005 to June 2006, Mr. Yau worked for Golden Eagle Retail Group Limited (stock code: 3308) (an operator of department store) as the qualified accountant, company secretary and authorized representative. From March 2004 to October 2005, Mr. Yau worked for Changchun Da Xing Pharmaceutical Company Limited (a manufacturer of pharmaceutical products) as the qualified accountant, company secretary and authorised representative. From February 2003 to December 2003, Mr. Yau worked as the qualified accountant and company secretary in Natural Pharmatech (Jilin, the PRC) Co., Ltd (a manufacturer of pharmaceutical products) where he was responsible for accounting and company secretarial matters of Hong Kong. Between August 2001 and November 2002, Mr. Yau worked as a manager in Horwath Hong Kong CPA Limited. From July 1998 to February 2000, Mr. Yau worked as an audit manager in Moores Rowland, a certified public accountants' firm. From July 1997 to July 1998, Mr. Yau worked as an assistant manager in KPMG Peat Marwick (a certified public accountants' firm). From March 1995 to May 1997, Mr. Yau worked for Moores Rowland with his last position as an audit supervisor. From September 1994 to February 1995, Mr. Yau worked in Logic Office Supplies Ltd., a company which is principally engaged in office furniture manufacturing with his last position as an accountant. From September 1992 to September 1994, Mr. Yau joined KPMG Peat Marwick with his last position as a senior accountant. From October 1987 to September 1989, Mr. Yau worked for KPMG Peat Marwick with his last position as an accountant.

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

邱榮耀先生，49歲，於二零一四年十一月十八日獲委任為獨立非執行董事。邱先生於金融及會計領域擁有逾24年工作經驗。邱先生自二零一一年九月起任嘉進投資國際有限公司(股份代號：310)〔嘉進投資〕，主要從事投資及其他相關資產之財務總監，並自二零一五年六月起擔任嘉進投資的公司秘書，負責會計及財務以及公司秘書事務的工作。加入本集團及嘉進投資前，於二零零八年七月至二零一一年七月，邱先生於安賢園中國控股有限公司(前稱中福控股發展有限公司及金科數碼國際控股有限公司，股份代號：922)(中國基地經營商)擔任財務總監及公司秘書，負責財務及公司秘書事宜；於二零零六年七月至二零零八年七月，邱先生於阜豐集團有限公司(股份代號：546)(食品添加劑製造商)擔任合資格會計師、公司秘書及授權代表；於二零零五年十月至二零零六年六月，邱先生於金鷹商貿集團有限公司(股份代號：3308)(百貨公司經營商)擔任合資格會計師、公司秘書及授權代表；於二零零四年三月至二零零五年十月，邱先生於長春達興藥業股份有限公司(藥品製造商)擔任合資格會計師、公司秘書及授權代表。於二零零三年二月至二零零三年十二月，邱先生於藥品製造商Natural Pharmatech (Jilin, China) Co.,Ltd任職合資格會計師及公司秘書，負責香港之會計及公司秘書事宜。於二零零一年八月至二零零二年十一月，邱先生擔任浩華會計師事務所之經理。於一九九八年七月至二零零零年二月，邱先生擔任Moores Rowland(執業會計師行)之核數經理。於一九九七年七月至一九九八年七月，邱先生擔任KPMG Peat Marwick(執業會計師行)助理經理。於一九九五年三月至一九九七年五月，邱先生任職於Moores Rowland，最後職位為核數主管。於一九九四年九月至一九九五年二月，邱先生於勵致文儀有限公司任職，該公司主要從事辦公室傢俬製造，最後職位為會計師。於一九九二年九月至一九九四年九月，邱先生加入KPMG Peat Marwick，最後職位為高級會計師。於一九八七年十月至一九八九年九月，邱先生於KPMG Peat Marwick任職，最後職位為會計師。

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

# Directors and Senior Management Profile

## 董事及高級管理層簡歷

### SENIOR MANAGEMENT

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

### 高級管理層

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

Name 姓名	Age 年齡	Positions within the Company 於本公司之職位
Mr. Lai Hau Yin 黎孝賢先生	49	Chief financial officer and company secretary 首席財務總監及公司秘書
Mr. Leung Siu Yat 梁少逸先生	52	Vice president 副總裁
Mr. Ho David Pei Yen 賀培嚴先生	61	Vice president 副總裁

**Mr. Lai Hau Yin (黎孝賢)**, aged 49, was appointed as our chief financial officer in March 2014 and our company secretary in August 2014, and is mainly responsible for overseeing the financial planning, accounting and company secretarial affairs of our Group. Mr. Lai has more than 24 years of experience in the areas of audit and accounting. Prior to joining our Group, Mr. Lai worked for Integrated Waste Solutions Group Holdings Limited (stock code: 923), which is principally engaged in waste recycling and waste solutions providers business, from May 2012 to September 2013 with his last position as an executive director and chief financial officer, where he was primarily responsible for the financial and accounting matters of the group. From June 2008 to July 2010, Mr. Lai served as the group financial controller and company secretary of Zhongsheng Group Holdings Limited (stock code: 881) (automobile dealership business), where he was primarily responsible for the financial reporting and company secretarial matters of the group. From September 2002 to October 2007, he was the group financial controller in L.K. Technology Holdings Limited (stock code: 558), which is principally engaged in design and manufacture of die casting machine where he was primarily responsible for accounting and company secretarial matters of the group. From February 2001 to June 2002, he was a project controller of Carry Wealth Holdings Limited (stock code: 643) (a garment manufacturer), where he was primarily responsible for the accounting and financial planning of the company. From March 1997 to January 2001, Mr. Lai worked for Kaiser Group Holdings Limited (a leather garment manufacturer) with his last position as the financial controller where he was mainly responsible for the finance of the group both in Hong Kong and the PRC. From March 1993 to March 1997, Mr. Lai worked for Chiu and Poon (a certified public accountants' firm) with his last position as the audit supervisor where he was mainly responsible for auditing.

**黎孝賢先生**，49歲，於二零一四年三月獲委任為首席財務總監及於二零一四年八月獲委任為公司秘書，主要負責監督本集團之財務規劃、會計及公司秘書事務。黎先生於審核及會計範圍擁有逾24年經驗。黎先生於加入本集團前，曾於二零一二年五月至二零一三年九月在綜合環保集團有限公司(股份代號：923)任職，該公司主要從事廢料回收及廢物解決方案供應商業務，彼離任前職位為執行董事及首席財務總監，主要負責集團之財務及會計事宜。於二零零八年六月至二零一零年七月，黎先生出任中升集團控股有限公司(股份代號：881)(汽車經銷業務)之集團財務總監及公司秘書，主要負責集團之財務申報及公司秘書事宜。於二零零二年九月至二零零七年十月，彼為力勁科技集團有限公司(股份代號：558，主要從事設計及製造壓鑄機)之集團財務總監，主要負責集團之會計及公司秘書事宜。於二零零一年二月至二零零二年六月，彼為恒富控股有限公司(股份代號：643)(一家成衣製造商)之項目總監，主要負責公司之會計及財務規劃。於一九九七年三月至二零零一年一月，黎先生於真皮服飾製造商凱撒集團控股有限公司工作，最後職位為財務總監，主要負責集團於香港及中國之融資。於一九九三年三月至一九九七年三月，黎先生於趙維漢•潘展聰會計師事務所(執業會計師事務所)工作，最後職位為核數主管，主要負責審核。

# Directors and Senior Management Profile

## 董事及高級管理層簡歷

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

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

**Mr. Leung Siu Yat (梁少逸)**, aged 52, first joined our Group as a production manager and the vice president in November 2004, and is mainly responsible for supervising and management of the PCB factory production of our Group. Mr. Leung has over 27 years of experience in the PCB industry. Prior to joining our Group, Mr. Leung worked for Ellington (Guangdong) Electronics Technology Company Limited (a PCB manufacturer) as a deputy general manager of a manufacturing factory from August 2000 to September 2004. From January 1997 to July 2000, he worked for Kalex Printed Circuit Board Ltd. (a PCB manufacturer) with his last position as an assistant production manager. From March 1986 to January 1997, Mr. Leung worked for Kalex Circuit Board (Hong Kong) Ltd., a PCB manufacturer, as a production superintendent. Mr. Leung was mainly responsible for overseeing the factory operation and supervising the production staff in these past positions. Mr. Leung completed his secondary school education in Guangdong province, the PRC in July 1981.

**Mr. Ho David Pei Yen (賀培嚴)**, aged 61, was appointed as our vice president in January 2004 and is mainly responsible for long-term departmental planning and overseeing the daily operation of the sales, quality assurance and research & development departments of our Group. Mr. Ho has over 20 years of experience in the PCB industry. Prior to joining our Group, Mr. Ho worked for Enigma Interconnect Corp. (formerly known as Circuit Graphics Ltd, a PCB manufacturer) in Canada with his last position as president from 1993 to 2002, where he was mainly responsible for implementing new technology in PCB production and business development.

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

### COMPANY SECRETARY

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

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

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

**梁少逸先生**，52歲，於二零零四年十一月首次加入本集團，擔任生產經理及副總裁，主要負責監督及管理本集團印刷電路板廠房生產。梁先生於印刷電路板行業擁有逾27年經驗。梁先生於加入本集團前，曾在二零零零年八月至二零零四年九月於印刷電路板製造商 Ellington (Guangdong) Electronics Technology Company Limited 任職，擔任生產廠房副總經理。彼在一九九七年一月至二零零零年七月於印刷電路板製造商惠亞皆利士線路版有限公司任職，離任前職位為助理生產經理。於一九八六年三月至一九九七年一月，梁先生於印刷電路板製造商惠亞電子系統設備(香港)有限公司擔任生產監督。梁先生於上述職位中主要負責監察廠房營運及督導生產員工。梁先生於一九八一年七月在中國廣東省修畢中學課程。

**賀培嚴先生**，61歲，於二零零四年一月獲委任為副總裁，主要負責本集團長遠部門規劃及監督銷售、質保及研發部門的日常營運。賀先生於印刷電路板行業擁有逾20年經驗。賀先生加入本集團前，曾於一九九三年至二零零二年在加拿大任職於印刷電路板製造商 Enigma Interconnect Corp. (前稱 Circuit Graphics Ltd)，離任前職位為總裁，主要負責為印刷電路板生產及業務發展引入新技術。

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

### 公司秘書

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

# Corporate Governance Report

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

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

From 1 January 2016 up to the date of this annual report, the Company had complied with the code provisions (“Code Provisions”) set out in the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), except code provision A.2.1 as more particularly described below.

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

### CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings of the Model Code for Securities Transaction by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules. Having made specific enquiries to all the Directors, the Company was not aware of any non-compliance with the required standard of dealings set out in the Model Code and its code of conduct regarding securities transactions by Directors during the year ended 31 December 2016.

### 企業管治常規

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

由二零一六年一月一日起直至本年報日期，本公司一直遵守列載於香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四中的企業管治守則所載之守則條文（「守則條文」），惟下文詳述之守則條文第A.2.1條除外。

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

### 董事進行證券交易之行為守則

本公司已採納一套董事進行證券交易之行為守則，其條款不遜於上市規則附錄十所載上市發行人董事進行證券交易之標準守則（「標準守則」）之規定交易標準。經向所有董事具體查詢後，本公司確認並不知悉於截至二零一六年十二月三十一日止年度內，有任何不符合列載於標準守則之規定交易標準及其董事進行證券交易之行為守則。



# Corporate Governance Report

## 企業管治報告

### THE BOARD OF DIRECTORS Composition

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

#### Executive Directors:

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

#### Independent Non-executive Directors:

Mr. Chung Yuk Ming  
Mr. Yeung Kam Ho (Resigned on 30 September 2016)  
Mr. Yau Wing Yiu  
Mr. Lau Shun Chuen (Appointed on 30 September 2016)

From 1 January 2016 and up to the date of this annual report, there were some changes in the composition of the Board as disclosed above.

Mr. Chan Wing Yin is the spouse of Mrs. Chan Yung. They are the parents of Mr. Chan Yan Kwong and Mr. Chan Yan Wing, all being the executive Directors.

The biographical details of each Director are set out in the section "Directors and Senior Management Profile" on pages 16 to 22.

### ATTENDANCE OF DIRECTORS AT VARIOUS MEETINGS

Details of the attendance of individual Directors at Board meetings, committee meetings and shareholder meetings held during the year ended 31 December 2016 are as follows:

		Directors' Attendance Attended/Held 董事出席次數/舉行次數				Annual General Meeting
		Board Meetings 董事會	Audit Committee 審計委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	股東週年大會
<b>Executive Directors</b>		<b>執行董事</b>				
Mr. Chan Wing Yin ( <i>Chairman</i> )	陳榮賢先生(主席)	7/7	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mrs. Chan Yung	陳勇女士	7/7	N/A 不適用	N/A 不適用	N/A 不適用	0/1
Mr. Chan Yan Kwong	陳恩光先生	7/7	N/A 不適用	2/2	2/2	0/1
Mr. Chan Yan Wing	陳恩永先生	7/7	2/2	2/2	2/2	1/1
<b>Independent Non-executive Directors</b>		<b>獨立非執行董事</b>				
Mr. Chung Yuk Ming	鍾玉明先生	7/7	2/2	2/2	2/2	1/1
Mr. Yeung Kam Ho	楊錦浩先生	6/7	2/2	2/2	2/2	1/1
Mr. Yau Wing Yiu	邱榮耀先生	7/7	2/2	2/2	2/2	1/1
Mr. Lau Shun Chuen <sup>#</sup>	劉順銓先生 <sup>#</sup>	1/7	0/2	0/2	0/2	0/1

<sup>#</sup> There was only one board meeting was held and no committee meeting and shareholder meeting has been held since Mr. Lau Shun Chuen was appointed as our Company director.

### 董事會 組成

董事會目前由七名董事組成，其中四名為執行董事，另外三名為獨立非執行董事。董事會之組成如下：

#### 執行董事：

陳榮賢先生(主席)  
陳勇女士  
陳恩光先生  
陳恩永先生

#### 獨立非執行董事：

鍾玉明先生  
楊錦浩先生(於二零一六年九月三十日離任)  
邱榮耀先生  
劉順銓先生(於二零一六年九月三十日委任)

由二零一六年一月一日起直至本年報日期，如上述披露董事會之組成有所變動。

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

各董事之履歷詳情載於「董事及高級管理層簡歷」第16至22頁。

### 董事於各會議之出席率

個別董事於截至二零一六年十二月三十一日止年度舉行之董事會會議、委員會會議及股東大會之出席率詳情載列如下：

<sup>#</sup> 自劉順銓先生獲委任為本公司董事，只有舉行一次董事會會議及並未曾舉行委員會會議和股東會議。

# Corporate Governance Report

## 企業管治報告

### BOARD MEETINGS

The Board is scheduled to meet regularly at least four times a year at approximately quarterly intervals, to discuss the overall strategy as well as the operational and financial performance of the Company. Other Board meetings will be held when necessary. Such Board meetings involve the active participation, either in person or through other electronic means of communication, of a majority of Directors. For the year ended 31 December 2016, seven Board meetings were held.

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

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

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

### GENERAL MEETINGS

For the year ended 31 December 2016, one general meeting was held.

### 董事會會議

董事會預期每年至少舉行四次定期會議，大約每隔一季舉行一次，以討論本公司之整體策略以及經營及財務表現。其他董事會會議將按需要舉行。有關董事會會議由大部分董事主動參與，可以親身出席或透過其他電子通訊方式。截至二零一六年十二月三十一日止年度，已舉行七次董事會會議。

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

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

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

### 股東大會

截至二零一六年十二月三十一日止年度，舉行一次股東大會。

# Corporate Governance Report

## 企業管治報告

### RESPONSIBILITIES OF THE BOARD AND MANAGEMENT

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

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

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

The Board acknowledges its responsibility for the preparation of the financial statements which give a true and fair view of the state of affairs of the Group. The financial statements set out on pages 75 to 160 were prepared on the basis set out in note 2.1 to the consolidated financial statements. Financial results of the Group are announced in a timely manner in accordance with statutory and/or regulatory requirements. The declaration of reporting responsibility issued by the external auditors of the Company on the Company's financial statements is set out in the Independent Auditor's Report on pages 69 to 74.

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

### 董事會及管理層的職責

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

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

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

董事會有責任編製財務報表以真實及公平地反映本集團之事務狀況。財務報表載於第75至160頁，乃按綜合財務報表附註2.1所載之基準編製。本集團之財務業績會根據法規及／或監管規定及時公佈。本公司外聘核數師就本公司財務報表出具之申報免責聲明載於獨立核數師報告第69至74頁。

概無違反上市規則第3.10(1)、(2)及3.10A條。

# Corporate Governance Report

## 企業管治報告

### CONFIRMATION OF INDEPENDENCE

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

### CONTINUOUS PROFESSIONAL DEVELOPMENT

During the year ended 31 December 2016, all Directors have been given relevant guideline materials and attended a training regarding the duties and responsibilities of being a Director, the relevant laws and regulations applicable to the Directors, duty of disclosure of interest and business of the Group. Such induction materials and briefings will also be provided to newly appointed Directors shortly upon their appointment as Directors. Continuing briefings and professional development to Directors will be arranged whenever necessary.

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

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

### 獨立確認

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

### 持續專業發展

於截至二零一六年十二月三十一日止年度，全體董事均已獲提供相關指引資料，並參加培訓，內容涵蓋作為董事之職責及責任、適用於董事之相關法例及規例及本集團權益披露責任及業務。新任董事獲委任為董事後，亦會於短期內獲發該等就職資料及簡報。如有需要，本公司將為董事安排持續簡報及專業發展。

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

本年度，所有董事均進行持續專業發展，相關詳情載列如下：

Name of Directors 董事姓名	Types of training 培訓類型
<b>Executive Directors</b>	<b>執行董事</b>
Mr. Chan Wing Yin	陳榮賢先生 A, B
Mrs. Chan Yung	陳勇女士 A, B
Mr. Chan Yan Kwong	陳恩光先生 A, B
Mr. Chan Yan Wing	陳恩永先生 A, B
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>
Mr. Chung Yuk Ming	鍾玉明先生 A, B
Mr. Yeung Kam Ho (Resigned on 30 September 2016)	楊錦浩先生 (於二零一六年九月三十日離任) B
Mr. Yau Wing Yiu	邱榮耀先生 A, B
Mr. Lau Shun Chuen (Appointed on 30 September 2016)	劉順銓先生 (於二零一六年九月三十日委任) A, B

#### Remarks:

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

#### 註釋：

A — 參加會議／論壇／講座  
B — 閱讀刊物／最新資料／文章／材料

# Corporate Governance Report

## 企業管治報告

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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

### APPOINTMENT, RE-ELECTION AND REMOVAL

Each of the executive Directors has entered into a service contract with the Company and each of the independent non-executive Directors has signed a letter of appointment with the Company. Such term is for an initial term of three years commencing from the Listing Date (except for Mr. Lau Shun Chuen, whose term is for three years commencing from his date of appointment), subject to re-election.

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

### 主席及行政總裁

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

### 委任、重選及罷免

各執行董事已與本公司訂立服務合約，而各獨立非執行董事已與本公司訂立委任函。有關任期初步由上市日期起為期三年(除劉順銓先生外，其任期由其委任日期起為期三年)，惟須接受重選。

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

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### NOMINATION COMMITTEE

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

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

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

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

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

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

### 提名委員會

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

提名委員會的主要職責為定期檢討董事會架構、人數及組成；物色具備合適資格可擔任董事的人士；評核獨立非執行董事的獨立性；及就委任或重新委任董事的相關事宜向董事會提出建議。提名委員會由三名獨立非執行董事組成（即劉順銓先生（主席）、鍾玉明先生及邱榮耀先生）及兩名執行董事（即陳恩光先生及陳恩永先生）組成。

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

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

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

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

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

For the year ended 31 December 2016, the Board has fulfilled the measurable objectives of the Board Diversity Policy.

截至二零一六年十二月三十一日止年度，董事會已實現董事會多元化政策中的可計量目標。

### REMUNERATION COMMITTEE

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

### 薪酬委員會

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

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

薪酬委員會之主要職責為就涉及全體董事及本集團高級管理層之整體薪酬政策及架構向董事會作出推薦建議，並確保概無董事釐定其自有薪酬。執行董事之薪酬乃按照董事之技能、知識、個人表現及貢獻以及其於本公司之職責及問責範圍，經考慮本公司之表現及現行市場環境而釐定。獨立非執行董事之薪酬政策乃為確保獨立非執行董事就本公司事務（包括參與各個董事委員會）所貢獻的努力和時間而獲得足夠之報酬。獨立非執行董事之薪酬乃按其技術、經驗、知識、責任及市場趨勢而釐定。於本年報日期，薪酬委員會由三名獨立非執行董事（即鍾玉明先生（主席）、劉順銓先生及邱榮耀先生）及兩名執行董事（即陳恩光先生及陳恩永先生）組成。

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

董事及行政總裁薪酬詳情載於綜合財務報表附註8。

# Corporate Governance Report

## 企業管治報告

Pursuant to code provision B.1.5 of the Corporate Governance Code set out in Appendix 14 of the Listing Rules, the annual remuneration of the members of the senior management by band for the year ended 31 December 2016 is set out below:

根據上市規則附錄十四所載之企業管治守則的守則條文第B.1.5條，截至二零一六年十二月三十一日止年度高級管理層成員按薪酬帶劃分之年度薪酬載列如下：

Remuneration band 薪酬範圍		Number of Individual 人數
Nil to HK\$1,000,000	零至1,000,000 港元	—
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至1,500,000 港元	2
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至2,000,000 港元	—
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至2,500,000 港元	—
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至3,000,000 港元	—
HK\$3,000,001 to HK\$3,500,000	3,000,001 港元至3,500,000 港元	—
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至4,000,000 港元	1

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

於回顧年內，薪酬委員會曾舉行兩次會議，其於會上評估及檢討董事及高級管理層之表現及薪酬組合。

### AUDIT COMMITTEE

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

### 審計委員會

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

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

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

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

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

(a) the annual results for the year ended 31 December 2016 and the interim results for the six-month ended 30 June 2016 to ensure the full, complete and accurate disclosure in the aforesaid financial statements pursuant to the accounting standards and other legal requirements for presenting the same to the Board for approval;

(a) 截至二零一六年十二月三十一日止年度之全年業績及截至二零一六年六月三十日止六個月之中期業績，以確保上述根據會計準則及其他法律規定編制並呈列予董事會以供批准之財務報表作出全面、完整及準確披露；



# Corporate Governance Report

## 企業管治報告

- |  |  |
|--|--|
| (b) the term and remuneration for the appointment of Ernst & Young as external auditors to perform the audit of final results for the year ended 31 December 2016 and the review on the interim results for the six months ended 30 June 2016; | (b) 為進行截至二零一六年十二月三十一日止年度之終期業績之審核及截至二零一六年六月三十日止六個月之中期業績之審閱，而委任安永會計師事務所為外聘核數師之任期及薪酬； |
| (c) the independence of the external auditors especially for those non-audit services;   | (c) 外聘核數師(尤其是其非審核服務)的獨立性；  |
| (d) the continuing connected transactions of the Group;  | (d) 本集團之持續關連交易；  |
| (e) the overall effectiveness of risk management and internal controls;  | (e) 風險管理及內部監控的整體成效；  |
| (f) the overall effectiveness of its internal audit function; and  | (f) 內部審核功能的整體成效；及  |
| (g) the adequacy of resources, qualifications and experience of staff and the accounting and financial reporting matters and their training programmes and budget.   | (g) 資源充足度、員工資格及經驗、會計及財務申報事宜以及彼等之培訓計劃及預算。   |

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

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

### AUDITOR'S REMUNERATION

During the year, the Company engaged Ernst & Young as the external auditors. Apart from providing audit services, Ernst & Young also provided non-audit services in connection with the taxation service. The fees in respect of audit and non-audit services provided by Ernst & Young for the year ended 31 December 2016 approximately amounted to HK\$1,325,000 and HK\$443,000, respectively.

The reporting responsibilities of Ernst & Young are set out in the Independent Auditor's Report on pages 69 to 74.

### COMPANY SECRETARY

Mr. Lai Hau Yin being our company secretary is primarily responsible for the company secretarial work of our Group. Mr. Lai is also our Company's chief financial officer. The Company confirms that Mr. Lai has for the year in 2016 attended no less than 15 hours of relevant professional training.

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

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

### 核數師酬金

年內，本公司委聘安永會計師事務所擔任外聘核數師。除提供審核服務外，安永會計師事務所亦提供稅務服務方面的非審核服務。截至二零一六年十二月三十一日止年度，由安永會計師事務所提供之審核及非審核服務之費用分別約為1,325,000港元及443,000港元。

安永會計師事務所之申報責任載於第69頁至74頁之獨立核數師報告。

### 公司秘書

公司秘書黎孝賢先生主要負責本集團之公司秘書工作。黎先生亦為本公司之首席財務總監。本公司確認黎先生於二零一六年已出席不少於十五小時的相關專業培訓。

# Corporate Governance Report

## 企業管治報告

### RISK MANAGEMENT AND INTERNAL CONTROL

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

#### Risk Management System

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

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

The management assesses the potential risks faced by the Group from time to time, which is also evaluated annually by a professional institute engaged by the Group. This year's evaluation covered the period from 1 January 2016 to 31 December 2016.

Based on the risk assessments conducted in 2016, no significant risk was identified.

#### Internal Control System

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

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

### 風險管理及內部監控

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

#### 風險管理制度

本集團採納風險管理制度以管理與其業務及營運有關之風險。該制度包括以下階段：

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

管理層不時評估本集團潛在風險，並每年一次聘請專業機構為集團進行評估，本次評估時間為自二零一六年一月一日至二零一六年十二月三十一日。

根據二零一六年進行之風險評估，概無識別到重大風險。

#### 內部監控制度

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

- 環境控制：整套的標準、過程及架構，為本集團內實行內部監控提供基礎。
- 風險評估：靈活且縝密的程序，可識別及分析導致本集團目標的風險，成為如何管理風險的基礎。
- 監控活動：以政策及程序設立的行動，協助確保減少風險以達成目標的管理指令獲得執行。

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

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

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

The management assess the internal control system of the Group from time to time, which is also evaluated annually by a professional institution engaged by the Group. The professional institution has completed the evaluation for the period from 1 January 2016 to 31 December 2016. Based on the internal control reviews conducted in 2016, no significant control deficiency was identified.

### Internal Auditors

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

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

為提升本集團處理內部資料的制度，以及確保其公開披露資料為真實、準確、完整及適時，本集團亦已採納及實施內部資料政策及程序。已不時採取若干合理措施，確保有妥善保障，防止違反關於本集團的披露規定，包括：

管理層不時評估本集團的內控系統，同時集團亦聘請專業機構每年評估本集團內控情況，該專業機構已完成自二零一六年一月一日至二零一六年十二月三十日止期間的評估。根據二零一六年進行的內部監控檢討，並無識別到重大監控缺陷。

### 內部核數師

本集團設有內部審計(「內部審計」)部門，由具備有關專長的專業員工組合。內部審計部門獨立於本集團的日常營運，藉進行訪問、巡查及營運效能測試。

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

# Corporate Governance Report

## 企業管治報告

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

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

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

### SHAREHOLDERS' RIGHTS

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

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

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

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

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

### 風險管理及內部監控制度之效能

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

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

### 股東權利

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

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

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

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

- (3) 股東特別大會須於遞呈有關要求起計兩個月內舉行。

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

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

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

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

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

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

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

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

就有關董事會之事宜，股東可聯絡本公司，地址如下：

郵寄至本公司於香港之總部  
電郵至 [ir@yantat.com](mailto:ir@yantat.com)

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

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

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

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

# Corporate Governance Report

## 企業管治報告

### INVESTOR RELATIONS AND COMMUNICATION

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

The Company updates its shareholders on its latest business developments and financial performance through its corporate publications including annual reports and public announcements. Extensive information about the Company's activities for the year ended 31 December 2016 has been provided in this annual report. While the AGM provides a valuable forum for direct communication between the Board and its shareholders, the Company also maintains its website ([www.yantat.com](http://www.yantat.com)) to provide an alternative communication channel for the public and its shareholders. All corporate communication and Company's latest updates are available on the Company's website for public's information.

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

Hong Kong, 24 March 2017

### 投資者關係及通訊

董事會深知與全體股東建立良好溝通的重要。本公司相信維持高水平的透明度對改善投資者關係而言至關重要。本公司主張開放政策，及時向其股東及公眾投資者披露公司資料。

本公司透過公司刊物(包括年報及公告)向股東提供有關其最近期的業務發展及財務表現。有關本公司截至二零一六年十二月三十一日止年度活動的更多詳情載於本年報。股東週年大會為董事會及其股東提供可直接溝通的寶貴平台，本公司亦設立網站([www.yantat.com](http://www.yantat.com))，向公眾人士及其股東提供額外通訊渠道。本公司所有公司通訊及最新消息均刊載於本公司網站，可供公眾查閱。

自上市日期起至本年報日期，本公司章程文件概無重大變動。

香港，二零一七年三月二十四日

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### ABOUT ESG REPORT

#### Report Profile

The Environmental, Social and Governance Report (the “ESG Report”) of Yan Tat Group Holdings Limited (the “Company”) sets out the principles and actions of the Company and its subsidiaries (collectively referred to as the “Group” or “we”) (HKEx stock code:1480) as a corporate citizen operating in the printed circuit board (“PCB”) industry. This Report describes the Group’s contribution to environment, society and governance during the year of 2016. Please refer to the Corporate Governance Report on pages 23 to 37 for details of corporate governance.

#### Report Scope

The ESG Report covers the Group’s overall environmental and social policy. Key performance indicators (“KPIs”) at environmental and social levels included the production and operating activities of the divisions not yet moved out of the old factories and the those divisions that had already been relocated to the new factory in 2016.

The ESG Report covers the period from 1 January 2016 to 31 December 2016.

#### Reporting Basis

The ESG Report was prepared in accordance with the Environmental, Social and Governance (ESG) Reporting Guide contained in Appendix 27 to the Main Board Listing Rules of the Stock Exchange of Hong Kong Limited (“Stock Exchange”).

#### Stakeholders Involvement

We recognize the importance of the roles of our stakeholders in the operations of the Group. The ESG Report was prepared with the joint efforts of staff from various departments, which enabled us to improve the transparency of our level of development in the environmental and social aspects. We collected information on the Group’s environmental and social related work initiated in 2016 to help us formulate the short and long terms sustainable development strategies.

#### Information and Feedback

For details of the Company’s environmental and community efforts, please refer to the official website(<http://www.yantat.com/>) and annual reports of Yan Tat Group Holdings Limited. We value your opinion on this Report. If you have any enquiry or advice, please feel free to send email to [ir@yantat.com](mailto:ir@yantat.com).

### 關於 ESG 報告

#### 報告簡介

恩達集團控股有限公司(「本公司」)環境、社會及管治報告(「ESG 報告」)闡述本公司其附屬公司(統稱「本集團」或「我們」)(港交所上市代號：1480)於印刷電路板(「PCB」)行業履行企業公民責任所秉持的原則及推行的工作。報告詳述本集團在二零一六年內對環境、社會及管治的貢獻。有關企業管治的內容，請參閱於第 23 至 37 頁的《企業管治報告》。

#### 報告範疇

ESG 報告涵蓋本集團整體的環境及社會政策。ESG 報告涵蓋本集團整體的環境及社會政策。環境及社會層面的關鍵表現指標(「KPIs」)包括本集團二零一六年內未搬離舊廠房的部分及已搬入新廠房的部分生產經營活動。

ESG 報告涵蓋期間由二零一六年一月一日至二零一六年十二月三十一日。

#### 報告準則

ESG 報告依照香港聯合交易所有限公司(「聯交所」)《主板上市規則》附錄二十七《環境、社會及管治報告指引》所編寫。

#### 利益相關者參與

我們清楚利益相關者對於本集團在業務中的重要性。ESG 報告的編寫，得到各部門同事的通力合作，促使我們在環境和社會層面的發展水準更加透明化。我們收集有關本集團於二零一六年開展環境和社會相關工作，有助我們制定短期和長期可持續發展策略。

#### 信息及反饋

有關本公司環境及社會工作的詳細信息，請參閱恩達集團控股有限公司的官方網站及年報(<http://www.yantat.com/>)。本公司重視您對此份報告的看法，若閣下有任何疑問或建議，歡迎以電郵形式發送至以下郵箱：[ir@yantat.com](mailto:ir@yantat.com)。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Corporate Philosophy

As a manufacturer and supplier of PCBs, the Group is principally engaged in manufacturing and sales of a wide range of PCBs. Our headquarters are in Hong Kong and our factories are located in Shenzhen, the People's Republic of China ("China"). Under the management and leadership of Mr. Chan Wing Yin, our executive director and chairman, the Group was listed on the Main Board of the Stock Exchange in 2014.

PCB is a basic component necessary for electronic products and electrical parts, known as the "mother of the electronic industry". The Group is an original equipment manufacturer ("OEM") of PCBs, principally engaging in manufacturing quality PCBs. The Group has relevant equipment and devices in place to support quality control from composition check of raw materials to overall production process. All the products meet the industry standards like the IPC — Association Connecting Electronics Industries Standards as well as our customers' requirements.

### ENVIRONMENT Emissions

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

### 企業理念

本集團為印刷電路板生產供應商，主要經營生產和銷售各類印刷電路板，總部設於香港，廠房設於中華人民共和國（「中國」）深圳市，在執行董事兼主席陳榮賢先生管理及帶領下，於二零一四年在香港聯交所主板上市。

印刷電路板是電子及電器件中不可或缺的零件，稱為「電子工業之母」。本集團為印刷電路板原設備製造（「OEM」）供應商，主要從事製造高質量印刷電路板。本集團由原材料之成份檢驗，至整體制程工序方面，設置相關設備器材以支援品質控管。所有產品皆符合行業標準（例如IPC國際電子工業聯接協會標準），以及我們客戶的規定。

### 環境 排放物

保護環境是不容忽視的共同責任，本集團於中國深圳的生產廠房，一直擁有高質量的印刷電路板技術及對環保高度的重視。本集團明白生產電路板的排放物較其他工業多，為此，我們致力提升環保效能。在環境保護中，本集團每年設立不同的管理規範，旨在減少本集團業務對環境帶來的負面影響，並就印刷電路板品質標準及環境管理系統獲得ISO/TS16949：2009質量鑑定證書、ISO14001環境管理系統認證、ISO9001品質管理系統及AS9100C質量鑑定證書及UL-796安全管理認證等。我們為節水做出的努力有目共睹，本年度受到深圳市水務局的肯定，獲頒發節水建設獎。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

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

### 1. Waste Disposal

Reducing waste generation is vital to the protection of limited resources of the Earth. The procedure of waste disposal in our factories in Shenzhen strictly observed the national environmental standards, which aimed to maximize the residual value of the waste generated from the production.

The Group set up administrative measures on waste by separating waste into categories of "Recyclable Wastes", "To-be-recycled Plastic Barrels of Chemicals" and "Non-recyclable Wastes", in pursuing the sustainable development of the Group. The "Recyclable Wastes" are divided further into scissel, steel barrel, carton and plastics, while "To-be-recycled Plastic Barrels of Chemicals" are classified by dealers and "Non-recyclable Wastes" are classified into no-value recyclables and rubbish. To ensure safe storage of wastes, we have requirements on the stacking size and rule of waste. Every department is required to dispose their wastes by designated staff at specified place. To better manage the wastes, we required that the "Recyclable Wastes" being stored at the wastes disposal venue should be cleared at least once a month and dealers must recycle the "To-be-recycled Plastic Barrels of Chemicals" every month while the "Non-recyclable Waste" should be cleared every day.

The Group's "hazardous wastes" mainly consist of sludge from waste water treatment, stripping waste, etching waste and ink residue. For proper treatment of those "hazardous wastes", the Group operated in accordance with the Regulations on the Safety Management of Hazardous Chemicals promulgated by the State Council of China and formulated the Management Plan of Hazardous Waste particularly for the Group's "hazardous wastes". We engaged legal professional organization that is qualified for handling industrial waste (liquid) to handle all the industrial waste (liquid) and tracked the application and disposal method of the "hazardous waste". We actively push forward the upgrading and replacement of equipment by adopting advanced equipment with a view to reduce the generation of "hazardous waste" at source. For instance, we tried out the sludge dewatering machine to contract the sludge volume and treatment area by reducing the water content of sludge from waste water.

本集團嚴格遵守由中國國家、省、市政府和機關頒布規管的有關空氣污染、噪音排放、危險化學品、污水及廢物排放和其他環境事宜的法律和法規。同時，作為負責任的企業，我們遵守由中國環境保護部頒布的《清潔生產標準：印刷電路板製造業》的要求，生產本公司所有產品。

### 1. 廢棄物處置

減少廢棄物產生對保護地球有限的資源十分重要。深圳廠房的廢物處理程序嚴格遵守國家環保標準，把生產區生產的廢棄物剩餘價值提至最大。

本集團對廢棄物制定管理規定，把「可回收廢棄物」、「待回收化學品膠桶」、「不可回收廢棄物」分類放置，為本集團的永續發展出一分力。我們把「可回收廢棄物」按金屬邊料、鐵桶、紙箱、塑膠等分類，「待回收化學品膠桶」按處理商分類，「不可回收廢棄物」按無回收價值及垃圾分類。為確保廢棄物的安全存放，我們對廢棄物的堆放形狀及規則制定規定，要求各部門指派專人棄置廢棄物，不得亂丟亂放廢棄物。為了更好地處理廢棄物，我們要求廢棄物置放場所的「可回收廢棄物」至少每月處理一次，處理商也務必每月回收「待回收化學品膠桶」，「不可回收廢棄物」必須每天清理。

本集團的「危險廢物」主要為廢水處理產生的污泥、退錫廢液、蝕刻廢液和油墨渣。為了妥善處理「危險廢物」，本集團按中國國務院發佈的《危險化學品安全管理條例》規定作業，並針對本集團的「危險廢物」制定《危險廢物管理計劃》。我們不僅聘請有資質處理工業廢物(液)的合法專業機構，處理全部工業廢物(液)，還對「危險廢物」的利用處置方式進行跟蹤。我們積極推進設備更新換代，採用先進設備，從源頭上減少「危險廢物」的產生。例如，我們試用新型污泥壓濾機，減少廢水處理產生污泥的含水量，從而減少污泥體積和處理所需佔地。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 2. Sewage Treatment

In light of global crisis of water scarcity, the Group pays attention to water consumption and understands the damage of sewage discharge to the ecosystem, therefore the Group has established stringent control measures to monitor waste water producing from our production process to ensure that the discharged water is in compliance with national standard and will not cause negative impact on the environment. We undertake that our operation will comply with the Law of the People's Republic of China on the Prevention and Control of Water Pollution and the Implementation Rules of the Law of the People's Republic of China on the Prevention and Control of Water Pollution and Discharge Limits of Water Pollutants in Guangdong Province (DB 44/26-2001), and processed waste water will satisfy the requirement on discharge limits of water pollutants of new corporations set out in the Emission Standard of Pollutants for Electroplating (GB 21900-2008) issued by the Ministry of Environmental Protection of China.

Given the high consumption of water, various and complicated water pollutants involved in every process of printed circuit board ("PCB"), the Group established a waste water station, designated for handling the waste water generating from all production lines. Based on the characteristics of the Group's waste water, we conducted pre-treatment by categorizing the waste water by types, then proceeded to biochemical treatment collectively, such as ink, waste water containing nicked, chrome, EDTA and high level of COD, ensuring the waste water treatment meets the recycling and discharge standards. In this regard, we implemented dual control measures by requiring the waste water station to carry out sample test every day and demanding the physics and chemistry laboratory to collect samples from the discharge point for further analysis on schedule. Moreover, all of the Group's discharge points, whether direct or indirect, are subject to environmental assessment and supervision by online monitoring devices. We are also required to report and register with local environmental departments of information as to the types, volume and concentration of water pollutants discharged in the normal operation and technology used for prevention and control of water pollutants. The Group formulated emergency measure to deal with incident of discharging high concentration waste water at the early stage and incident of treating excessive waste water at the last stage. To reduce water consumption, our scrubbing machine is equipped with copper powder recycling devices and cleaning system for recycling purpose.

### 2. 污水處理

全球面臨水資源短缺的危機，本集團除了關注耗水量，亦明白污水排放會破壞生態環境，故此本集團於生產過程中製造的污水制定嚴密的監控措施，確保出水水質符合國家標準，不會對環境構成負面影響。我們保證營運過程中遵守《中華人民共和國水污染防治法》、《中華人民共和國水污染防治法實施細則》及《廣東省水污染物排放限值標準》(DB 44/26-2001)，處理後廢水符合由中國環境保護部頒布的《電鍍污染物排放標準》(GB 21900-2008)中對新建企業水污染物排放限值的的要求。

印刷電路板的各道工序用水量，廢水污染物種類多，成分複雜。為此，本集團設立廢水站，負責處理各生產線所產生的生產廢水。針對本集團的廢水特點，我們對不同類型廢水(如油墨、含鎳、絡合、EDTA、高COD廢水)進行分類預處理，預處理後集中進行生化處理，確保廢水處理達到回用或排放標準。為了確保廢水處理達到回用或排放標準，我們不僅要求廢水站每日自行檢測廢水樣，還要求理化室按時到排放口取樣分析，進行雙重把關。此外，本集團所有直接或間接排放口均須接受環境影響評估及在綫監測儀器的監督，還需向地方環保部門匯報及登記在正常營運情況下排放的水污染物的類別、數量及濃度及對防止及控制水污染的技術資料。本集團制定事故應急措施，應對前端高濃度廢水進水事故和末端廢水處理超標事故的發生。為了降低用水，我們每台磨板機配置採用銅粉回收裝置及磨板清洗水過濾循環回用等。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 3. Gas Emission

Greenhouse gases have been a hot topic in the globe, warning the increasing carbon dioxide in the atmosphere. While pushing ahead the rapid development, the Group hopes to make contribution to the Earth by minimizing the greenhouse gases emission from our factory. The Group requires its exhaust emission to comply with the requirement on emission limits of air pollutants of new corporations set out in the Emission Standard of Pollutants for Electroplating (GB 21900-2008) issued by the Ministry of Environmental Protection of China.

To reduce exhaust emission, we have to maintain normal operation of production and require the generator team to use qualified fuel oil and carry out regular maintenance and repair of the generators. In the production process, exhaust from the etching line and four electroplating lines will be treated in the purifying tower before discharge. We also require the factory to keep up the work of chemical feeding and maintenance in a timely and appropriate manner to facilitate exhaust control and have environmental department carry out regular check of every exhaust spray tower annually.

### Utilization of Resources

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

#### 1. Energy Management

The Group submits quarterly energy utilization report and annual report online according to the corporate energy utilization in order to maintain high transparency. In 2016, we formulated Project Plan of Energy Management System, demonstrating the Group's effort on energy management.

Each production department of the Group has designated staff responsible for the management of energy use. We convene monthly energy management meeting to analyze the energy data of that month and devise energy plan for the next month. Upon completion of the construction of the new factory, we intend to adopt the online collection of energy consumption data, which enables real time monitoring of electricity consumption, thus optimizing the management of energy consumption.

### 3. 氣體排放

溫室氣體已成全球熱門話題，大氣層中的二氧化碳不斷遞增。本集團在急速發展的同時，期望把工廠的溫室氣體排放量減至最少，為地球出一分力。本集團要求廢氣排放符合由中國環境保護部頒布的《電鍍污染物排放標準》(GB 21900-2008)中對新建企業大氣污染物排放限值的的要求。

為減少廢氣排放，在正常生產運行同時，我們要求發電房使用合格燃油並定期做好發電機的維修保養工作。在生產過程中，蝕刻綫廢氣和四條電鍍綫廢氣經淨化塔治理達標後才可排放。我們亦要求工廠及時做好廢氣淨化塔的加藥、保養工作，以利於廢氣治理，並每年定期請環保部門檢測各個廢氣噴淋塔。

### 資源使用

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

#### 1. 能源管理

本集團根據企業能源利用狀況在網上提交各季度的能源利用狀況和年度報告，保持透明度。二零一六年，我們制定了《能源管理體系項目計劃》，體現本集團在能源管理方面付出的努力。

本集團各生產部門設有專人負責對能源使用進行管理工作，我們每月召開能源管理會議，對當月的能源數據進行分析，並部署下個月的節能計劃。在新廠房落成後，我們計劃採用能耗數據在線採集，實時監測耗電情況，優化能耗的管理。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 2. Technological Upgrading

We attach importance to the green element of our production process, and strive to ensure our product satisfies the expectation of our customers. Relevant departments are scheduled to prepare energy-saving and technological upgrading plans to be accomplished by the energy-saving management team every year. In 2016, our upgrading project included recycling of heat energy from air compressor, recycling of heat energy from boiler, recycling and upgrading of cabinet oven and tunnel oven, energy-saving upgrading of FIG wire rectifier.

### 3. Green Factory

With a view to expanding our geographical presence, the Group proposed the construction of new factory in 2012, which was completed in 2014 and put into full operation in 2016. Adhering to the principle of sustainable development, we had taken into consideration from construction design to E&M installation of the new factory with reference to relevant experience of environmental design of many foreign advanced manufacturing corporations. At the stage of design, the effect of sunshine was considered for reduction of consumption of air conditioner. Therefore we adopted the design of small windows and double-layer windows for the west-front of the factory while the courtyard was constructed in a sun-blocking design surfaced with aluminum and reflective material. In addition, cross ventilation is of top priority in environmental design for energy-saving because it is effective to mitigate the impact of wet weather. In this regard, as a measure for energy-saving, we adopted an open corridor design which makes good ventilation by allowing movement of fresh air through the workshops. This saved the usage of ventilation and air-conditioning facilities compared to traditional closed-style workshop, resulting in approximately 30% reduction per annum in demand and energy use for air-conditioning. For the sake of energy conservation, we installed high-power and low-speed ceiling fans in our improvement and training center while elevators in our factory used energy generated from the braking mode of the motor. Moreover, energy-saving light was applied for over 90% of our facilities, which could reduce electricity consumption by up to 30%, achieving cost effectiveness and environmental friendliness of the new factory.

In respect of construction materials, we used renewable materials such as U-shaped glasses, new wall tile and WPC board in substitution of non-renewable materials, in order to reduce the impact to the environment. During the commencement of construction, we recycled 95% of the earthwork used in the preliminary work to avoid additional transportation time and resources, achieving the goal of minimizing the use of resource. In our new factory, we reserved certain area for green wall by planting ornamental and evergreen vines. In addition to the cooling effect of air and construction surface for energy-saving, it also creates a relaxing and cozy environment.

### 2. 技術改造

我們重視製程的環保元素，亦致力確保我們的產品符合客戶期望。每年我們安排相關部門編制節能技改計劃，並組成節能管理小組負責完成。在二零一六年，我們的技改項目包括：空壓機熱能回收利用、鍋爐熱能回收利用、櫃式烤箱及隧道烤箱熱能回收改造、圖電綫整流器節能改造等。

### 3. 綠色廠房

本集團為了拓展地區業務，在二零一二年籌建新廠房，二零一四年竣工，在二零一六年正式投入使用。新廠房堅持可持續發展宗旨，在設計上參考學習了許多外國先進生產企業的相關環保經驗，將建築設計以至到電機安裝也考慮其中。在設計階段，為了減少空調消耗，我們考慮了日照影響，在廠房的西面使用小窗戶及雙層窗戶的設計，中庭室內亦配置有鋁表面的遮陽設計並反射太陽熱。此外，流通風是環境設計中用於節電最重要的一環，可有效舒緩潮濕天氣帶來的不適。為此，我們採用開放式走道為節能措施，引入中庭鮮風過濾到車間，令兩端通風，比傳統封閉式車間少了開啓通風及空調設施，每年減少約百分之三十的空調系統需求及能源使用。為了節約用電，在優化培訓中心中安裝高量低轉速吊扇，工廠內的電梯亦使用機組回收制動模式。除此之外，我們超過90%採用節能燈，把耗電量降低多達30%，保證整個新廠房符合經濟和環保效益。

在建築材料上，使用再生材料如U型玻璃、新型牆體磚和木塑板，代替不可再生資源材料，減少破壞環境。在動工時，我們回用95%前期工作時的土方，防止額外的輸送時間及資源，達到減少資源使用的目的。在新廠房中，預留區域作綠化牆，採用具觀賞價值、常綠的攀援植物。除了可以冷凍空氣及建築表面達致節能以外，同時營造休閒舒服的感覺。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 4. Promotion and Training

Staff participation is the key for continuous growth of the Group. Through comprehensive promotion by announcement and internal email, the Group always invites professional energy-saving companies to provide training and experience exchange for our staffs. To achieve the annual energy-saving target, we review the job done by each department every year in anticipation that every staff will understand the importance of energy conservation and environmental protection.

We keep encouraging and leading our staffs to take part in our persisting environmental improvement initiatives by fostering comprehensive control and treatment of pollutants and adhering to energy conservation and consumption reduction. We will also include environmental protection to all of our business decision making process in respect of manufacturing and sales, with a view to building the Group into a modern electronic manufacturer contributing to a better environment with bluer sky, greener earth, cleaner water and air.

## EMPLOYMENT AND LABOUR PRACTICE

### Employment

Harmonious labour relationship is a key factor to good enterprise operation. Efforts of the employees are the source of value creation of the Group and play a valuable and indispensable role. The Group strives to build an optimal working environment and lenient work atmosphere for the employees and puts in the effort to establish a career platform for employees to shine. We always protect employees' interests in strict compliance with legal requirements. The Group keeps attracting experienced and outstanding employees and actively expands the development opportunities within the Company for the employees to constantly boost the formation of a harmonious labour relationship. The Group aspires to become an ideal employer.

### 1. Recruitment and Promotion

The Group seeks to recruit and promote outstanding employees to build an elite workforce to serve the Group. In this regard, we put in place recruitment and promotion procedures for staff members of the middle level to understand the principles of human resource management and identify the most suitable candidates for each position. By the end of each year, each department shall devise a plan to be carried out by the human resource department to coordinate the recruitment process. Our recruitment is divided into internal and external recruitment. Internal promotion requires candidates to pass an examination, while in external recruitment candidates will be screened and elected for a first-round interview. As we get to know the general quality of the candidates and evaluate their interview performance, qualified candidates will be invited to a second-round interview by the manager of the human resources department to ensure their professional competence to the position.

### 4. 宣傳與培訓

員工的參與是本集團不斷成長的關鍵。本集團通過廣播、內部郵件進行大規模的宣傳，經常邀請社會上的專業節能公司為員工進行培訓交流。為了實現年度節能目標，每年度對各部門瞭解完成情況，使每位員工都明白節約能源及環保的必要性。

我們不斷鼓勵和帶領員工參與持續改善環境的行動，全方位控制治理污染物，節能降耗，將環境保護納入到製造、銷售的所有經營決策過程中，務求把本集團建設成為天更藍、地更綠、水更清、空氣更清潔的現代電子工廠。

## 僱傭及勞工常規

### 僱傭

和諧的勞資關係，是企業運營良好的一個重要因素。員工的勞動是本集團創造價值的泉源，在崗位中具有重要、無可取代的寶貴財富。本集團致力為員工提供良好的工作環境和寬鬆的工作氛圍，努力建立有利於員工發揮其才能的事業平台。我們嚴格按照法律規定，絕不損害員工利益。本集團不斷汲取經驗豐富及高素質員工，積極增加員工在公司內發展的機會，持續推進和諧勞動關係企業的建設，本集團以成為員工的理想僱主為目標。

### 1. 招聘晉升

本集團力求聘用及晉升高素質員工，打造精英團隊為集團服務。為此，我們設定招聘及晉升程序以便公司的中層員工瞭解人力資源管理的原則，為每個崗位尋找最適合的人選。各部門於每年年底作出計劃，並交由人力資源部安排招聘工作。我們的招聘分為內部及外部招聘：內部晉升者需要通過考核才能受聘；外部招聘者需經過篩選後進行第一輪面試，在我們瞭解應聘者的一般情況並填寫面試評價後，合格者由用人部門經理負責第二輪面試，以確保應聘者對崗位的專業能力。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 2. Wages and Salary Control

To enhance enterprise management and ensure proper execution of each system of the Company as well as to uphold ordinary operation process, we implement an incentive programme for employees to motivate them and recognise their contribution with bonuses, awards, merits and promotions.

The Group reviews salary and bonus scheme every year to offer competitive salary and benefits to the employees and distribute performance-based bonus. In addition to making contributions to the “five insurances and a pension” required by the government, the Group also provides medical insurance, unemployment insurance and other relevant insurances. To boost employee loyalty, employees who have served for more than one year are entitled to five days of paid leave per year plus casual leave, maternity leave, work injury leave and sick leave.

### 3. Employee Benefits

The Group cares about both physical and mental health of our employees. Regular working hours is fixed at eight hours per day, with food or meal subsidies being provided. In the event of overtime work, we will ensure compliance of all regulations of the governmental departments concerned. Recognising the taxing services required from our employees, we offer free night refreshment and a break to the night shift. In hot summer season, we provide Chinese herb tea and hot season subsidy to employees. To boost their loyalty to the Company, the Group recognises long service and excellent performance of employees with awards and other rewards. We offer free meals and gifts in festive seasons to create a warm family-like atmosphere in the Group. The Group has established free quarters for our workers near the plant. They are equipped with air conditioners, hot water supply and washing machines. They serve as an ideal living environment for the employees after work.

Furthermore, the Group also attaches great importance to the development of “five virtues in life” of the employees. The factory area is equipped with leisure room, table tennis room, snooker room, library and television room where employees may rest. Monthly cultural and sports events are organised to enhance communication between employees, which include tug of war event, table tennis competition, badminton competition, snooker competition, chess competition, basketball competition, birthday party, etc.

### 2. 薪酬管理

為了強化企業管理，保障公司各項制度的執行，維護正常的工作秩序，我們實施獎勵制度激勵員工，培養員工的熱誠，以獎金、嘉獎、記功、晉級的方式讚揚有關員工。

本集團每年對薪金及花紅制度進行檢討，為員工提供具競爭力的薪金及福利，並按員工表現發放獎勵。本集團除了按照政府規定為員工繳交「五險一金」，還提供額外的醫療保險、失業保險及其他相關保險等。為了加強員工對公司的忠誠度，工作服務滿1年以上的員工每年可享受5天帶薪年休假及事假、產假、工傷假和病假。

### 3. 員工福利

本集團注重員工的身心健康，員工每天工作8小時，我們為員工提供固定的夥補或餐補。如有需要加班，我們會確保遵守勞工部門的所有法規。我們理解員工的辛勞，所以為夜班員工提供免費夜宵及休息時間。在高溫季節，我們提供涼茶和高溫補貼給員工。為了加強員工對公司的歸屬感，本集團每年年底設有年資服務獎及其他獎勵給優秀員工作為鼓勵。每逢節日我們設有免費餐及贈送節日禮品，希望員工在本集團感受到家的溫暖。本集團在工廠附近提供免費住宿，住宿配有空調、熱水、洗衣機等，為員工在下班後提供最理想的居住場所。

除此之外，本集團也同注重員工的五育發展。在工廠內設有娛樂室，提供乒乓球、桌球、圖書室、電視廳等員工休閒場所。每月舉行不同文體活動，加強員工之間交流，包括：拔河活動、乒乓球比賽、羽毛球比賽、桌球比賽、棋藝比賽、籃球比賽、生日派對等。

# Environmental, Social and Governance Report

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### 4. Equal Opportunity

The Group recognises the importance of labour relationship to the success of the Group. Good communication allows for a better understanding of the Group's position and its requirements by the employees. To listen to the voices of different departments, the Group has put in place the "administrative measures for internal communication and complaint of employees". In the event of unfair treatment or disrespect, employees may file a complaint to seek for resolution to such issue to create a better work environment.

The Group strives to refine its policies on salary and benefit package for employees and decision on every personnel matter is made in accordance with the requirements of "Labor Law of the People's Republic of China" and "Labor Contract Law of the People's Republic of China" in an equal manner, instead of discriminatory treatment stemming from different genders, ages, races and religions.

### Health and Safety

As a responsible employer, we place equally high importance to the health and safety of employees while pursuing our other business objectives. To prevent accidents and minimise occupational hazards, we comply with local laws and regulations with regard to labour hygiene and assure the personal and work safety of employees to create a safe and hygienic work environment to everyone working at our premises.

To avoid employees' exposure to occupational diseases and hazards at work, the Group often arranges occupational health training for all employees to boost awareness and competence of self-protection and safeguard the health of employees. We insist on a safe production approach which could be summed up by the phrase "human-oriented, safety-first and prevention based". In accordance with the requirements of the national laws and regulations, the Group implements an accountability system for safe management and regularly conducts health examination on employees of relevant positions. For positions exposed to occupational hazards, employees must wear or use labour protection equipment as required by the Group's management. We arrange stringent body check on new employees before their induction and they do not start working until we have obtained the health certificate. Meanwhile, we conduct annual occupational health check on employees to prevent injuries or damage suffered from repetitive work. We inspect issues identified during the check and may re-designate employees so that they work in a healthy and comfortable environment.

### 4. 平等機會

本集團認為勞資溝通是本集團成功的主要因素之一，良好的溝通會令員工瞭解本集團的情況及明白本集團的需求。為了聆聽不同部門的聲音，本集團制定《員工內部溝通及申訴管理方法》。若員工在工作上受到不公平待遇，或感到未受尊重時，可以透過申訴處理有關事宜，尋求理想的工作環境。

本集團致力於完善員工薪酬福利待遇政策，所有人事的決定均按《中華人民共和國勞動法》及《中華人民共和國勞動合同法》有關規定辦理，並遵照平等原則執行，不因性別、年齡、民族宗教等因素區別對待。

### 健康與安全

作為一個盡職盡責的顧主，員工的健康及安全和其他業務目標同樣重要。為了防止事故發生，減少職業危害，我們遵守地方有關勞動衛生的法律法規，保證員工的人身和勞動安全，令所有員工擁有一個安全、衛生的工作環境。

為避免員工因工作遭受職業性疾病與職業災害，本集團經常對全體員工進行職業健康教育，提高員工的自我防護意識和能力，保障員工的健康。我們貫徹「以人為本，安全第一，預防為主」的安全生產方針。本集團根據國家法律法規的規定，實行安全管理責任制，定期對相關崗位員工進行健康檢查。凡可能引起職業危害的崗位，員工必須按本集團管理要求佩戴或使用勞保用品。新員工在上崗前，我們會對其進行嚴格的健康檢查，取得健康證後才可允許上崗。同時，我們每年為員工進行職業病體檢，避免員工因重覆性工作而受到傷害，如體檢中檢測到問題，我們會瞭解並進行調崗，務求其能於健康舒適的環境下工作。

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We pursue a risk-free and accident-free business environment and implements an accountability system for safe management. During the course of performing their duties, employees must obey orders and concentrate on production operation in accordance with operation programme and method instructed by technicians. Employees exposed to occupational hazards must attend occupational hygiene knowledge training at least once a year. To safeguard employee's safety more effectively, the Group has also set up a safety management committee and designated safety officers to handle issues such as safe production management, work injuries and diseases, and hospitalisation and treatment. They are also responsible for medical assurance measures and relevant requirements on occupational health and safety of the Group and are fully in charge of labour safety, hygienic and environmental matters in the factory area. Due to our emphasis on safety matters of every employee, the Group did not experience any material accident during the year.

### Development and Training

The flourish and development of our staff is constantly a focus of the Group. We actively conducted surveys on the demand for educational programmes and trainings in accordance to our annual operational plans and objectives. By learning the demand for training among staff across departments and make appropriate annual training programmes available to them, the need for strategic development of our manpower structure could be satisfied by the continuing learning system. With our provision of comprehensive learning resources including orientation, pre-employment and on-the-job trainings and specialized trainings and study environment, as well as subsidies of advance learning for both internal and external courses we aimed to build up the professional knowledge and skills of our staff, so that every employee could cope with their jobs independently, which in turn could help the Group maintain its competitiveness.

Training materials including operation guide and basic technical skills have been prepared by experienced and senior staff in the training programmes to better equip our staff with the necessary skills and capability for their positions which, in return, would benefit the enhancement of work efficiency and reduction in resource consumption and waste due to errors and mistakes during the working process.

The Group offers orientation training comprise of introduction to our corporation, corporate culture, rules and regulations, our system, fundamental knowledge in relation to production, fire safety, vocational skills, TS16949 and ISO14001 as well as trainings to increase awareness on environmental protection among the staff. For a faster and smoother adaptation to their jobs, staff who are newly employed or transferred to their current positions have to take pre-employment and on-the-job trainings for at least two days to be equipped with working techniques and skills.

我們追求零風險、零事故紀錄，實行安全管理責任制。員工在工作期間必須絕對服從指揮，集中精神，按操作程式及技術員指導的方法操作生產。從事接觸職業病危害作業的員工，每年至少參加一次職業衛生知識培訓。為了更有效保護員工安全，本集團還成立安全管理委員會，設立安全主任，負責安全生產管理、處理員工的工傷和患病送醫治療事宜，並負責醫療保障措施以及本集團職業健康安全相關規定，全面管理全廠的勞動安全、衛生環保工作。有賴各員工對安全問題的重視，於本年度本集團沒有重大意外發生。

### 發展及培訓

本集團持續關注員工的成長與發展。本集團根據每年營運計劃和目標，主動進行教育訓練需求調查，通過各部門對員工進行培訓需求調查，為員工編制量身訂做的年度培訓計劃，以持續培養的機制滿足本集團人才結構的戰略發展需求。本集團提供完善的訓練資源與學習環境，所有員工設有入職培訓、崗前培訓、崗位培訓及專項培訓。我們亦提供進修津貼，補助員工內、外訓練課程之費用以不斷增進員工專業知識與技能，令每位員工能夠獨當一面地解決問題，不斷創新，使本集團在競爭中保持優勢。

為提高工作效率，減少工作失誤造成的資源消耗和浪費，本集團在對員工進行培訓時，由具備一定經驗和資格的員工編制員工崗位培訓教材，包括崗位作業指導書、崗位基本操作技能等，務求員工具備工作時所需的技能和工作能力。

為了讓員工更易投入公司的運作，本集團為新員工提供職前培訓，包括企業簡介、企業文化、規章制度、推行的體系、生產、消防安全、崗位技能、TS16949及ISO14001等基礎知識以及提升環保意識的培訓。所有新員工或轉崗位的技術人員，必須接受至少兩天的崗前培訓和崗位培訓，以掌握工作技巧和工作技能，快速適應工作。



# Environmental, Social and Governance Report

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Apart from new employees, we also provide trainings for managerial staff with a view to facilitate their understanding of the internal human resources of the Group and smoothen the way they get handle things at work and hence, help them get a better picture of the corporate culture, company structure and tactful issues such as how to get along with the staff and how to deal with human resources dilemmas. In addition, training schemes and appraisals have been organized by the human resources department annually. Those who failed to pass any of the appraisals would have to retake the training. The measure helps to promote the development of our staff and enhance our operation.

### Labour Standards

The Group has strictly observed the Labour Law of the People's Republic of China and the Employment Ordinance of the Hong Kong Special Administrative Region against practices of employing forced labour and child labour. To comply with the relevant regulations, our human resources department has stringently followed the management procedures of human resources by collecting copies of the identify document, educational certifications and health certificates of the applicants to ensure that they could be lawfully employed. No follow-up recruitment procedures would be processed unless all verifications are duly completed. As a corporation, we paid continuous efforts in strengthening our sense of social responsibilities. It is our wish to share a common concept of development with our staff and ensure that no trafficking and slave labour are in existence within our Group.

### PRACTICE OF OPERATION

#### Supply Chain Management

The Group has maintained and established sound relationships with a large number of suppliers. It also constantly explores opportunities for deeper and wider cooperation with a view to provide our customers with services of the highest quality. The Group has in place a transparent procedure based on arm's length principle for selecting suppliers. The Group applies strict requirements to all suppliers, actively promoting socially-responsible purchase practices.

We have always insisted on conducting product quality control with focus on raw materials. We have established procedures for purchasing raw materials targeting suppliers and formulated well-defined policy on selection to ensure that the materials purchased by us and supplied to various factories would fully satisfy relevant requirements in terms of product quality and cost control. In order to meet the Company's goal of satisfying the TS16949 standard for quality control system in the automobile industry, we apply the ISO9001 quality management system as the basic requirement to the development of all our raw material suppliers and urge suppliers to improve their performance continuously.

除了新員工，為了讓中層管理人員更容易處理在工作上的問題，我們亦會提供培訓，幫助他們瞭解本集團內部人力資源，從而使他們對本集團的企業文化、組織構架、如何對待員工、如何解決人力資源問題等有更深的認識。此外，每年人力資源部門會根據各員工的能力編制年度培訓劃及進行考核，對不合格者重新培訓，以促進員工成長，完善本集團運營。

### 勞工準則

本集團一直嚴格執行《中華人民共和國勞動法》及香港特別行政區《僱傭條例》，反對強逼勞動或聘請童工問題。為了符合規定，本集團的人力資源部嚴格遵守人力管理程式，向應聘者收取身份証、學歷證明、健康證等證件複印本後進行審查，在一切驗證步驟完成後，才執行後續招聘程序，確保求職者可合法受雇。我們不斷增強企業的社會責任感，期望與員工擁有共同的发展理念，保證不存在販賣人口及奴役勞工之情況。

### 營運慣例

#### 供應鏈管理

本集團一直保持及發展與眾多供應商之良好合作關係，並不斷探求更深入以及更廣泛的合作，期望給予廣大客戶最優質的服務。本集團為供應商的選擇制定了具透明度和符合公平原則的程序。本集團對所有供應商作出嚴格規定，積極推進對社會負責任的採購活動。

從原材料入手控制產品質量，是我們一直堅持的原則。我們針對供應商制定原材料採購作業程式，訂立了清晰的甄選政策，以保證向各工廠供應完全滿足產品質量及成本控制要求的採購物料。對於所有原材料供應商的開發，以ISO9001質量管理體系為基本要求，督導供應商持續改進以滿足本公司以TS16949汽車工業質量體系所定立的要求作為目標。

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All suppliers engaged by the Group have long-established presence and sizable operating records and are equipped with relevant production qualifications and good reputation in the market. In selecting our suppliers, we assess the quality of materials from various aspects, including production capacity, experience, industry qualification, certification, creditability and whether they select quality raw materials, value safety and environment-friendly production technology or not, as well as after-sales services, and impacts towards end products and risks. To better understand the internal environment of suppliers, we also conduct site visits to ensure that the suppliers comply with the requirements of the Group and of our customers before taking them into consideration. Upon confirming our selection of suppliers, we enter into framework agreements with most of the suppliers to secure their availability and quality.

The Group categorises raw material provided by suppliers, and has established internal procedures for assessment and monitoring of purchases. Qualified suppliers will be marked for future reference. After selection of suppliers, we will continuously supervise our suppliers to ensure the quality, services and costs of the outputs. For materials provided by suppliers, we will conduct trial run, verification and assessment on all the materials to be used, for the avoidance of cost increase due to unqualified materials. If a problem is identified in the monitoring process, we will contact the relevant supplier in a timely manner and demand modification and improvement efforts from it. We strictly enforce each procedure, with our production goal being to provide products of the best quality possible.

本集團所聘用的供應商均擁有悠久的歷史和有規模的經營往績，具備相關生產資格並且在市場上享有信譽。我們在選擇供應商時，會從產能、經驗、行業資格、證書、信用、是否選用優質的原料、重視安全及環保生產技術、售後服務等評估原材料的質量，以及對最後成品的影響及風險。為瞭解供應商內部環境，我們會實地考察場地，確保供應商符合本集團及客戶要求才作出考慮。當確定供應商後，我們與大多數供應商訂立框架協議，保證供應商的供應和品質。

本集團將供應商提供的原材料類別作出分類，制定內部評估及採購控制程式，合格之供應商會被記錄供日後參考。在選定供應商後，我們將持續監督供應商，為出品質量、服務、成本帶來保證。對於供應商提供的物料，我們會對所使用的物料施行規範試驗、驗證及評估，避免物料不合格令成本增加。如在監測過程發現問題，我們會及時聯絡供應商，向他們提出修改以及持續改進的要求。我們嚴謹地執行每個工序，以提供最優質的產品為生產目標。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Product Liability

There are approximately 2,500 PCB manufacturers worldwide. In order to maintain its leading industry position, and believing in the saying of “a good craftsman never shows their work unperfected”, the Group considers the achievement of perfection in every detail with careful handling as its primary mission. The Group’s vision is to adhere to the customer-oriented approach and provide customers with quality products catering to their needs. In addition, the Group adopts relevant assessment measures to try out the Group’s commitments and to ultimately achieve the objective of providing services of the best quality for our customers. The Group also values feedbacks from customers. It aims not only to provide satisfactory after-sales services to customers, but also to offer timely and effective solutions regarding customers’ complaints so as to boost up their confidence. The Group has strictly observed the laws and regulations governing the advertising, labelling and privacy matters of such products.

#### 1. Testing and Examination

The Group strives to provide top-quality circuit boards for application in products of communication, automobile, industrial automation, consumer electronics and medical industries. To ensure that all products satisfy the requirements of Law of the People’s Republic of China on Product Quality and Regulations on the Industrial Product Quality Liability, the Group has set up a quality control department. We implement appropriate methods for examining and testing throughout the procedures, from purchase of materials, product manufacturing to product delivery, using IPC standards to ensure that quality of products meet customers’ requirements, and guarantee that our products will not cause harm to customers’ health and safety. The Group has obtained the UL-796 Safety Management Certificate.

We implement stringent quality control procedures during the whole manufacturing process to ensure compliance with specific quality control requirements. Our quality control focuses on the following four major areas: equipment control; raw material control; manufacturing control; and finished products control. To make sure all production parameters are consistently applied, we utilize computerized control methods in several manufacturing processes and also regularly fine-tune such parameters to ensure their accuracy. We demand all activities pertaining to quality be conducted according to established procedures.

### 產品責任

全球生產PCB的企業多達約2,500家，為了保持產業龍頭地位，本集團相信良工不示人以璞，以心為心把每個細節達至盡善盡美為首要任務。本集團的願景是以客為本，為顧客提供切合他們需求的優質產品，並採取相關檢定措施以實踐本集團的承諾，實現為顧客提供最優質服務的最終目標。本集團亦重視顧客的意見，不僅期望為顧客提供滿意的售後服務，還對顧客的投訴提供迅速有效的解決方案，增加顧客信心。本集團嚴格遵守有關產品的廣告、標籤及隱私事宜的相關法律法規。

#### 1. 檢驗與測試

本集團致力提供質量頂級的電路板，應用於通訊、汽車、工業自動化、消費電子及醫療行業的產品。為確保所有產品依照《中華人民共和國產品質量法》及《工業產品質量責任條例》，本集團設立了檢質部，從原材料採購、產品生產到產品出貨等各階段均有適當的檢驗與測試方法對其產品的質素加以檢驗，採用IPC標準，以確保產品質素符合顧客要求，並保障產品不會危害顧客的健康與安全。本集團已獲得UL-796安全管理認證。

我們在整個製程中均實施嚴格的質控程式，確保符合特定的質控要求。我們的質控圍繞以下的四大範疇：設備控制、原料控制、製程式控制及成品控制。為確保生產參數一致，我們在幾個製作過程中採用電腦化控制，亦會定期校準確保精確性，要求每一項與質量有關的活動按照確定的程式進行。

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For the sake of enhancing production efficiency, the Group engages external assistance to process products, while taking responsibility for the quality. Our internal quality management department is responsible for examining the incoming materials and externally-processed semi-finished products and finished products. The property management team is responsible for verifying the applications of incoming materials, while the outsource management team is responsible for verifying externally processed semi-finished products and finished products. When sourcing materials from outside, we also conduct standardized testing and verification procedures to avoid cost increase and delayed delivery due to unqualified materials used in production. To account for product quality, the sourcing department also requires suppliers to provide information on such materials and submit them to the department of craftsmanship for testing in order to ensure product quality. In addition to material management, the Group has set minimum qualification requirements for each position and provided relevant trainings; and employees are required to possess certain job experiences. The Group also provides trainings on basic information of TS16949, quality system documentation, quality testing standards, etc., to ensure the quality of the Group's outgoing products. We conduct quality tests before delivering the products. They include electrical properties test, appearances check, physical test and package check, which are undertaken by several different departments. This is to ensure products are released with satisfactory quality, and unqualified products will be disposed according to the management procedure for unqualified products. In addition, the Group also carries out quality review and rating towards each one of the component on the products to make sure that the product quality satisfies the criteria set by the Group in terms of both function and appearance.

### 2. Valuing Customers' Feedbacks

Upholding the service objective of "customer-oriented service from the heart", the Group regularly conducts surveys on customer satisfaction regarding our products and actively seeks to understand customers' needs, in order to provide services to our customers' liking and keep on good terms with them.

本集團為了提高生產效率，採用外協加工產品，並對品質負責任。我們內部的品質管理部負責對來料、外協加工半成品和成品進行檢驗。物管課負責對來料的驗證申請，外發部門負責對外協加工半成品、成品進行驗證。採購外辦物料時亦會對其進行規範試驗驗證，避免生產時運用了不合格物料，從而增加成本，延遲交期。為了對產品負責，採購部會要求供應商提供該物料的資料，交由工藝部進行驗證，保證產品的質量。除了物料上的管理，本集團還對各崗位的資歷設有最低要求和培訓，員工必須具備一定的工作經驗，本集團亦會提供TS16949基礎知識培訓、品質體系文件培訓、質量檢驗標準培訓以確保本集團產品輸出時的質素。在出貨前由不同部門負責品質測試，測試內容包括：電性測試、外觀檢查、物理測試和包裝等。確保產品在出廠時的品質達到標準，不合格的產品會依照《不合格品的管理程式》處理。除此以外，本集團還會對每一個零件進行產品質量審核評級，確保產品在功能和外觀上的質素達到本集團所定立的指標。

### 2. 顧客意見系我心

本集團以「顧客為先，以心為心」作為我們的服務宗旨，定期調查顧客對產品的滿意度，主動瞭解顧客的需求，提供最合心的服務，與顧客建立良好的關係。

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To understand our customers' opinions, we specifically set up a customer complaint team and the department of business affairs to handle complaints from customers. Staff of our customer complaint team shall convene a review meeting within 8 hours upon receiving complaints from any customer. If any abnormal quality is reported by any customer, such feedback must be reported to the engineers, officer, manager or director of the quality assurance department for analysis of causes and formulating policy for improvement to be adopted in future production. Work in progress held in inventory and on the production lines will be monitored subsequently, and engineers responsible for customer quality assurance will compile reports on improvement measures and send them to relevant customers, and follow up the outcome.

Engineers at the quality assurance department shall formulate proposals according to the Notice Regarding Measures for Rectification And Prevention and examine inter-departmental working results to see whether the procedures are completed on time and customers' demands are met to their satisfaction. Our emphasis on top-notch services and quality not only keeps all our customers satisfied, but also has a ripple effect of enhancing the Group's reputation, position, financial competitiveness, appearance and other aspects.

### 3. Protection of Privacy

The Group respects privacy and ensure such information including the Group's client list, marketing plans, purchase information, pricing policy, private financial information, production techniques, methodologies, formulas, sourcing channels, production and sales strategies, bidding base and bidding proposals, composition of project teams, budgets, profits and non-public financial information, etc. are well protected. The Group upholds arms-length transactions and fully conforms to standards regarding advertisement and competition, copyright laws, standards, requirements and rules and guidelines in the EICC (Electronic Industry Citizenship Coalition) Code of Conduct.

For protection of customer information, the Group requires every staff member to sign a confidential agreement before employment and provides staff manuals to make sure employees understand the importance of client privacy and prevent leakage of any relevant information. To ensure confidentiality of customer information, the administration department disposes waste boards that contain customer information produced in all relevant manufacturing processes separately by crushing them into shatters with grinders before notifying recycling companies to collect the wastes.

The Group adopts an ERP system as its internal management system. Access to any data is limited to prevent leakage of customer information, to achieve effective information management and strengthen confidentiality in the Company.

在瞭解顧客意見時，我們專門設立客訴組及商務部處理顧客投訴，客訴人員接獲顧客投訴後，會在8小時內召開會議檢討。如接到顧客反饋品質異常資訊時，必定通知顧客品質保障工程師、主任、經理或總監分析原因，擬定對策改善以後的生產，並對在庫品和生產線上的半成品進行跟進，由顧客品質保障工程師整理改善報告予顧客及跟進改善結果。

品保部流程工程師應按《糾正預防措施通知》制定方案及驗證各部門之行動結果，是否按期完成並能滿足顧客要求。我們重視提供一級的服務和品質，不但讓所有的顧客滿意，對於本集團自身的名聲與地位、財務競爭力、形象的提升等都會有連鎖效應。

### 3. 隱私保護

本集團尊重隱私保護，包括本集團的客戶名單、營銷計劃、採購資料、定價政策、不公開的財務資料、生產工藝、方法、產品配方、進貨管道、產銷策略、招投標的標底及標書內容、項目組人員構成、費用預算、利潤情況及不公開的財務資料等。本集團堅持公平交易，全力遵守廣告和競爭的標準、版權法、EICC（電子行業行為準則）標準要求、規則和指引等。

為了保護客戶資料，本集團要求每位員工在入職前必須簽署保密協議及提供員工手冊，確保員工明白客戶隱私的重要性，禁止一切相關資料外泄。對於所有生產工序所產生含有客戶資料的報廢板，行政部會分開處理，利用粉碎機將其粉碎至粉狀，才通知回收公司處理廢料，保證客戶資料的保密性。

本集團採用ERP系統作為本集團內部管理系統，所有數據設有權限查詢，以防止禁止外泄客戶資料，有效管理公司資訊，提高保密性。

# Environmental, Social and Governance Report

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### 4. Anti-corruption

Corruption is the greatest threat that hinders the development of the Group and anti-corruption is a focus of the Group. The Group has strictly observed the Criminal Law of the People's Republic of China and the Prevention of Bribery Ordinance of the Hong Kong Special Administrative Region, and we have adopted an anti-corruption and anti-bribery system and delegate the power to employees and suppliers to anonymously submit a direct report of non-compliant behaviours to the Group so as to ensure a fair and proper handling of all transactions.

The policy of the Group sets out provisions on gifts, gratuity and transactions with financial institutions and arranges integrity training for employees. Employees at managerial level must attend anti-corruption conferences to improve their understanding on conflict of interest and corruption and ensure that department heads do not harbor their subordinates. In addition, employees must handle gratuity and gifts in accordance with the department manual. In case of conflict between personal interest and job duties, employees shall report such conflict immediately or they will be subject to disciplinary actions for any non-compliance.

In addition to employees, suppliers are also subject to regulatory measures. Employees of the purchasing department select suppliers, issue orders and receive goods based on the division of labour to prevent a particular employee being responsible every process and avoid corruption. We have zero tolerance on corruption. With regard to this, we would execute an undertaking with a supplier before entering into a contract. In the event of default in any provision of the undertaking, the supplier will be required to make an unconditional default payment to the Group after inspection and its confirmation. At the same time, we reserve the right to cease the business relationship, freeze the trade payables arising from transactions within two months and seek to enforce our legal right to hold the defaulting party responsible.

### COMMUNITY INVESTMENT

We dedicate to making contributions to the society and to run the business of the Group with a grateful attitude. In 2016, the Group supported various charity events and made charitable and other donations totaling HK\$412,000. We hope that we can further repay the society in the following year and continue the efforts in promoting charities.

#### Community and Charity Service

The Group has donated over HK\$250,000 to Suicide Prevention Services during the year, offering emotion-smoothing service to those who have tendency to suicide, suffering from depression and emotional disturbance and help them recover from emotional breakdown.

### 4. 反貪污

貪污腐敗問題是阻礙本集團發展的最大威脅。防止貪污是本集團工作的重點，本集團嚴格遵從《中華人民共和國刑法》及香港特別行政區《防止賄賂條例》，並我們制定反貪污反賄賂制度，還賦予員工及供應商對違反規定的行為直接向本集團提交不記名舉報的權力，確保執正持平處理所有交易。

本集團政策列明禮物、賞錢及財務機構交易的規條，亦對員工進行誠信培訓。經理層級的員工須出席反貪污會議，深刻認識利益衝突和貪污行為，保證部門主管對下屬不存在包庇行為。另外，員工應根據部門指引處理賞錢及禮物，當員工的個人利益與其執行的職務有矛盾時必須進行申報，違規者將會受到紀律處分。

除了員工，供應商亦受到規管。採購部員工採取分工方式的形式選擇供應商、簽發訂單及回收貨物，避免同一員工負責所有流程，防止貪污情況出現。此外，我們對於貪污採取零容忍態度。為此，在和供應商簽訂合同時，必須簽署承諾書。如供應商違反承諾書條款，一經查處屬實，將要求供應商無條件支付本集團違約金，同時我們有權立即終止雙方業務往來，凍結兩個月交易產生的貨款，並追究相關其法律責任。

### 社區投資

我們致力回饋社會，用感恩的心去經營本集團。二零一六年，本集團支持各種公益活動，對慈善及其他捐款共計412,000港元。我們希望下一年能進一步回饋社會，繼續宣傳慈善事業。

#### 社區及慈善服務

本年度，本集團捐款超過250,000港元給生命熱線，為有自殺傾向、感到絕望及有情緒困擾等人士提供情緒紓緩的服務，幫助他們走出情緒的低谷。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

There is a group of epilepsy patients being isolated in the society where we believe everyone should have equal right to lead his/her own way of living. Aiming to eradicate the prejudice of the public to epilepsy, we build a center for patients and families intending to help them overcome the challenges and live at ease in a place where epilepsy patients can be embraced and understood. In 2016, we make donations to Enlighten — Action for Epilepsy, hoping that the group of patients will have equal opportunities and be treated equally in the society.

### Care for the Environment

The El Niño and La Nina phenomena have been in repeated occurrence on a global scale due to the rapid increase in carbon emission. We take the abnormally recurrent weather phenomena seriously, and therefore we get to the root and advocate the concept of low carbon living to the public and among our staff by actively participates in the Zero-carbon Tree Nurturing Scheme.

### Other Community Investment

To make people feel that love is all around, we give the charity funds to the Cantonese Opera Charity Night organized by The Association for the Welfare Services of Elders (Hong Kong) Limited and Tsz Wan Shan Kaifong Associations, because we understand that the giver is more blessed than the taker. In this way, we hope to spread the message of love to every corner of our society.

每人都有平等生活的權利，社會上有一群腦癇症患者被孤立。為了消除對腦癇症的誤解，我們希望建立一個能接受和理解腦癇症患者人士的社區，幫助患者及家人去面對挑戰，令他們活得開心自在。我們在二零一六年捐款給啟迪會，期望他們在社會上擁有平等機會和同等待遇。

### 關注環保

碳排量的急劇增長導致世界各地多次出現厄爾尼諾與拉達娜現象。我們十分重視天氣的頻密反常現象，為此，我們從源頭做起，積極參與「零碳天地助養樹木計劃」，向公眾及員工推廣低碳生活理念。

### 其他社會投資

我們明白施比受更有福，為了讓人們感受到人間有愛，我們把善款交到香港老人福利服務協會有限公司舉辦的慈善粵劇晚會及慈雲山街坊福利會，希望把愛心傳到社會每一個角落。



# Report of the Directors

## 董事會報告

The Directors have the pleasure of presenting their annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2016 (the "Consolidated Financial Statements").

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding and those of the principal subsidiaries of the Company are set out in note 1 to the Consolidated Financial Statements. Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance can be found in the sections headed "Chairman's Statement" set out on pages 4 and 5 and "Management Discussion and Analysis" set out on pages 8 to 15 of this annual report. This discussion forms part of this report of the Directors.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2016 and the state of affairs of the Group as at 31 December 2016 are set out in the Consolidated Financial Statements on pages 75 to 160.

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

### FIVE-YEAR FINANCIAL SUMMARY

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

### SHARE CAPITAL

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

### INVESTMENT PROPERTIES

At 31 December 2016, the investment properties of the Group were revalued by an independent firm of professional surveyor and property valuer on an open market value basis at HK\$19,351,000 (2015: HK\$5,966,000).

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

董事欣然呈報其年度報告，連同本集團截至二零一六年十二月三十一日止年度的經審核綜合財務報表（「綜合財務報表」）。

### 主要業務及業務回顧

本公司的主要業務為投資控股，而本公司旗下附屬公司的主要業務載列於綜合財務報表附註1內。根據香港公司條例附表5所規定，有關該等業務之進一步討論及分析可參閱本年報第4及5頁所載之「主席報告書」及第8至15頁所載之「管理層討論及分析」。此討論構成董事會報告之一部份。

### 業績及撥用

本集團截至二零一六年十二月三十一日止年度的業績及本集團於二零一六年十二月三十一日的事務狀況載列於綜合財務報表第75至160頁。

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

### 五年財務概要

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

### 股本

本公司年內股本變動的詳情載列於綜合財務報表附註27內。

### 投資物業

於二零一六年十二月三十一日，本集團投資物業經獨立專業測量師及物業估值師公司按公開市值基準重估為19,351,000港元（二零一五年：5,966,000港元）。

本集團投資物業之上述及於年內其他變動詳情載於以下及綜合財務報表附註14。



# Report of the Directors

## 董事會報告

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

### RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on pages 79 and 80 of this annual report and note 38 to the Consolidated Financial Statements, respectively.

### DISTRIBUTABLE RESERVES

As at 31 December 2016, the Company's distributable reserves, calculated under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to approximately HK\$61.4 million (2015: HK\$65.4 million).

### DONATIONS

During the year, the Group made charitable and other donations amounted to HK\$412,000 (2015: HK\$26,980).

### MAJOR CUSTOMERS AND SUPPLIERS

Sales attributable to the Group's largest customer and the five largest customers accounted for approximately 29.7% and 57.1% (2015: 27.6% and 52.8%) respectively of the Group's total revenue for the year ended 31 December 2016. The purchases made by the Group from its largest supplier and the five largest suppliers accounted for approximately 35.0% and 66.2% (2015: 28.9% and 51.4%) of the Group's total purchases for the year ended 31 December 2016, respectively.

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

### MANAGEMENT CONTRACTS

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

### 儲備

本集團及本公司於本年度的儲備變動詳情分別載於本年報第79及80頁的綜合權益變動表及綜合財務報表附註38。

### 可供分派儲備

於二零一六年十二月三十一日，根據開曼群島法例第22章公司法（一九六一年第三號法例，經綜合及修訂）計算，本公司可供分派儲備約為61.4百萬港元（二零一五年：65.4百萬港元）。

### 捐款

年內，本集團作出慈善及其他捐款412,000港元（二零一五年：26,980港元）。

### 主要客戶及供應商

源自本集團最大客戶及五大客戶之銷售額分別佔本集團截至二零一六年十二月三十一日止年度總收入約29.7%及57.1%（二零一五年：27.6%及52.8%）。本集團向其最大供應商及五大供應商之採購額分別佔本集團截至二零一五年十二月三十一日止年度採購總額約35.0%及66.2%（二零一五年：28.9%及51.4%）。

就董事所深知，年內，董事、其緊密聯繫人或任何擁有本公司已發行股本5%以上權益的股東概無於本集團五大客戶或供應商中擁有任何實益權益。

### 管理合約

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

# Report of the Directors

## 董事會報告

### PERMITTED INDEMNITY PROVISION

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

### SUBSIDIARIES

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

### PROPERTY, PLANT AND EQUIPMENT

During the year, the Group's total capital expenditure amounted to approximately HK\$27.2 million (2015: HK\$173.9 million) which was mainly used for acquisition of machineries and equipment.

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

### BORROWINGS

Particulars of borrowings of the Group as at 31 December 2016 date are set out in note 24 and note 25 to the Consolidated Financial Statements. The details of the Group's charges of assets are set out on page 15.

### DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

#### Executive Directors

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

#### Independent Non-executive Directors

Mr. Chung Yuk Ming  
Mr. Yeung Kam Ho (Resigned on 30 September 2016)  
Mr. Yau Wing Yiu  
Mr. Lau Shun Chuen (Appointed on 30 September 2016)

Each of the executive Directors has entered into a service contract with the Company for a term of three years and shall continue thereafter until terminated by, not less than three months' notice in writing served by either party on the other.

### 獲准許的彌償條文

本公司已就其董事及高級管理人員可能面對因企業活動產生之法律訴訟，為董事及行政人員之職責作適當之投保安排。基於董事利益的獲准許彌償條文根據公司條例(香港法例第622章)第470條的規定於董事編製之董事會報告根據公司條例(香港法例第622章)第391(1)(a)條獲通過時生效。

### 附屬公司

有關本公司主要附屬公司的詳情載於綜合財務報表附註1。

### 物業、廠房及設備

年內，本集團的資本開支總額約為27.2百萬港元(二零一五年：173.9百萬港元)，該款項主要用於收購機械及設備。

有關年內物業、廠房及設備變動的詳情載於綜合財務報表附註13。

### 借款

本公司於二零一六年十二月三十一日之借款詳情載於綜合財務報表附註24及附註25。有關本集團資產抵押的詳情載於第15頁。

### 董事及董事服務合約

於年內及截至本報告日期的本公司在職董事如下：

#### 執行董事

陳榮賢先生  
(主席)  
陳勇女士  
陳恩光先生  
陳恩永先生

#### 獨立非執行董事

鍾玉明先生  
楊錦浩先生(於二零一六年九月三十日離任)  
邱榮耀先生  
劉順銓(於二零一六年九月三十日委任)

各執行董事已與本公司訂立服務合約，為期三年，並持續生效直至其中一方向另一方發出不少於三個月的書面通知予止終止。

# Report of the Directors

## 董事會報告

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

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

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

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

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

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

### BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management of the Group are disclosed in the section headed "Directors and Senior Management Profile" on pages 16 to 22 of this annual report.

### CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

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

### NON-COMPETITION UNDERTAKING BY CONTROLLING SHAREHOLDERS

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

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

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

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

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

根據本公司組織章程細則，三分之一之現任董事須於應屆股東週年大會退任。

### 董事於交易、安排或合約之權益

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

### 董事及高級管理層之履歷

本集團董事及高級管理層之履歷詳情於本年報第16至22頁「董事及高級管理層履歷」一節披露。

### 控股股東於合約之權益

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

### 控股股東之不競爭承諾

各控股股東已就其遵守不競爭承諾條款作出年度聲明。

不競爭承諾詳情載於招股章程「與控股股東的關係」一節。

# Report of the Directors

## 董事會報告

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

### NON-COMPETITION UNDERTAKING BY EXECUTIVE DIRECTORS

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

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

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

### NEW BUSINESS OPPORTUNITY

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

### CONTRACTS WITH CONTROLLING SHAREHOLDERS

No contract of significance had been entered into between the Company or any of its subsidiaries, and the controlling shareholders or any of their subsidiaries during the year ended 31 December 2016.

### CONNECTED TRANSACTIONS

The Company has entered into the following continuing connected transactions (as defined under the Listing Rules) for the year ended 31 December 2016:

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

有關控股股東之不競爭承諾已於上市日期起生效。

### 執行董事之不競爭承諾

本公司各執行董事已就其遵守不競爭承諾條款作出年度聲明。

有關執行董事之不競爭承諾已於上市日期起生效。

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

### 新業務機會

控股股東概無根據不競爭承諾規定向本公司轉介新業務機會(定義見招股章程「與控股股東的關係 — 不競爭承諾一段」)。

### 與控股股東之合約

截至二零一六年十二月三十一日止年度，本公司或任何其附屬公司概無與控股股東或其任何附屬公司訂立重大合約。

### 關連交易

截至二零一六年十二月三十一日止年度，本公司已訂立以下持續關連交易(定義見上市規則)：

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

# Report of the Directors

## 董事會報告

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

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

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

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

### SHARE OPTION SCHEME

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

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

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

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

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

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

### 購股權計劃

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

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

# Report of the Directors

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

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

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

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

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

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

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

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

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

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

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

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

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

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

# Report of the Directors

## 董事會報告

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

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

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

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

From the date of adoption of the Share Option Scheme to 31 December 2016, no options were granted under the Share Option Scheme.

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

Apart from the aforesaid share option schemes, at no time during the year ended 31 December 2016 was any of the Company and its holding companies, subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercise any such right.

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

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

向本公司董事、行政總裁或主要股東，或任何彼等之聯繫人士授出任何購股權須獲得獨立非執行董事的批准，方可落實。此外，於任何12個月期間，向本公司主要股東或獨立非執行董事，或任何彼等各自之聯繫人士授出的任何購股權超過本公司任何時間已發行股份的0.1%，或總值（根據本公司股份於授出日期的收市價）超過5,000,000港元，須於股東大會獲得股東的事先批准，方可落實。

購股權概無賦予持有人收取股息或於股東大會上投票之權利。

自購股權計劃採納日期起至二零一六年十二月三十一日，概無根據購股權計劃授出購股權。

本公司購股權計劃之更多詳情載於綜合財務報表附註28。

除前述購股權計劃外，於截至二零一六年十二月三十一日止年度，本公司及其控股公司、附屬公司及同系附屬公司概無訂立任何安排，致使董事可透過收購本公司或任何其他團體公司之股份或債券獲取利益，且亦無董事，或彼等之配偶或十八歲以下的子女擁有任何權利可認購本公司之股份或債券，或已行使有關權利。

# Report of the Directors

## 董事會報告

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

As at 31 December 2016, the Directors and chief executives of the Company had the following interests in the shares, underlying shares and debentures of the Company, its Group members and/or associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code in the Listing Rules:

### 董事及主要行政人員於股份、相關股份及債券中之權益或淡倉

於二零一六年十二月三十一日，本公司董事及主要行政人員於本公司、其集團成員公司及／或相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有下列記錄於根據證券及期貨條例第352條須予存置的股東名冊，或根據上市規則所載之標準守則須通知本公司及聯交所的權益：

#### The Company

#### 本公司

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

Notes:

附註：

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

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



# Report of the Directors

## 董事會報告

### Associated Corporation

### 相聯法團

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

Note:

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

附註：

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

Save as disclosed above, as at 31 December 2016, none of the Directors and chief executives of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code of the Listing Rules.

除上文所披露者外，於二零一六年十二月三十一日，本公司概無董事及主要行政人員於本公司或其相聯法團（定義見證券及期貨條例第 XV 部）之任何股份、相關股份或債券中擁有任何其他根據證券及期貨條例第 XV 部第 7 及 8 分部須通知本公司及聯交所之權益或淡倉（包括根據證券及期貨條例有關條文被當作或被視作擁有之權益或淡倉），或根據證券及期貨條例第 352 條須記入該條所指之股東名冊之權益或淡倉，或根據上市規則所載之標準守則須通知本公司及聯交所之權益或淡倉。

# Report of the Directors

## 董事會報告

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

As at 31 December 2016, so far as was known to the Directors, the following persons/entities (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

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

Notes:

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

Save as disclosed above, as at 31 December 2016, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

### 主要股東及其他人士於本公司股份及相關股份中之權益及/或淡倉

於二零一六年十二月三十一日，就董事所深知，以下人士/實體(董事或本公司主要行政人員除外)於本公司股份或相關股份中，擁有或被視為擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露的權益或淡倉，或已錄入根據證券及期貨條例第336條本公司須存置的股東名冊內的權益或淡倉如下：

附註：

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

除上文所披露者外，於二零一六年十二月三十一日，董事概不知悉有任何其他人士/實體(本公司董事及主要行政人員除外)於本公司股份或相關股份擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露之權益或淡倉，或根據證券及期貨條例第336條記入本公司規定存置的股東名冊之權益或淡倉。

# Report of the Directors

## 董事會報告

### COMPETITION AND CONFLICT OF INTERESTS

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

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

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

### TAX RELIEF AND EXEMPTION

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

### PRE-EMPTIVE RIGHTS

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

### SUFFICIENCY OF PUBLIC FLOAT

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

### CORPORATE GOVERNANCE REPORT

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

### PRINCIPAL RISKS AND UNCERTAINTIES

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

- i. The Shenzhen new facility has been in use since 2015. The Group may not successfully implement its capacity expansion plans and effectively utilise this facility, and such expansion may result in over-capacity, which may materially affect our further plans, profitability and growth.

### 競爭及利益衝突

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

### 購買、出售或贖回本公司之上市證券

年內，本公司及其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

### 稅務減免

董事並不知悉任何因股東持有本公司證券而享有的稅務減免。

### 優先購股權

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

### 充足公眾持股量

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

### 企業管治報告

有關本集團企業管治常規的詳情，請參閱本年報第23至37頁所載企業管治報告。

### 主要風險及不明朗因素

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

- i. 深圳新設施於二零一五年啟用，本集團或未能成功推行我們的產能擴充計劃及有效地使用該設施，可能導致該擴充產能過剩，這或會對我們的未來計劃、盈利能力及增長造成重大不利影響。

# Report of the Directors

## 董事會報告

- ii. Substantial financial costs and depreciation expenses from the Shenzhen new facility have been incurred since it has been used. It may materially and adversely affect the results of operations and financial condition.
  - iii. The Group derives a significant portion of its revenue from major customers, particularly communication and automobile customers. The decrease in demand from major customers may materially and adversely affect the business.
  - iv. Fluctuation in exchange rates may adversely affect the business.
  - v. The Group may be subject to any labour shortages, increased labour cost or other factors affecting labour force, which may materially affect the Group's business operation and financial condition.
  - vi. The PRC government has tightened its environmental regulation. Although the Group's current operation falls in line with the requirement, it may be affected and incur additional expenses when the relevant regulatory threshold is further raised in the future.
- ii. 啟用深圳新設施後產生大額財務成本及折舊開支，這或會對經營業績及財務狀況造成重大不利影響。
  - iii. 本集團大部分收益乃來自其主要客戶，特別是通訊及汽車客戶，來自主要客戶的需求減少或會對我們的業務造成重大不利影響。
  - iv. 匯率波動或會對我們的業務造成不利影響。
  - v. 本集團或受制於任何勞工短缺、勞工成本上漲或其他影響勞動力的因素，這可能對本集團的業務、營運及財務狀況造成重大不利影響。
  - vi. 中國政府在環保要求日漸加強，雖然本集團現時運作符合國家要求，但是日後再加強環保標準，有可能影響營運及增加費用開支。

### ENVIRONMENTAL PROTECTION

The Group's production facilities are located in Shenzhen ("Shenzhen Facility"), PRC. The Group is subject to PRC national and local environmental laws and regulations governing air pollution, noise emissions, hazardous chemicals, water and waste discharge and other environmental matters issued by PRC national, provincial and municipal government and authorities. For details of environmental protection of the Group, please refer to the Environmental, Social and Governance Report on pages 38 to 54.

### COMPLIANCE WITH LAWS AND REGULATIONS

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

### 環境保護

本集團的生產設施位於中國深圳（「深圳廠房設施」），本集團須遵守由中國國家、省、市政府和機關頒佈規管空氣污染、噪音排放、危險化學品、污水及廢物排放和其他環境事宜的中國國家和地方環境法律和法規。有關本集團環境保護詳細內容，請參閱於第38至54頁的《環境、社會及管治報告》。

### 遵守法律及法規

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

# Report of the Directors

## 董事會報告

### EVENTS AFTER THE REPORTING PERIOD

There are no material subsequent events undertaken by the Company or by the Group after 31 December 2016.

### CLOSURE OF THE REGISTER OF MEMBERS

To determine the eligibility of the shareholders of the Company to attend the AGM to be held on Wednesday, 24 May 2017, the register of members will be closed from Friday, 19 May 2017 to Wednesday, 24 May 2017, both days inclusive, during which period no transfer of shares will be effected. In order to be entitled to attend and vote at the annual general meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrars, Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 18 May 2017.

### ANNUAL GENERAL MEETING

The AGM will be held on 24 May 2017. Shareholders should refer to details regarding the AGM in the circular of the Company and the notice of meeting and form of proxy accompanying thereto.

### AUDITORS

A resolution to re-appoint the retiring auditors, Ernst & Young, is to be proposed at the forthcoming annual general meeting of the Company.

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

Hong Kong, 24 March 2017

### 報告期後事項

本公司或本集團於二零一六年十二月三十一日後概無進行任何重大期後事項。

### 暫停辦理股份過戶登記手續

為釐定本公司股東出席將於二零一七年五月二十四日(星期三)舉行的本公司股東週年大會(「股東週年大會」)的資格,本公司將於二零一七年五月十九日(星期五)至二零一七年五月二十四日(星期三)期間(包括首尾兩日)暫停辦理股份過戶登記手續,期間將不會辦理任何股份過戶登記。為符合資格出席股東週年大會並於會上投票表決,所有過戶文件連同相關股票,最遲須於二零一七年五月十八日(星期四)下午四時三十分前送交本公司的香港股份過戶登記分處卓佳證券登記有限公司,地址為香港皇后大道東183號合和中心22樓,以辦理登記。

### 股東週年大會

本公司將於二零一七年五月二十四日舉行股東週年大會。有關股東週年大會的詳情,謹請股東參閱本公司的通函及大會通告連同所附代表委任表格。

### 核數師

本公司將於應屆股東週年大會上提呈決議案,以重新委任退任核數師安永會計師事務所。

承董事會命  
**恩達集團控股有限公司**  
主席  
**陳榮賢**

香港,二零一七年三月二十四日

# Independent Auditor's Report

## 獨立核數師報告



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

### OPINION

We have audited the consolidated financial statements of Yan Tat Group Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 75 to 160, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 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 ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**致恩達集團控股有限公司股東**  
(於開曼群島註冊成立之有限公司)

### 意見

我們已審計列載於第75頁至第160頁的恩達集團控股有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一六年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)真實而公允地反映了貴集團於二零一六年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

### 意見的基礎

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

# Independent Auditor's Report (continued)

## 獨立核數師報告(續)

### KEY AUDIT MATTERS

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

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

### 關鍵審計事項

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

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

### Key audit matters

#### 關鍵審計事項

### How our audit addressed the key audit matters

#### 我們的審計如何處理關鍵審計事項

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

#### **貿易應收款項及應收票據減值**

As at 31 December 2016, the Group had gross trade and bills receivables of approximately HK\$210,112,000 before impairment provision of approximately HK\$2,880,000. The Group maintains a defined credit policy and overdue balances are reviewed regularly by senior management. The Group first assessed at the end of the reporting period whether objective evidence of impairment existed individually for trade and bills receivables that are individually significant, or collectively for trade and bills receivables that are not individually significant. If the Group determined that no objective evidence of impairment existed for an individually assessed receivable, whether significant or not, it included the receivable in a group of receivables with similar credit risk characteristics and collectively assessed them for impairment. To determine whether there is objective evidence of impairment, the Group considered factors including, inter alia, the probability of insolvency or significant financial difficulties of the debtors, and any default or significant delay in payments.

於二零一六年十二月三十一日，貴集團貿易應收款項及應收票據總額約210,112,000港元(扣除減值撥備約2,880,000港元前)。貴集團維持清晰信貸政策及由高級管理層定期審閱逾期未付款項。貴集團於報告期末首先評估客觀減值證據是否個別存在於個別重大之貿易應收款項及應收票據，及是否整體存在於並非個別重大之貿易應收款項及應收票據。倘貴集團釐定客觀減值證據並不存在於個別評估應收款項(無論重大與否)則會將具有類似信貸風險特性之應收款項歸類，並以整體方式評估減值。為釐定是否存在客觀減值證據，貴集團考慮之因素包括，如債務人很有可能破產或有重大財務困難，以及拖欠付款或遲遲未能支付。

We evaluated management's assessment of impairment of trade and bills receivables. Our procedures included, inter alia, understanding, assessing and testing the Group's processes and controls relating to the granting of credit terms, monitoring of outstanding receivables and assessing any changes in credit quality, and assessing the provision required by checking the correctness of the aging of trade and bills receivables as at 31 December 2016, the settlements made subsequent to the end of the reporting period, past repayment history and historical write-off experience of debtors, and other external information relating to the creditworthiness of the debtors. We also assessed the related disclosures in the consolidated financial statements.

我們評估管理層作出貿易應收款項及應收票據減值評估。我們之評估程序包括(除其他外)了解、評估及測試貴集團有關授出信貸期、監管尚未收回應收款項及評估之流程及監控、評估信貸質素之任何變動、評估檢測貿易應收款項及應收票據於二零一六年十二月三十一日賬齡準確性所需撥備，債務人報告期末後作出之償付、過往償還記錄及過往撇銷記錄，以及有關該等債務人之信用度的其他外部資料。我們亦評估綜合財務報表之相關披露。

# Independent Auditor's Report (continued)

## 獨立核數師報告(續)

### Key audit matters

#### 關鍵審計事項

### How our audit addressed the key audit matters

#### 我們的審計如何處理關鍵審計事項

#### **Impairment of trade and bills receivables (Continued)**

##### 貿易應收款項及應收票據減值(續)

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

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

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

相關披露載於綜合財務報表附註2.4、3及19。

#### **Write-down of inventories to net realisable value**

##### 撇減存貨至可變現淨值

The Group had inventories with a carrying amount of approximately HK\$54,198,000 at 31 December 2016. The Group performs regular review of the carrying amounts of inventories to determine if any write-down of inventories to net realisable value is required after considering, inter alia, the aged analysis of inventories, the purposes for which the inventories are held, current market conditions, relevant historical data and the expected future sales of goods and usages of materials.

貴集團於二零一六年十二月三十一日有賬面值約54,198,000港元之存貨。貴集團對存貨之賬面值進行定期審閱，以於考慮(其中包括)存貨之賬齡分析、持有存貨之目的、現行市況、相關過往數據及產品預期未來銷售及材料用途後釐定是否需要將存貨撇減至其可變現淨值。

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

釐定可變現淨值需要管理層作出影響存貨之申報金額及相關披露的重大假設及估計。

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

相關披露載於綜合財務報表附註2.4、3及18。

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

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



# Independent Auditor's Report (continued)

## 獨立核數師報告(續)

### OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

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

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

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

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

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

### 刊載於年度報告內其他信息

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

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

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

### 董事就綜合財務報表須承擔的責任

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

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

審計委員會協助董事履行職責，監督 貴集團的財務報告過程。

# Independent Auditor's Report (continued)

## 獨立核數師報告(續)

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

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

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

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

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

### 核數師就審計綜合財務報表承擔的責任

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

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

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

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

## Independent Auditor's Report (continued)

### 獨立核數師報告(續)

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

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

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.

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

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

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

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

出具本獨立核數師報告的審計項目合夥人是陳日輝。

#### **Ernst & Young**

Certified Public Accountants  
22/F, CITIC Tower  
1 Tim Mei Avenue  
Central, Hong Kong  
24 March 2017

#### **安永會計師事務所**

執業會計師  
香港中環  
添美道1號  
中信大廈22樓  
二零一七年三月二十四日

# Consolidated Statement of Profit or Loss

## 綜合損益表

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

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>REVENUE</b>	<b>收益</b>	5	<b>591,407</b>	638,930
Cost of sales	銷售成本		<b>(471,514)</b>	(494,810)
Gross profit	毛利		<b>119,893</b>	144,120
Other income and gains	其他收入及收益	5	<b>12,050</b>	7,972
Selling and distribution expenses	銷售及分銷開支		<b>(20,492)</b>	(25,329)
General and administrative expenses	一般及行政開支		<b>(72,120)</b>	(72,467)
Other expenses	其他開支		<b>(1,369)</b>	(612)
Finance costs	融資成本	7	<b>(7,549)</b>	(3,960)
<b>PROFIT BEFORE TAX</b>	<b>除稅前溢利</b>	6	<b>30,413</b>	49,724
Income tax expense	所得稅開支	10	<b>(7,030)</b>	(7,311)
<b>PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>本公司擁有人應佔 年內溢利</b>		<b>23,383</b>	42,413
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY</b>	<b>本公司普通權益持有人 應佔每股盈利</b>	12		
Basic and diluted	基本及攤薄		<b>HK9.7 cents 港仙</b>	HK17.7 cents 港仙

# Consolidated Statement of Comprehensive Income

## 綜合全面收益表

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

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>PROFIT FOR THE YEAR</b>	<b>年內溢利</b>	<b>23,383</b>	42,413
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>	<b>其他全面收入／(虧損)</b>		
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:	於其後期間重新分類至損益的其他全面收入／(虧損)：		
Change in fair value of an available-for-sale investment	可供出售投資的公平值變動	179	426
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	(30,517)	(20,714)
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods	於其後期間重新分類至損益的其他全面虧損淨額	(30,338)	(20,288)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:	於其後期間不會重新分類至損益的其他全面收入：		
Gain on property revaluation	物業重估收益	-	647
Income tax effect	所得稅影響	-	(162)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	於其後期間不會重新分類至損益的其他全面收入淨額	-	485
<b>OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX</b>	<b>年內其他全面虧損，扣除稅項</b>	<b>(30,338)</b>	(19,803)
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>本公司擁有人應佔年內全面收入／(虧損)總額</b>	<b>(6,955)</b>	22,610

# Consolidated Statement of Financial Position

## 綜合財務狀況表

31 December 2016 二零一六年十二月三十一日

			2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
		Notes 附註		
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	13	396,525	410,165
Investment properties	投資物業	14	19,351	5,966
Prepaid land lease payments	預付土地租賃款項	15	4,976	5,562
Deposits for purchases of items of property, plant and equipment	購買物業、廠房及設備項目的按金	16	8,545	28,283
Deposits	按金	20	2,169	7,809
Deferred tax assets	遞延稅項資產	26	7,947	7,651
Available-for-sale investment	可供出售投資	17	3,773	1,697
Loan to an investee	貸款予投資對象	17	-	2,148
Total non-current assets	非流動資產總值		443,286	469,281
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	18	54,198	44,952
Trade and bills receivables	貿易應收款項及應收票據	19	207,232	208,798
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	20	6,236	16,175
Tax recoverable	可收回稅項		1,089	760
Pledged deposits and restricted cash	已抵押存款及限制性現金	21	34,930	23,322
Cash and bank balances	現金及銀行結餘	21	83,017	100,293
Total current assets	流動資產總值		386,702	394,300
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade and bills payables	貿易應付款項及應付票據	22	108,308	113,611
Other payables and accruals	其他應付款項及應計費用	23	55,145	93,634
Interest-bearing bank borrowings	計息銀行借款	24	202,273	163,277
Finance lease payables	融資租賃應付款項	25	5,826	5,470
Tax payable	應繳稅項		10,777	12,390
Total current liabilities	流動負債總額		382,329	388,382
<b>NET CURRENT ASSETS</b>	<b>流動資產淨額</b>		4,373	5,918
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		447,659	475,199

# Consolidated Statement of Financial Position

## 綜合財務狀況表

31 December 2016 二零一六年十二月三十一日

			2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	Notes 附註			
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>總資產減流動負債</b>	<b>447,659</b>	475,199
<b>NON-CURRENT LIABILITIES</b>		<b>非流動負債</b>		
Interest-bearing bank borrowings	24	計息銀行借款	<b>8,108</b>	25,655
Finance lease payables	25	融資租賃應付款項	<b>7,222</b>	11,899
Deferred tax liabilities	26	遞延稅項負債	<b>3,495</b>	342
Other payable	23	其他應付款項	-	2,624
Deferred income	23	遞延收入	<b>7,005</b>	5,895
Total non-current liabilities		非流動負債總額	<b>25,830</b>	46,415
Net assets		資產淨值	<b>421,829</b>	428,784
<b>EQUITY</b>		<b>權益</b>		
<b>Equity attributable to owners of the Company</b>		<b>本公司擁有人應佔權益</b>		
Issued capital	27	已發行股本	<b>2,400</b>	2,400
Reserves	29	儲備	<b>419,429</b>	426,384
Total equity		總權益	<b>421,829</b>	428,784

**Chan Yung**  
陳勇  
Director  
董事

**Chan Wing Yin**  
陳榮賢  
Director  
董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔								
		Issued share capital	Share premium account	Capital reserve	Available- for-sale investment revaluation reserve	Land and building revaluation reserve	Exchange fluctuation reserve	Reserve funds*	Retained profits	Total equity
		已發行 股本	股份 溢價賬	股本儲備	可供 出售投資 重估儲備	土地 及樓宇 重估儲備	匯兌 波動儲備	儲備基金*	保留溢利	總權益
Note		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
附註		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
	At 1 January 2015									
	Profit for the year									
	Other comprehensive income/(loss) for the year:									
	Change in fair value of an available-for-sale investment									
	Exchange differences on translation of foreign operations									
	Gain on property valuation, net of tax									
	Total comprehensive income/(loss) for the year									
	Interim 2015 dividend									
	Transfer from retained profits									
	At 31 December 2015									



# Consolidated Statement of Changes in Equity

## 綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔								
		Issued share capital	Share premium account	Capital reserve	Available- for-sale investment revaluation reserve	Land and building revaluation reserve	Exchange fluctuation reserve	Reserve funds*	Retained profits	Total equity
		已發行 股本	股份 溢價賬	股本儲備	可供 出售投資 重估儲備	土地及 樓宇 重估儲備	匯兌 波動儲備	儲備基金*	保留溢利	總權益
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2016	於二零一六年一月一日	2,400	62,609	60,455	654	485	31,983	30,009	240,189	428,784
Profit for the year	年內溢利	-	-	-	-	-	-	-	23,383	23,383
Other comprehensive income/(loss) for the year:	年內其他全面收入/(虧損):									
Change in fair value of an available-for-sale investment	可供出售投資的公平值變動	-	-	-	179	-	-	-	-	179
Exchange differences on translation of foreign operations	換算海外業務匯兌差額	-	-	-	-	-	(30,517)	-	-	(30,517)
Total comprehensive income/(loss) for the year	年內全面收入/(虧損)總額	-	-	-	179	-	(30,517)	-	23,383	(6,955)
Transfer from retained profits	轉撥自保留溢利	-	-	-	-	-	-	2,874	(2,874)	-
At 31 December 2016	於二零一六年十二月三十一日	2,400	62,609 <sup>#</sup>	60,455 <sup>#</sup>	833 <sup>#</sup>	485 <sup>#</sup>	1,466 <sup>#</sup>	32,883 <sup>#</sup>	260,698 <sup>#</sup>	421,829

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

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

# These reserve accounts comprise the consolidated reserves of HK\$419,429,000 (2015: HK\$426,384,000) in the consolidated statement of financial position.

# 該等儲備賬戶包括於綜合財務狀況表內的綜合儲備419,429,000港元（二零一五年：426,384,000港元）。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

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

	Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>經營活動所得現金流量</b>			
Profit before tax		<b>30,413</b>	49,724
Adjustments for:			
Finance costs	7	<b>7,549</b>	3,960
Bank interest income	5	<b>(272)</b>	(397)
Depreciation	6	<b>29,120</b>	18,051
Recognition of prepaid land lease payments	6	<b>246</b>	263
Write-down/(reversal of write-down) of inventories to net realisable value	6	<b>(2,390)</b>	1,331
Reversal of impairment of trade receivables	6	<b>–</b>	(2,882)
Fair value gain on investment properties	5, 6	<b>(8,727)</b>	(631)
Amortisation of deferred income		<b>(358)</b>	(28)
Write-off of items of property, plant and equipment	6	<b>69</b>	438
Write-off of deposits paid for purchases of items of property, plant and equipment	6	<b>1,064</b>	–
Gain on disposal of items of property, plant and equipment	5, 6	<b>–</b>	(78)
		<b>56,714</b>	69,751
Decrease/(increase) in inventories		<b>(11,367)</b>	3,687
Increase in trade and bills receivables		<b>(5,754)</b>	(9,361)
Decrease/(increase) in prepayments, deposits and other receivables		<b>9,135</b>	(8,403)
Decrease in trade and bills payables		<b>(926)</b>	(12,093)
Decrease in other payables and accruals		<b>(6,203)</b>	(3,506)
Decrease in an amount due to a related company		<b>–</b>	(55)
Exchange realignment		<b>1,333</b>	565
Cash generated from operations		<b>42,932</b>	40,585
Interest received		<b>272</b>	397
Interest paid		<b>(7,195)</b>	(6,417)
Interest element of finance lease rental payments	7	<b>(652)</b>	(68)
Hong Kong profits tax paid		<b>(354)</b>	(1,493)
Overseas taxes paid		<b>(5,356)</b>	(5,801)
Net cash flows from operating activities		<b>29,647</b>	27,203

# Consolidated Statement of Cash Flows

## 綜合現金流量表

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

	Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Net cash flows from operating activities 經營活動所得現金流量淨額		<b>29,647</b>	27,203
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>投資活動所得現金流量</b>		
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	<b>(55,536)</b>	(41,422)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目 所得款項	<b>2,130</b>	78
Deposits paid for purchases of items of property, plant and equipment	購買物業、廠房及設備項目 所付按金	<b>(1,132)</b>	(61,677)
Receipts of government grants	收取政府補貼	<b>2,119</b>	2,619
Decrease/(increase) in certain time and bank deposits pledged as security for certain banking facilities and bills payable	若干定期及銀行存款 減少/(增加)，已質押作 若干銀行融資及應付票據 之抵押	<b>(34,444)</b>	3,747
Decrease/(increase) in restricted cash	受限制現金減少/(增加)	<b>1,704</b>	(2,363)
Net cash flows used in investing activities	投資活動所用現金流量淨額	<b>(85,159)</b>	(99,018)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資活動所得現金流量</b>		
New bank borrowings	新造銀行借款	<b>271,201</b>	319,734
Repayment of bank borrowings	償還銀行借款	<b>(246,693)</b>	(282,644)
Capital element of finance lease rental payments	融資租賃租金付款的 資本部分	<b>(5,648)</b>	(2,348)
Dividend paid	已付股息	<b>-</b>	(12,000)
Net cash flows from financing activities 融資活動所得現金流量淨額		<b>18,860</b>	22,742

# Consolidated Statement of Cash Flows

## 綜合現金流量表

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

	Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	現金及現金等價物 減少淨額	<b>(36,652)</b>	(49,073)
Cash and cash equivalents at beginning of year	年初現金及現金等價物	<b>121,358</b>	172,270
Effect of foreign exchange rate changes, net	匯率變動淨影響	<b>(1,689)</b>	(1,839)
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	年末現金及現金等價物	<b>83,017</b>	121,358
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>	現金及現金等價物結餘分析		
Cash and bank balances as stated in the consolidated statement of financial position	綜合財務狀況表所載現金及銀行結餘	21	100,293
Certain time and bank deposits with original maturity of less than three months when acquired	於獲得時原到期日少於三個月的若干定期及銀行存款	-	21,065
Cash and cash equivalents as stated in the consolidated statement of cash flows	綜合現金流量表所載現金及現金等價物	<b>83,017</b>	121,358

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 1. CORPORATE AND GROUP INFORMATION

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

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

The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 8 December 2014. In the opinion of the Directors, the holding company and the ultimate holding company of the Company is Million Pearl Holdings Ltd., which is incorporated in the British Virgin Islands.

#### Information about subsidiaries

Particulars of the Company's subsidiaries are as follows:

### 1. 公司及集團資料

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

年內，本集團主要從事製造及銷售印刷電路板。

本公司股份於二零一四年十二月八日於香港聯合交易所有限公司（「聯交所」）主板上市。董事認為，本公司之控股公司及最終控股公司為於英屬維爾京群島註冊成立之Million Pearl Holdings Ltd.。

#### 附屬公司資料

本公司附屬公司詳情如下：

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 1. CORPORATE AND GROUP INFORMATION

(continued)

Notes:

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

#### 2.1 BASIS OF PREPARATION

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

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

#### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 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).

### 1. 公司及集團資料(續)

附註：

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

#### 2.1 編製基準

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

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

#### 綜合基準

綜合財務報表包括本公司及其附屬公司(統稱「本集團」)截至二零一六年十二月三十一日止年度之財務報表。附屬公司為本公司直接或間接控制的實體(包括結構性實體)。當本集團對參與投資對象業務的浮動回報承擔風險或享有權利以及能透過對投資對象行使的權力(即本集團獲賦予現有能以主導投資對象相關活動的既存權利)影響該等回報時，即取得控制權。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.1 BASIS OF PREPARATION (continued)

#### Basis of consolidation (continued)

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.

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

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

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

### 2.1 編製基準(續)

#### 綜合基準(續)

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

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

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

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

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

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 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>
Annual Improvements 2012–2014 Cycle	Amendments to a number of HKFRSs

The adoption of the above new and revised standards has had no significant financial effect on these financial statements.

### 2.2 會計政策及披露之變動

本集團已就編製本年度之財務報表首次採納以下新訂及經修訂香港財務報告準則。

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號的修訂(二零一一年)	投資實體：應用綜合入賬的例外情況
香港財務報告準則第11號的修訂	收購聯合營運權益的會計處理方法的修訂
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號的修訂	披露措施
香港會計準則第16號及香港會計準則第38號的修訂	澄清可接受的折舊及攤銷方法
香港會計準則第16號及香港會計準則第41號的修訂	農業：生產性植物
香港會計準則第27號的修訂(二零一一年)	獨立財務報表之權益法
二零一二年至二零一四年週期的年度改進	多項香港財務報告準則的修訂

採納以上新訂及經修訂準則並無對此等財務報表造成重大財務影響。



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

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

Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions<sup>2</sup></i>
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts<sup>2</sup></i>
HKFRS 9	<i>Financial Instruments<sup>2</sup></i>
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>4</sup></i>
HKFRS 15	<i>Revenue from Contracts with Customers<sup>2</sup></i>
Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers<sup>2</sup></i>
HKFRS 16	<i>Leases<sup>3</sup></i>
Amendments to HKAS 7	<i>Disclosure Initiative<sup>1</sup></i>
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses<sup>1</sup></i>
Annual Improvements 2014–2016 Cycle	Amendments to a number of HKFRSs <sup>5</sup>

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2017
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2018
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2019
- <sup>4</sup> No mandatory effective date yet determined but available for adoption
- <sup>5</sup> Effective for annual periods beginning on or after 1 January 2018, except for the amendments to HKFRS 12, which are effective for annual periods beginning on or after 1 January 2017

The Group is in the process of making an assessment of the impact of the new and revised HKFRSs upon initial application but is not yet in a position to state whether these new and revised HKFRSs would have a significant impact on the Group's financial performance and financial position.

### 2.3 已頒佈但尚未生效的香港財務報告準則

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

香港財務報告準則第2號的修訂	以股份為基礎付款交易的澄清及計量 <sup>2</sup>
香港財務報告準則第4號的修訂	與香港財務報告準則第4號保險合約一併應用香港財務報告準則第9號金融工具 <sup>2</sup>
香港財務報告準則第9號	金融工具 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號的修訂(二零一一年)	投資者與其聯營公司或合營企業之間的資產出售或注資 <sup>4</sup>
香港財務報告準則第15號	源於客戶合約的收益 <sup>2</sup>
香港財務報告準則第15號的修訂	香港財務報告準則第15號源於客戶合約的收益的澄清 <sup>2</sup>
香港財務報告準則第16號	租賃 <sup>3</sup>
香港會計準則第7號的修訂	披露措施 <sup>1</sup>
香港會計準則第12號的修訂	就未變現虧損確認遞延稅項資產 <sup>1</sup>
二零一四年至二零一六年週期的年度改進	多項香港財務報告準則的修訂 <sup>5</sup>

- <sup>1</sup> 於二零一七年一月一日或之後開始的年度期間生效
- <sup>2</sup> 於二零一八年一月一日或之後開始的年度期間生效
- <sup>3</sup> 於二零一九年一月一日或之後開始的年度期間生效
- <sup>4</sup> 尚未釐定強制生效日期但可供採納
- <sup>5</sup> 於二零一八年一月一日或之後開始的年度期間生效(香港財務報告準則第12號的修訂除外, 該修訂於二零一七年一月一日或之後開始的年度期間生效)

本集團正在評估首次採用這些新制訂和經修訂的香港財務報告準則的影響, 惟此階段尚未能評定新訂或經修訂香港財務報告準則會否對本集團財務表現及財務狀況構成重大影響。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Fair value measurement

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

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

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

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

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

### 2.4 主要會計政策概要

#### 公平值計量

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

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

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

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

- 第1級 — 基於在活躍市場中相同資產或負債的報價(未經調整)
- 第2級 — 基於對公平值計量而言屬重大的可觀察(直接或間接)最低級別輸入數據的估值方法
- 第3級 — 基於對公平值計量而言屬重大的不可觀察最低級別輸入數據的估值方法

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

#### Impairment of non-financial assets

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.

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

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

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

### 2.4 主要會計政策概要(續)

#### 非財務資產減值

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

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

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

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

#### Related parties

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

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

or

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

### 2.4 主要會計政策概要(續)

#### 關聯方

以下人士將被視為與本集團有關連：

- (a) 倘為以下人士或其近親，而該名人士
  - (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響力；或
  - (iii) 為本集團或本集團母公司的主要管理層成員；

或

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

#### Property, plant and equipment and depreciation

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

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

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

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

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

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

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

### 2.4 主要會計政策概要(續)

#### 物業、廠房及設備和折舊

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

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

每項物業、廠房及設備之折舊以直線法按其各項成本值以估計可使用年期撇銷至其剩餘價值。就此目的而採用之主要年利率如下：

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

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

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

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

#### Investment properties

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

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

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

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

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

### 2.4 主要會計政策概要(續)

#### 投資物業

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

投資物業公平值變動所帶來的盈虧於產生的年度計入損益表。

報廢或出售投資物業的任何盈虧於報廢或出售之年度在損益表確認。

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

- (a) 由此產生之物業賬面值減少在改變用途發生期間之損益中確認。
- (b) 由此產生之任何賬面值增加於損益確認,惟增加之數額僅限於撥回先前就該物業確認之減值虧損。確認於損益之金額不超過該物業之賬面值回升至倘並無就該物業確認減值虧損而可能釐定之所需賬面值(扣除任何折舊);而餘下賬面值增加則於其他全面收入中確認,並於權益內增加土地及樓宇重估儲備。於其後出售該投資物業時,變現之土地及樓宇重估儲備相關部份或轉撥至保留溢利,入賬列作儲備變動。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

#### Leases

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

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

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

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

### 2.4 主要會計政策概要(續)

#### 租賃

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

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

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

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

#### Investments and other financial assets

##### Initial recognition and measurement

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

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

##### Subsequent measurement

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

##### Loans and receivables

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

### 2.4 主要會計政策概要(續)

#### 投資及其他財務資產

##### 初步確認及計量

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

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

##### 後續計量

財務資產的後續計量視乎下列分類而定：

##### 貸款及應收款項

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



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

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

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

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

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

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

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

### 2.4 主要會計政策概要(續)

#### 投資及其他財務資產(續)

##### 可供出售金融投資

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

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

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

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 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.

#### 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.

### 2.4 主要會計政策概要(續)

#### 終止確認財務資產

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

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

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

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

#### 財務資產減值

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

#### Impairment of financial assets (continued)

##### Financial assets carried at amortised cost

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

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

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

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

### 2.4 主要會計政策概要(續)

#### 財務資產減值(續)

##### 按攤銷成本列賬的財務資產

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

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

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

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

#### Impairment of financial assets (continued)

##### Available-for-sale financial investments

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

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

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

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

### 2.4 主要會計政策概要(續)

#### 財務資產減值(續)

##### 可供出售金融投資

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

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

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

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

#### Financial liabilities

##### Initial recognition and measurement

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

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

##### Subsequent measurement of loans and borrowings

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

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

##### Derecognition of financial liabilities

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

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

### 2.4 主要會計政策概要(續)

#### 財務負債

##### 初步確認及計量

本集團的財務負債在初步確認時分類為貸款及借款。

所有財務負債初步均按公平值確認並扣除直接應佔交易成本。

##### 貸款及借款之後續計量

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

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

##### 終止確認財務負債

當負債的責任被解除或取消或屆滿，財務負債將終止確認。

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

#### Offsetting of financial instruments

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

#### Inventories

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

#### 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 bank balances comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

### 2.4 主要會計政策概要(續)

#### 抵銷金融工具

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

#### 存貨

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

#### 現金及現金等價物

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

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

#### Provisions

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

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

#### Income tax

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

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

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

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

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

### 2.4 主要會計政策概要(續)

#### 撥備

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

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

#### 所得稅

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

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

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

所有應課稅暫時性差額均被確認為遞延稅項負債，惟：

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

# Notes to Financial Statements

## 財務報表附註

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

#### Income tax (continued)

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

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

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

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

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.

### 2.4 主要會計政策概要(續)

#### 所得稅(續)

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

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

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

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

倘存在可依法強制執行的權利，可以即期稅項資產抵銷即期稅項負債，及倘遞延稅項與同一應課稅實體及同一稅務機關有關，則遞延稅項資產及遞延稅項負債可互相抵銷。



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

#### Government grants

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

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

#### Revenue recognition

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

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

### 2.4 主要會計政策概要(續)

#### 政府補貼

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

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

#### 收益確認

當經濟利益可能流向本集團及收益能被可靠計量時，將按以下基準確認收益：

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

#### Employee benefits

##### Pension scheme

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

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

##### Borrowing costs

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

##### Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

### 2.4 主要會計政策概要(續)

#### 僱員福利

##### 退休金計劃

本集團根據強制性公積金計劃條例為其符合參加香港強積金計劃資格之僱員營運定額供款強制性公積金退休福利計劃(「強積金計劃」)。供款乃按僱員基本薪金之某一百分比計算，並根據強積金計劃之規則於應付時在損益表中扣除。強積金計劃之資產與本集團之資產分開存放，由獨立管理之基金持有。本集團一經向強積金計劃供款，有關僱主供款即全數歸僱員所有。

本集團於中國內地經營的附屬公司的僱員須參與地方市政府營運的中央退休金計劃。該等附屬公司須就中央退休金計劃作出供款，金額為其工資成本的若干百分比。供款於根據中央退休金計劃的規則須予支付時自損益表扣除。

##### 借款成本

倘借款成本直接屬於收購、興建或生產合資格資產(即須經一段長時間作準備方可投放作擬定用途或銷售的資產)，則撥充資本作為該等資產成本的一部分。而當有關資產大致可投放作擬定用途或銷售時，即終止將該等借款成本撥充資本。所有其他借款成本均於其產生期間支銷。借款成本包括利息及與實體因借取資金而產生的其他成本。

##### 股息

末期股息於股東大會獲股東批准時確認為負債。

中期股息於建議同時宣派，此乃由於本公司的章程大綱及細則已授權董事宣派中期股息。因此，中期股息於建議及宣派時即時確認為負債。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

#### Foreign currencies

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

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

The functional currencies of certain overseas subsidiaries are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

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

### 2.4 主要會計政策概要(續)

#### 外幣

財務報表以本公司的功能貨幣港元列示。本集團旗下各公司自行選擇功能貨幣，而各公司的財務報表項目均以各自的功能貨幣計量。本集團轄下實體錄得的外幣交易初次按交易日的匯率以有關實體的功能貨幣列賬。以外幣計值的貨幣資產及負債按功能貨幣於呈報期末的匯率換算。貨幣項目結算或換算產生的差額於損益表確認。

以外幣按歷史成本計算的非貨幣項目以首次交易日的匯率換算，以外幣按公平值計量的非貨幣項目以計量公平值當日的匯率換算。換算按公平值計量的非貨幣項目產生的收入或虧損與該項目公平值變動產生的收入或虧損確認方式一致，即公平值收入或虧損於其他全面收益或損益確認之項目之匯兌差額亦相應於其他全面收益或損益確認。

若干海外附屬公司的功能貨幣並非港元。於報告期末，有關實體的資產與負債，按報告期末通行的匯率換算為港元，其損益表則按年內的加權平均匯率換算為港元。因此而產生的匯兌差額於其他全面收益確認並於匯兌波動儲備累計。出售海外業務時，與該項海外業務有關之其他全面收益的組成部份，會在損益表中確認。

就綜合現金流量表而言，海外附屬公司之現金流量乃以現金流量日期之適用匯率換算為港元。海外附屬公司於年內產生之經常性現金流量乃以年內之加權平均匯率換算為港元。

# Notes to Financial Statements

## 財務報表附註

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### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

#### Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

#### Determination of functional currency

In determining the functional currency of each entity of the Group, judgement is required to determine and consider the currency that mainly influences sales prices of goods; the currency that mainly influences costs of providing goods; the currency in which funds from financing activities are generated; and the currency in which receipts from operating activities are usually retained, etc. The functional currency of each entity is determined based on management's assessment of the primary economic environment in which the entities operate. When the indicators are mixed and the functional currency is not obvious, management uses its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

#### Transfer of construction in progress to property, plant and equipment

Construction in progress is reclassified to appropriate category of property, plant and equipment when completed and ready for use. Thereafter, depreciation is calculated on a straight line basis to write off the cost of such property, plant and equipment to its residual value over its estimated useful life. It requires management's judgement to determine when the project under construction is substantially ready for its intended use.

### 3. 重要會計判斷及估計

編製本集團的財務報表時要求管理層作出影響收入、支出、資產及負債呈報金額及其附帶披露的判斷、估計及假設，並須披露或然負債。該等假設及估計的不明朗因素可能導致須於未來對受影響的資產或負債的賬面值作出重大調整。

#### 判斷

於應用本集團的會計政策過程中，除涉及估計數額的判斷外，管理層作出以下對在財務報表中已確認數額有重大影響的判斷：

#### 釐定功能貨幣

在決定本集團各實體的功能貨幣時，需判斷決定及考慮主要影響貨品的銷售價格的貨幣；主要影響提供貨品成本的貨幣；融資活動資金的貨幣；及營運活動通常所收取的貨幣。各實體的功能貨幣取決於管理層對實體營運所在的主要經濟環境的評估。倘各指示混合及功能貨幣不明顯，則管理層利用判斷決定最能準確代表基本交易、事件及條件的經濟效果的功能貨幣。

#### 將在建工程轉移至物業、廠房及設備

在建工程於竣工及可供使用時，重新分類為適當的物業、廠房及設備類別。此後，折舊乃以直線法計算，按其估計使用年期，撇減該物業、廠房及設備之成本至餘值，以及需要管理層判斷，以釐定在建項目是否已大致可供其擬定用途。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND 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.

#### Measurement of available-for-sale investment at fair value

The fair value of available-for-sale investment that is not traded in an active market is estimated by management with reference to valuation of the major underlying asset performed by an independent professionally qualified valuer by using valuation technique that requires various sources of information and assumptions. The carrying amount of the Group's available-for-sale investment at 31 December 2016 was HK\$3,773,000 (2015: HK\$1,697,000).

#### Estimation of fair value of investment properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including;

- (a) current prices in an active market for properties of a different nature, condition or location, adjusted to reflect those differences; and
- (b) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices.

The carrying amount of investment properties at 31 December 2016 was HK\$19,351,000 (2015: HK\$5,966,000). Further details, including the key assumptions used for fair value measurement are given in note 14 to the financial statements.

### 3. 重要會計判斷及估計(續)

#### 估計不明朗因素

涉及將來及報告期末的其他主要估計不確定性來源並很有可能引致資產及負債賬面值於下一財政年度內大幅調整的主要假設在下文闡述。

#### 按公平值列值的可供出售投資的計量

並無於活躍市場買賣的可供出售投資的公平值由管理層根據獨立專業合資格估值師使用涉及多項資料來源及假設之估值技巧進行的主要相關資產估值進行估計。本集團可供出售投資於二零一六年十二月三十一日的賬面值為3,773,000港元(二零一五年:1,697,000港元)。

#### 投資物業的公平值估計

倘若類似物業並無活躍市場的現行價格可作參考，本集團會考慮來自不同來源的資料，包括：

- (a) 不同性質、狀況或地點的物業在活躍市場上的現行價格，並作出調整以反映上述差異；及
- (b) 類似物業於活躍程度稍遜市場的最近期價格，並作出調整以反映自交易按有關價格進行的日期起出現的任何經濟狀況變動。

於二零一六年十二月三十一日，投資物業的賬面值為19,351,000港元(二零一五年:5,966,000港元)。進一步詳情(包括用作公平值計量的主要假設)載於財務報表附註14。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

#### Estimation uncertainty (continued)

##### Provision and write-down of inventories to net realisable value

The Group performs regular review of the carrying amounts of inventories with reference to inter alia, aged analysis of the Group's inventories, the purposes for which the inventories are held, subsequent sales made and materials used, current market conditions, relevant historical data and the expected future sales of goods and usages of materials. Write-down of inventories will be made when the estimated net realisable value of inventories decline below their carrying amounts. Net realisable value of inventories is based on the estimated selling price less any estimated costs to be incurred to completion and disposal. These estimates are made with reference to the current market conditions and the historical experience of manufacturing and selling products of a similar nature. Actual selling prices and saleability/usages of goods/materials might be different from estimations and profit or loss could be affected by differences in these estimations.

##### Provision for income taxes

Provision for income tax is made based on the taxable income for the period as determined by the Group. The determination of taxable income involves the exercise of judgement on interpretation of the relevant tax rules and regulations. The amount of income tax and hence profit or loss could be affected by any interpretations and clarifications which the tax authorities may issue from time to time.

##### Impairment of trade and bills receivables

The Group assesses at the end of each reporting period whether there is any objective evidence that a receivable is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

The Group maintains an allowance for the estimated loss arising from the inability of its debtors to make the required payments. The Group makes its estimates based on the aging of its receivable balances, debtors' creditworthiness, past payment history and historical write-off experience. If the financial condition of its debtors was to deteriorate so that the actual impairment loss might be higher than expected, the Group would be required to revise the basis of making the allowance.

### 3. 重要會計判斷及估計(續)

#### 估計不明朗因素(續)

##### 撥備及撇減存貨至可變現淨值

本集團定期審核其存貨賬面值，當中參考(其中包括)本集團的存貨的賬齡分析、持有存貨的目的、其後所作出銷售及使用材料、現行市況、相關過往數據及貨品的預期未來銷售及材料的使用。倘存貨賬面值下降到其可變現價值淨估值以下，則會撇減存貨。存貨的可變現淨值乃根據估計售價減任何估計完成及出售成本計算。該等估計乃參照當前市況以及製造及銷售相似性質產品的歷史經驗作出。貨品/物料實際售價及銷售能力/使用可能異於估計，而損益可能受此等估計差異影響。

##### 所得稅撥備

所得稅撥備乃按本集團所釐定之期內應課稅收入而作出。釐定應課稅收入涉及在詮釋有關稅務規則及法規時進行判斷。所得稅稅額(以至溢利或虧損)可能因稅務機關不時所頒佈之任何詮釋及澄清而受到影響。

##### 貿易應收款項及應收票據的減值

本集團於各報告期末評估有否客觀證據表明應收款項出現減值。釐定是否有減值的客觀證據時，本集團會考慮包括債務人破產或陷入重大財務困難的可能性及拖欠或嚴重延遲付款等因素。

本集團就因其債務人未能按要求付款而產生的估計虧損計提撥備。本集團根據其應收款項結餘的賬齡、債務人的信譽、過往付款歷史及歷史撇銷經驗作出估計。倘債務人的財政狀況惡化以致實際減值虧損或高於預期，本集團或須修訂撥備基準。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

#### Estimation uncertainty (continued)

##### Deferred tax liabilities

No deferred tax liabilities have been recognised for withholding taxes in respect of certain unremitted earnings of certain subsidiaries of the Group established in the PRC to the extent that the directors of the Company are of the opinion that it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. Significant management judgements, estimates and assumption are required to determine the amount of deferred tax liabilities that should be recognised. Further details are contained in note 26 to the financial statements.

##### Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profits will be available against which the tax losses can be utilised. Recognition of deferred tax assets involves significant management judgements, estimates and assumptions regarding the future taxable profits of the entities in which the losses arose. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

### 3. 重要會計判斷及估計 (續)

#### 估計不明朗因素 (續)

##### 遞延稅項負債

就本集團於中國所成立的若干附屬公司的若干未匯出的盈利，本公司董事認為該等附屬公司應不會於可見將來分派該等盈利而並未對相關遞延稅項負債進行確認。釐定所需確認的遞延稅項負債金額時，管理層須作出重大判斷、估計及假設。更多詳情載於財務報表附註26。

##### 遞延稅項資產

遞延稅項資產乃就未使用稅項虧損確認，前提為可能有應課稅溢利可供稅項虧損使用以抵銷。確認遞延稅項資產涉及管理層對產生虧損之實體之未來應課稅溢利及重大判斷、估計及假設。釐定可確認之遞延稅項資產金額需要根據未來應課稅溢利的可能產生時間及水平，連同未來稅項計劃策略，作出重大管理判斷。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 4. OPERATING SEGMENT INFORMATION

The Group focuses primarily on the manufacturing and selling of printed circuit boards during the year. Information reported to the Group's chief operating decision maker, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

#### Geographical information

##### (a) Revenue from external customers

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Mainland China	中國內地	260,542	292,191
Europe	歐洲	168,366	160,778
Hong Kong	香港	27,717	43,302
North America	北美洲	57,590	69,002
Asia (except Mainland China and Hong Kong)	亞洲(不包括中國內地及香港)	64,434	50,965
Africa	非洲	12,186	21,590
Oceania	大洋洲	572	1,102
		<b>591,407</b>	638,930

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

上述收益資料乃基於下達訂單的客戶所在地。

### 4. 經營分部資料

本集團於年內主要專注於製造及銷售印刷電路板。向本集團主要營運決策人匯報的資料(用作資源分配及表現評估)集中於本集團的整體營運業績，因為本集團綜合資源，並無獨立經營分部財務資料可供呈報。據此，並無呈列經營分部資料。

#### 地區資料

##### (a) 來自外部客戶的收益



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 4. OPERATING SEGMENT INFORMATION

(continued)

#### Geographical information (continued)

##### (b) Non-current assets

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Hong Kong	香港	2,594	3,810
Mainland China	中國內地	428,972	456,123
		<b>431,566</b>	459,933

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

#### Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue is set out below:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Customer A	客戶 A	175,615	176,158
Customer B	客戶 B	73,451	80,195
		<b>249,066</b>	256,353

### 4. 經營分部資料(續)

#### 地區資料(續)

##### (b) 非流動資產

上述非流動資產資料乃基於資產所在地及不包括一項可供出售投資及遞延稅項資產。

#### 有關主要客戶的資料

來自各主要客戶的收益(佔本集團收益10%或以上)列載如下:

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 5. REVENUE, OTHER INCOME AND GAINS

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

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

### 5. 收益、其他收入及收益

收益指已售貨品於扣除退貨及貿易折扣撥備後的發票淨值。

收益、其他收入及收益分析列載如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Revenue</b>	<b>收益</b>		
Sale of goods	銷售貨品	591,407	638,930
<b>Other income</b>	<b>其他收入</b>		
Bank interest income	銀行利息收入	272	397
Rental income	租金收入	295	222
Government grants <sup>^</sup>	政府補貼 <sup>^</sup>	2,205	4,414
Others	其他	120	379
		<b>2,892</b>	5,412
<b>Gains</b>	<b>收益</b>		
Fair value gains on investment properties	投資物業之公平值收益	8,727	631
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目 收益	-	78
Sales of scraps	銷售廢品	431	591
Foreign exchange gains, net	匯兌收益淨額	-	1,260
		<b>9,158</b>	2,560
		<b>12,050</b>	7,972

<sup>^</sup> Government grants have been received from certain PRC government authorities mainly in recognition of the Group's efforts in environmental awareness and protection, and technological development.

<sup>^</sup> 已獲若干中國政府當局發出政府補貼，主要表揚本集團在環境意識及保護及技術發展等方面的努力。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 6. PROFIT BEFORE TAX

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

### 6. 除稅前溢利

本集團的除稅前溢利已扣除/(計入)：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	Notes 附註		
Cost of inventories sold <sup>Ⓞ</sup>	已售存貨成本 <sup>Ⓞ</sup>	471,514	494,810
Minimum lease payments under operating leases	經營租賃的最低租金	2,147	1,673
Auditor's remuneration	核數師酬金	1,842	1,979
Depreciation	折舊	29,120	18,051
Amortisation of land lease payments	土地租賃款項攤銷	246	263
Employee benefit expense <sup>Ⓞ</sup> (including directors' and chief executive's remuneration as disclosed in note 8):	僱員福利開支 <sup>Ⓞ</sup> (包括披露於附註8的董事及行政總裁酬金):		
Wages, salaries, allowances, bonuses, commission and benefits in kind	工資、薪金、津貼、花紅、佣金及實物福利	93,191	96,429
Pension scheme contributions (defined contribution schemes)	退休金計劃供款(定額供款計劃)	245	200
Other employee benefits	其他僱員福利	6,631	4,299
		<b>100,067</b>	<b>100,928</b>
Research and development costs <sup>##</sup>	研究及發展成本 <sup>##</sup>	10,896	11,643
Write-off of items of property, plant and equipment	物業、廠房及設備項目撇銷	69	438
Write-off of deposits paid for purchases of items of property, plant and equipment	撇銷就購置物業、廠房及設備項目支付之按金	1,064	-
Write-down/(reversal of write-down) of inventories to net realisable value <sup>^</sup>	撇減/(撥回撇減)存貨至可變現淨值 <sup>^</sup>	(2,390)	1,331
Fair value gains on investment properties	投資物業公平值增益	(8,727)	(631)
Reversal of impairment of trade receivables	貿易應收款項撥回減值	-	(2,882)
Gain on disposal of items of property, plant and equipment <sup>*</sup>	出售物業、廠房及設備項目之收益 <sup>*</sup>	-	(78)
Foreign exchange differences, net <sup>*</sup>	匯兌差額淨額 <sup>*</sup>	598	(1,260)

\* These gains are included in "Other income and gains" and the losses are included in "General and administrative expenses", as appropriate, in the consolidated statement of profit or loss.

\* 於綜合損益表，收益計入「其他收入及收益」，而虧損則計入「一般及行政開支」(按適用)。

Ⓞ Part of the employee benefit expense is included in "Cost of inventories sold".

Ⓞ 部分僱員福利開支計入「已售存貨成本」。

<sup>^</sup> Write-down/(reversal of write-down) of inventories to net realisable value is included in "Cost of inventories sold".

<sup>^</sup> 撇減/(撥回撇減)存貨至可變現淨值計入「已售存貨成本」。

## Research and development costs are included in "General and administrative expenses" in the consolidated statement of profit or loss.

## 於綜合損益表，研究及發展成本計入「一般及行政開支」。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 7. FINANCE COSTS

### 7. 融資成本

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Interest on:	以下各項的利息：		
Bank loans and trust receipt loans	銀行貸款及信託收據貸款	7,195	6,417
Finance leases	融資租賃	652	68
		<b>7,847</b>	6,485
Less: Interest capitalised*	減：資本化利息*	(298)	(2,525)
		<b>7,549</b>	3,960

\* The borrowing costs had been capitalised at the rate of 6.54% (2015: 6.54% to 7.36%) per annum for the year.

\* 本年度的借款成本按年利率6.54%(二零一五年：6.54%至7.36%)資本化。

### 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Hong Kong Companies (Disclosure of information about Benefits of Directors) Regulation, is as follows:

### 8. 董事及行政總裁薪酬

根據香港聯合交易所有限公司證券上市規則(「上市規則」)、香港公司條例第383(1)(a)、(b)、(c)及(f)條及香港公司(披露董事利益資料)規例第二部披露的年度董事及行政總裁薪酬載列如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Fees	費用	1,429	1,428
Other emoluments:	其他薪酬：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	5,336	5,081
Commission	佣金	3,107	3,792
Retirement benefit scheme contributions	退休福利計劃	36	36
		<b>8,479</b>	8,909
		<b>9,908</b>	10,337

# Notes to Financial Statements

## 財務報表附註

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### 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

#### (a) Independent non-executive directors

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

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Mr. Chung Yuk Ming	鍾玉明先生	204	204
Mr. Yau Wing Yiu	邱榮耀先生	204	204
Mr. Yeung Kam Ho <sup>#</sup>	楊錦浩先生 <sup>#</sup>	153	204
Mr. Lau Shun Chuen <sup>*</sup>	劉順銓先生 <sup>*</sup>	52	—
		<b>613</b>	<b>612</b>

\* Appointed as an independent non-executive director on 30 September 2016.

<sup>#</sup> Resigned as an independent non-executive director on 30 September 2016.

There were no other emoluments payable to the independent non-executive directors during the year (2015: Nil).

### 8. 董事及行政總裁薪酬(續)

#### (a) 獨立非執行董事

年內已付獨立非執行董事之費用如下：

\* 於二零一六年九月三十日獲委任為獨立非執行董事。

<sup>#</sup> 於二零一六年九月三十日辭任獨立非執行董事。

年內概無其他應付獨立非執行董事之其他薪酬(二零一五年：無)。

# Notes to Financial Statements

## 財務報表附註

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### 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

#### (b) Executive directors and the chief executive

### 8. 董事及行政總裁薪酬(續)

#### (b) 執行董事及行政總裁

		Fees	Salaries, allowances and benefits in kind	Commission	Pension scheme contributions	Total remuneration
		費用	薪金、津貼及實物利益	佣金	退休金計劃供款	薪酬總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>2016</b>	<b>二零一六年</b>					
Executive directors:	執行董事：					
Mr. Chan Wing Yin*	陳榮賢先生*	204	1,740	-	-	1,944
Mrs. Chan Yung	陳勇女士	204	1,328	-	-	1,532
Mr. Chan Yan Kwong	陳恩光先生	204	1,318	-	18	1,540
Mr. Chan Yan Wing	陳恩永先生	204	950	3,107	18	4,279
		<b>816</b>	<b>5,336</b>	<b>3,107</b>	<b>36</b>	<b>9,295</b>
<b>2015</b>	<b>二零一五年</b>					
Executive directors:	執行董事：					
Mr. Chan Wing Yin*	陳榮賢先生*	204	1,768	-	-	1,972
Mrs. Chan Yung	陳勇女士	204	1,328	-	-	1,532
Mr. Chan Yan Kwong	陳恩光先生	204	1,030	-	18	1,252
Mr. Chan Yan Wing	陳恩永先生	204	955	3,792	18	4,969
		<b>816</b>	<b>5,081</b>	<b>3,792</b>	<b>36</b>	<b>9,725</b>

\* Mr. Chan Wing Yin is also the chief executive officer of the Company.

\* 陳榮賢先生亦為本公司行政總裁。

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

年內概無安排致使董事或行政總裁豁免或同意豁免任何薪酬。

# Notes to Financial Statements

## 財務報表附註

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### 9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included four directors (2015: three directors), details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining one (2015: two) highest paid employee who is neither a director nor the chief executive of the Company are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	2,259	3,412
Discretionary bonuses	酌情花紅	1,232	1,138
Pension scheme contributions	退休金計劃供款	18	36
		<b>3,509</b>	<b>4,586</b>

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

		Number of employee(s) 僱員數目	
		2016 二零一六年	2015 二零一五年
Nil to HK\$1,000,000	零至 1,000,000 港元	-	-
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	-	1
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	-	-
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	-	-
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	-	-
HK\$3,000,001 to HK\$3,500,000	3,000,001 港元至 3,500,000 港元	-	1
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元	1	-
		<b>1</b>	<b>2</b>

The non-director and non-chief executive highest paid employee(s) are also member(s) of senior management of the Group.

### 9. 五名最高薪酬僱員

年內五名最高薪酬僱員包括四名(二零一五年：三名)董事，其薪酬詳情載於上文附註8。餘下一名(二零一五年：兩名)最高薪酬僱員(既本公司非董事亦非行政總裁)於年內的薪酬詳情詳述如下：

薪酬屬於以下範圍的最高薪酬僱員(非董事及非行政總裁)人數列載如下：

非董事及非行政總裁的最高薪酬僱員亦是本集團高級管理層的成員。

### 10. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2015: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

The provision for land appreciation tax has been estimated according to the requirements set forth in the relevant PRC laws and regulations. Land appreciation tax has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

### 10. 所得稅

香港利得稅乃按年內於香港產生的估計應課稅溢利的16.5%(二零一五年：16.5%)計提撥備。其他地區的應課稅溢利稅項已根據本集團營運所在司法權區的現行稅率計算。

土地增值稅之撥備已按有關中國法例及規條所載之規定作出估計。土地增值稅按增值價值減除若干可扣減之費用後，按遞增稅率之幅度作出撥備。

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## 財務報表附註

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### 10. INCOME TAX (continued)

All subsidiaries of the Group established in the PRC are subject to PRC corporate income tax at a standard rate of 25% (2015: 25%) during the year, except for a subsidiary of the Group which qualified as a High and New Technology Enterprise in Mainland China and a lower PRC corporate income tax rate of 15% (2015: 15%) has been applied for the year.

### 10. 所得稅(續)

年內，本集團於中國成立的所有附屬公司須按25% (二零一五年：25%) 的標準稅率繳交中國企業所得稅，惟本集團一間附屬公司在中國內地符合高新技術企業的資格，於年內按較低的中國企業所得稅率15% (二零一五年：15%) 繳稅。

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current — Hong Kong	即期 — 香港		
Charge for the year	年內支出	46	293
Overprovision in prior years	過往年度超額撥備	(21)	(27)
Current — Mainland China	即期 — 中國內地		
Charge for the year	年內支出	4,630	5,281
Underprovision/(overprovision) in prior years	過往年度撥備不足/(超額撥備)	(144)	1,459
Deferred (note 26)	遞延(附註26)	2,519	305
<b>Total tax charge for the year</b>	<b>年內稅項支出總額</b>	<b>7,030</b>	<b>7,311</b>

A reconciliation of the tax charge applicable to profit before tax at the statutory rate for Hong Kong, in which the principal place of business of the Company and certain of its major subsidiaries is located, to the tax charge at the effective tax rate, and a reconciliation of the applicable rate (i.e., the statutory tax rate) to the effective tax rate, are as follows:

按本公司及若干主要附屬公司主要營運地點香港的法定稅率計算適用於除稅前溢利的稅項與按實際稅率計算的稅項的對賬，以及適用稅率(即法定稅率)與實際稅率的對賬列載如下：

		2016 二零一六年		2015 二零一五年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Profit before tax	除稅前溢利	<u>30,413</u>		<u>49,724</u>	
Tax at the Hong Kong statutory tax rate	按香港法定稅率計算稅項	5,018	16.5	8,204	16.5
Effect of different tax rates for specific entities in the PRC	中國特定實體的不同稅率之影響	(580)	(1.9)	(692)	(1.4)
Adjustment in respect of current tax of previous periods	就過往期間對本期稅項的調整	(165)	(0.6)	1,432	2.9
Income not subject to tax	無須課稅之收入	(4)	—	(69)	(0.1)
Expenses not deductible for tax	不可扣稅之支出	1,567	5.1	1,387	2.8
Tax losses utilised from previous periods	使用先前期間之稅項虧損	(59)	(0.2)	(1,200)	(2.4)
Additional deduction for research and development costs	研究及發展成本額外扣減	(1,531)	(5.0)	(1,488)	(3.0)
Land appreciation tax	土地增值稅	2,819	9.3	—	—
Others	其他	(35)	(0.1)	(263)	(0.6)
<b>Tax charge at the Group's effective rate</b>	<b>按本集團實際稅率計算的稅項</b>	<b>7,030</b>	<b>23.1</b>	<b>7,311</b>	<b>14.7</b>



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 11. DIVIDEND

### 11. 股息

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Interim — Nil (2015: HK5 cents) per ordinary share	—	12,000
中期股息 — 每股普通股零 (二零一五年：5港仙)		

The board of directors does not recommend the payment of a final dividend for the year ended 31 December 2016.

董事會不建議就截至二零一六年十二月三十一日止年度派付末期股息。

### 12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

### 12. 本公司普通權益持有人應佔每股盈利

The calculation of the basic earnings per share amount for the year attributable to ordinary equity holders of the Company is based on the profit for the year attributable to ordinary equity holders of the Company of HK\$23,383,000 (2015: HK\$42,413,000) and the weighted average number of ordinary shares of 240,000,000 (2015: 240,000,000) in issue during the year.

年內本公司普通權益持有人應佔之每股基本盈利金額乃根據本公司普通權益持有人應佔年內溢利23,383,000港元(二零一五年：42,413,000港元)及本年度已發行普通股加權平均數240,000,000股(二零一五年：240,000,000股)計算。

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2016 and 2015 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during these years.

由於本集團於截至二零一六年及二零一五年十二月三十一日止年度並無具潛在攤薄效應之已發行普通股，故並無就潛在攤薄對該等年度呈列之每股基本盈利金額作出調整。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 13. PROPERTY, PLANT AND EQUIPMENT

### 13. 物業、廠房及設備

		Land and buildings	Construction in progress	Leasehold improvements	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
		土地及樓宇	在建工程	租賃裝修	廠房及機器	傢俱、固定裝置及設備	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>31 December 2016</b>	<b>二零一六年十二月三十一日</b>							
At 31 December 2015 and at 1 January 2016:	於二零一五年十二月三十一日及二零一六年一月一日:							
Cost	成本	190,415	79,602	15,109	263,900	21,598	9,426	580,050
Accumulated depreciation	累計折舊	(14,203)	-	(10,602)	(121,057)	(18,102)	(5,921)	(169,885)
Net carrying amount	賬面淨值	176,212	79,602	4,507	142,843	3,496	3,505	410,165
At 1 January 2016, net of accumulated depreciation	於二零一六年一月一日，已扣除累計折舊	176,212	79,602	4,507	142,843	3,496	3,505	410,165
Additions	添置	-	7,436	1,426	11,800	3,295	-	23,957
Addition under sales and leaseback	銷售及回租下之添置	-	-	-	-	-	2,130	2,130
Disposal under sales and leaseback	銷售及回租下之出售	-	-	-	-	-	(2,072)	(2,072)
Transfers	轉移	-	(850)	850	-	-	-	-
Transfer from deposits for purchases of items of property, plant and equipment (note 16)	轉移自購買物業、廠房及設備項目的按金(附註16)	-	-	-	18,846	-	-	18,846
Write-off	撇銷	-	(64)	-	(5)	-	-	(69)
Depreciation provided during the year	年內折舊撥備	(6,412)	-	(3,031)	(17,269)	(994)	(1,414)	(29,120)
Exchange realignment	匯兌調整	(10,839)	(5,311)	(229)	(10,603)	(306)	(24)	(27,312)
At 31 December 2016, net of accumulated depreciation	於二零一六年十二月三十一日，已扣除累計折舊	158,961	80,813	3,523	145,612	5,491	2,125	396,525
At 31 December 2016:	於二零一六年十二月三十一日:							
Cost	成本	178,401	80,813	16,392	275,526	23,577	8,990	583,699
Accumulated depreciation	累計折舊	(19,440)	-	(12,869)	(129,914)	(18,086)	(6,865)	(187,174)
Net carrying amount	賬面淨值	158,961	80,813	3,523	145,612	5,491	2,125	396,525

# Notes to Financial Statements

## 財務報表附註

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### 13. PROPERTY, PLANT AND EQUIPMENT (continued)

### 13. 物業、廠房及設備(續)

		Land and buildings	Construction in progress	Leasehold improvements	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
		土地及樓宇	在建工程	租賃裝修	廠房及機器	傢俱、固定 裝置及設備	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>31 December 2015</b>	<b>二零一五年 十二月三十一日</b>							
At 1 January 2015:	於二零一五年一月一日:							
Cost	成本	65,523	171,033	13,894	184,038	21,322	7,205	463,015
Accumulated depreciation	累計折舊	(12,800)	-	(8,032)	(118,606)	(18,050)	(5,012)	(162,500)
<b>Net carrying amount</b>	<b>賬面淨值</b>	<b>52,723</b>	<b>171,033</b>	<b>5,862</b>	<b>65,432</b>	<b>3,272</b>	<b>2,193</b>	<b>300,515</b>
At 1 January 2015, net of accumulated depreciation	於二零一五年一月一日， 已扣除累計折舊	52,723	171,033	5,862	65,432	3,272	2,193	300,515
Additions	添置	-	66,278	837	41,610	1,146	2,368	112,239
Transfers	轉移	139,351	(153,973)	1,340	13,282	-	-	-
Transfer from deposits for purchases of items of property, plant and equipment (note 16)	轉移自購買物業、廠房 及設備項目的按金 (附註16)	-	-	-	40,611	-	-	40,611
Transfer to an investment property (note 14)	轉移至投資物業 (附註14)	(5,582)	-	-	-	-	-	(5,582)
Surplus on revaluation on transfer to an investment property	重估轉移至投資物業的 盈餘	647	-	-	-	-	-	647
Write-off	撇銷	-	-	(190)	(248)	-	-	(438)
Depreciation provided during the year	年內折舊撥備	(2,651)	-	(3,155)	(10,440)	(773)	(1,032)	(18,051)
Exchange realignment	匯兌調整	(8,276)	(3,736)	(187)	(7,404)	(149)	(24)	(19,776)
<b>At 31 December 2015, net of accumulated depreciation</b>	<b>於二零一五年 十二月三十一日， 已扣除累計折舊</b>	<b>176,212</b>	<b>79,602</b>	<b>4,507</b>	<b>142,843</b>	<b>3,496</b>	<b>3,505</b>	<b>410,165</b>
At 31 December 2015:	於二零一五年 十二月三十一日:							
Cost	成本	190,415	79,602	15,109	263,900	21,598	9,426	580,050
Accumulated depreciation	累計折舊	(14,203)	-	(10,602)	(121,057)	(18,102)	(5,921)	(169,885)
<b>Net carrying amount</b>	<b>賬面淨值</b>	<b>176,212</b>	<b>79,602</b>	<b>4,507</b>	<b>142,843</b>	<b>3,496</b>	<b>3,505</b>	<b>410,165</b>

The net carrying amounts of the Group's property, plant and equipment held under finance leases included in the total amounts of plant and machinery and motor vehicles at 31 December 2016 were HK\$13,012,000 (2015: HK\$15,219,000) and HK\$1,812,000 (2015: HK\$821,000), respectively.

計入二零一六年十二月三十一日廠房及機器及汽車總額之本集團根據融資租賃持有之物業、廠房及設備賬面淨值分別為13,012,000港元(二零一五年:15,219,000港元)及1,812,000港元(二零一五年:821,000港元)。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 13. PROPERTY, PLANT AND EQUIPMENT

(continued)

At 31 December 2016, certain of the Group's leasehold land and buildings and construction in progress with an aggregate net carrying amount of HK\$177,239,000 (2015: HK\$236,362,000) were pledged to secure general banking facilities granted to the Group (note 24).

Certain of the Group's building structures situated in Mainland China with an aggregate net carrying amount of approximately HK\$105,000 at 31 December 2016 (2015: HK\$336,000) do not have building ownership certificates because they were either built on land where the Group does not have the land use right certificates or being built without obtaining the construction works planning permit and construction works commencement permit. The Group has continued to occupy and use the land and building structures constructed thereon as the Group has not received any formal removal notice, which management of the Group has considered as an implied consent to use. According to the Company's directors, the Group had also conducted face-to-face interviews with the relevant PRC bureaus of land and resources in May 2015 and confirmed that (i) the relevant PRC bureaus of land and resources were fully aware of the situation and the Group could continue to use these building structures at least up to 31 December 2018; and (ii) the Group had not been and would not be imposed of any fines or penalised in relation to those structures. In the opinion of the directors, the risk of the relevant government authorities imposing a fine on the Group or confiscating the building structures before 31 December 2018 is relatively low.

### 13. 物業、廠房及設備(續)

於二零一六年十二月三十一日，本集團若干租賃土地及樓宇及在建工程總賬面淨值為177,239,000港元(二零一五年：236,362,000港元)已抵押，以擔保本集團獲授的一般銀行融資(附註24)。

於二零一六年十二月三十一日，本集團有若干位於中國內地的建築物的總賬面淨值約105,000港元(二零一五年：336,000港元)並無房屋所有權證，原因為有關建築物建於本集團並無土地使用權證的地塊之上，或是由於其興建時並無取得建設工程規劃許可證及建築工程施工許可證。本集團繼續佔用及使用該土地及其上的建築物，因為本集團並無接獲正式遷拆通知，本集團管理層視之為默許同意使用。根據本公司董事的意見，本集團亦於二零一五年五月與相關中國的國土資源局方進行面談，並確認：(i)相關中國國土資源局方清楚知悉情況，並且本集團可繼續使用該等建築物最低限度至二零一八年十二月三十一日；及(ii)本集團並無及不會就有關構築物被罰款或處分。董事認為，有關政府部門於二零一八年十二月三十一日前向本集團罰款或充公該等建築物的風險較低。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 14. INVESTMENT PROPERTIES

### 14. 投資物業

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日的賬面金額	5,966	–
Transfer from deposits for purchases of investment properties	轉移自購買投資物業的按金	5,667	–
Transfer from owner-occupied property (note 13)	轉自業主自用物業(附註13)	–	5,582
Net gain from a fair value adjustment (note 6)	一項公平值調整收益淨額(附註6)	8,727	631
Exchange realignment	匯兌調整	(1,009)	(247)
Carrying amount at 31 December	於十二月三十一日的賬面金額	19,351	5,966

The Group's investment properties consist of residential properties and a commercial property in the PRC.

本集團的投資物業包括中國的住宅物業及一項商用物業。

The Group's investment properties were revalued on 31 December 2016 based on valuations performed by Colliers International (Hong Kong) Limited, an independent professionally qualified property valuer, at HK\$19,351,000. Each year, the Group's chief financial officer decide, after approval from the directors, to appoint which external valuer to be responsible for the external valuations of the Group's investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group's chief financial officer has discussions with the valuer on the valuation assumptions and valuation results twice a year when the valuations are performed for interim and annual financial reporting.

本集團的投資物業於二零一六年十二月三十一日根據由獨立專業合資格物業估值師高力國際物業顧問(香港)有限公司執行之估值19,351,000港元重新估值。每年經董事的批准後，本集團財務總監決定外聘估值師人選，以負責本集團投資物業的外部估值工作。甄選準則包括市場知識、聲譽、獨立性及是否符合專業準則。每半年當為了中期及年度財務申報目的執行估值時，本集團財務總監會就估值假設及估值得出的結果與估值師作討論。

A commercial property is leased to a third party under an operating lease, further summary details of which are included in note 32(a) to the consolidated financial statements.

該商用物業按經營租約租予一名第三方，有關的概況資料已載入綜合財務報表附註32(a)。

At 31 December 2016, an investment property of the Group with a carrying amount of HK\$5,970,000 (2015: HK\$5,966,000) was pledged to secured general banking facilities granted to the Group (note 24).

於二零一六年十二月三十一日，本集團將賬面值為5,970,000港元(二零一五年：5,966,000港元)之一項投資物業作為本集團獲授一般銀行貸款之擔保(附註24)。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 14. INVESTMENT PROPERTIES (continued) Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

### 14. 投資物業(續) 公平值層級

下表說明本集團投資物業的公平值計量層級：

		Fair value measurement 使用以下各項進行公平值計量			
		Quoted prices in active markets 於活躍市場 的報價 (Level 1) (第1級) HK\$'000 千港元	Significant observable inputs 重大可觀察 輸入數據 (Level 2) (第2級) HK\$'000 千港元	Significant unobservable inputs 重大非觀察 輸入數據 (Level 3) (第3級) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Recurring fair value measurement for:	就以下各項的經常性 公平值計量：				
At 31 December 2016	於二零一六年 十二月三十一日				
Commercial property	商用物業	–	–	5,970	5,970
Residential properties	住宅物業	–	–	13,381	13,381
		–	–	19,351	19,351
At 31 December 2015	於二零一五年 十二月三十一日				
Commercial property	商用物業	–	–	5,966	5,966

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 (2015: Nil).

年內，第1級與第2級之間概無發生公平值計量的轉移，第3級亦無公平值計量轉入或轉出(二零一五年：無)。

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## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 14. INVESTMENT PROPERTIES (continued)

#### Fair value hierarchy (continued)

Reconciliation of fair value measurements categorised within level 3 of the fair value hierarchy:

### 14. 投資物業(續)

#### 公平值層級(續)

分類至公平值層級中第三級的公平值計量的對賬：

		<b>Commercial property</b> 商用物業 HK\$'000 千港元	<b>Residential properties</b> 住宅物業 HK\$'000 千港元
Carrying amount at 1 January 2015	於二零一五年一月一日的賬面金額	–	–
Transfer from owner-occupied property	轉自業主自用物業	5,582	–
Net gain from a fair value adjustment recognised in profit or loss	於損益中確認的公平值調整 收益淨額	631	–
Exchange realignment	匯兌調整	(247)	–
Carrying amount at 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及 二零一六年一月一日的賬面金額	5,966	–
Transfer from deposits for purchases of investment properties	轉撥自購買投資物業的按金	–	5,667
Net gain from a fair value adjustment recognised in profit or loss	於損益中確認的公平值調整 收益淨額	398	8,329
Exchange realignment	匯兌調整	(394)	(615)
Carrying amount at 31 December 2016	於二零一六年十二月三十一日的 賬面金額	5,970	13,381

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 14. INVESTMENT PROPERTIES (continued) Fair value hierarchy (continued)

Below is a summary of the valuation techniques used and the key inputs to the valuation of the investment properties:

Investment properties held by the Group 本集團持有的投資物業	Fair value hierarchy 公平值層級	Valuation technique 估值技術	Significant unobservable input 重大非觀察輸入數據	Range 範圍
Commercial property in Mainland China 於中國大陸之商用物業	Level 3 第3級	Sales comparison method 銷售比較法	Estimated price per square metre 每平方米估計價格	RMB25,400 to RMB28,476 (2015: RMB24,202 to RMB26,493) 人民幣25,400元至人民幣28,476元 (二零一五年：人民幣24,202元至人民幣26,493元)
Residential properties in Mainland China 於中國大陸之住宅物業	Level 3 第3級	Sales comparison method 銷售比較法	Estimated price per square metre 每平方米估計價格	RMB26,667 to RMB31,011 (2015: Nil) 人民幣26,667元至人民幣31,011元 (二零一五年：無)

A significant increase(decrease) in the estimated price per square meter in isolation would result in a significant increase (decrease) in the fair value of the investment properties. The investment properties are valued using the sales comparison method having regard to comparable sales transactions as available in the relevant market. The valuations take into account the characteristics of the properties which included the location, size, floor level, year of completion and other factors collectively.

### 14. 投資物業(續) 公平值層級(續)

以下為投資物業估值所用的估值技術及主要輸入數據的概要：

每平方米估計價格的個別大幅增加(減少)將導致投資物業的公平值大幅增加(減少)。投資物業以銷售比較法估值，當中考量於相關市場可供比較的相若銷售交易。估值會整體考慮物業的各種特點包括位置、大小、樓層、落成年份以及其他因素。



# Notes to Financial Statements

## 財務報表附註

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### 15. PREPAID LAND LEASE PAYMENTS

### 15. 預付土地租賃款項

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日的賬面值	5,814	6,349
Recognised during the year (note 6)	年內已確認(附註6)	(246)	(263)
Exchange realignment	匯兌調整	(357)	(272)
Carrying amount at 31 December	於十二月三十一日的賬面值	5,211	5,814
Current portion included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的即期部分	(235)	(252)
Non-current portion	非即期部分	4,976	5,562

### 16. DEPOSITS FOR PURCHASES OF ITEMS OF PROPERTY, PLANT AND EQUIPMENT

### 16. 購買物業、廠房及設備項目的按金

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日的賬面值	28,283	8,542
Additions	添置	1,132	61,677
Transfer to property, plant and equipment	轉移至物業、廠房及設備	(18,846)	(40,611)
Write-off	撇銷	(1,064)	-
Exchange realignment	匯兌調整	(960)	(1,325)
Carrying amount at 31 December	於十二月三十一日的賬面值	8,545	28,283

The carrying amount represented deposits paid for purchases of certain machinery and equipment for the Group's manufacturing operation.

賬面值指就購買若干機器及設備(供本集團生產營運之用)的已付按金。

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## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 17. AVAILABLE-FOR-SALE INVESTMENT

### 17. 可供出售投資

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Unlisted equity investment, at fair value 按公平值列值的非上市股本投資	<b>3,773</b>	1,697

During the year, the gross gain in respect of the Group's available-for-sale investment recognised in other comprehensive income amounted to HK\$179,000 (2015: HK\$426,000).

年內，於其他全面收益就本集團可供出售投資確認的總收益達179,000港元(二零一五年：426,000港元)。

The above investment represents an investment in an unlisted equity security which has no fixed maturity date or coupon rate.

上述投資代表對非上市股本證券之投資，該等股本證券並無固定到期日或票息。

At 31 December 2015, a loan to an investee amounting to HK\$2,148,000 included in the Group's non-current assets represented shareholder's advance to the available-for-sale investment entity which was unsecured, interest-free and not repayable within one year from the end of the reporting period. In the opinion of the directors, this loan was considered as part of the Group's investment in the available-for-sale investment entity.

於二零一五年十二月三十一日，本集團非流動資產中計入的一項授予投資對象貸款，金額為2,148,000港元，其指股東向可供出售投資實體的墊款，其為無抵押、不計息及毋須於報告期末起計一年內償還。董事認為，該貸款被視為本集團對可供出售投資實體的部分投資。

During the year ended 31 December 2016, the loan to an investee was capitalised and included in the Group's investment in an available-for-sale investment.

於截至二零一六年十二月三十一日止年度，授予投資對象貸款已資本化及計入本集團可供出售投資內。

### 18. INVENTORIES

### 18. 存貨

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Raw materials 原料	<b>23,869</b>	15,718
Work in progress 在製品	<b>10,882</b>	10,829
Finished goods 成品	<b>19,447</b>	18,405
	<b>54,198</b>	44,952

# Notes to Financial Statements

## 財務報表附註

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### 19. TRADE AND BILLS RECEIVABLES

### 19. 貿易應收款項及應收票據

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Trade receivables	貿易應收款項	176,943	187,529
Impairment	減值	(2,880)	(3,074)
		<b>174,063</b>	184,455
Bills receivable	應收票據	<b>33,169</b>	24,343
		<b>207,232</b>	208,798

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance may be required. The Group maintains a defined credit policy and credit periods are usually granted ranging from one to four months from the month-end of date of invoice to customers. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivables. Trade and bills receivables are non-interest-bearing.

本集團與其客戶的交易條款主要根據信貸，惟新客戶須預先墊款除外。本集團維持界定信貸政策，通常向客戶授出自發票日期當月月底起計一至四個月的信貸期。本集團有意對未償還應收款項維持嚴格監控，以盡量減低信貸風險。高級管理層定期審核逾期結餘。本集團並無就該等結餘持有任何抵押品或其他信貸增強安排。貿易應收款項及應收票據為不計息。

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

於報告期末，貿易應收款項及應收票據根據發票日期及扣除撥備後的賬齡分析列載如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one month	一個月內	92,389	93,404
One to two months	一至兩個月	50,366	52,867
Two to three months	兩至三個月	46,497	39,390
Over three months	超過三個月	17,980	23,137
		<b>207,232</b>	208,798

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## 財務報表附註

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### 19. TRADE AND BILLS RECEIVABLES (continued)

The movements in provision for impairment of trade receivables are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At 1 January	於一月一日	3,074	6,100
Impairment losses reversed (note 6)	已撥回的減值虧損(附註6)	-	(2,882)
Exchange realignment	匯兌調整	(194)	(144)
At end of year	年末	2,880	3,074

Included in the above provision for impairment of trade receivables is provision for individually impaired trade receivables of HK\$2,880,000 (2015: HK\$3,074,000) with a carrying amount before provision of HK\$2,880,000 (2015: HK\$3,514,000).

The individually impaired trade receivables relate to customers that were in default in payments or in financial difficulties and none of/only a portion of the receivables is expected to be recovered.

### 19. 貿易應收款項及應收票據(續)

貿易應收款項的減值撥備變動列載如下：

上述貿易應收款項減值撥備中，已計入個別已減值貿易應收款項的撥備，為2,880,000港元(二零一五年：3,074,000港元)，而撥備前賬面值為2,880,000港元(二零一五年：3,514,000港元)。

個別已減值的貿易應收款項與拖欠付款或處於財政困難的客戶有關，預期概無／僅有一部分的應收款項可予收回。

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## 財務報表附註

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### 19. TRADE AND BILLS RECEIVABLES (continued)

An aged analysis of the trade and bills receivables that are past due but not individually nor collectively considered to be impaired is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Less than one month past due	逾期少於一個月	17,958	19,164
One to three months past due	逾期一至三個月	5,290	1,394
Over three months past due	逾期超過三個月	251	7,636
		<b>23,499</b>	28,194

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.

### 19. 貿易應收款項及應收票據(續)

已逾期但並未個別或集體視作減值的貿易應收款項及應收票據的賬齡分析列載如下：

未逾期亦未減值的應收款項與多名不同客戶有關，彼等近期並無違約記錄。

已逾期但未減值的應收款項與多名獨立客戶有關，彼等與本集團有良好往績記錄。根據過往經驗，本公司董事認為毋須就該等結餘計提減值撥備，因為信貸質素並無重大變動，而該等結餘仍視為可全數收回。

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## 財務報表附註

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### 20. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

### 20. 預付款項、按金及其他應收款

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Current</b>	<b>即期</b>		
Prepayments	預付款項	5,642	12,784
Deposits and other receivables	按金及其他應收款項	594	3,391
		<b>6,236</b>	16,175
<b>Non-current</b>	<b>非即期</b>		
Deposits	按金	2,169	7,809

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no history of default.

項上述資產概無逾期或減值。上述結餘所載財務資產與並無違約記錄的應收款項有關。

### 21. CASH AND BANK BALANCES, AND PLEDGED DEPOSITS AND RESTRICTED CASH

### 21. 現金及銀行結餘及已抵押存款及受限制現金

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	83,017	100,293
Pledged deposits and restricted cash	已抵押存款及受限制現金	34,930	23,322
		<b>117,947</b>	123,615
Less:	減：		
Pledged time and bank deposits for certain banking facilities	若干銀行融資之已抵押定期及銀行存款	24 (32,695)	(19,257)
Pledged bank deposits for certain bills payable	若干應付票據之已抵押銀行存款	22 (1,749)	(1,808)
Restricted cash	受限制現金	(486)	(2,257)
Cash and cash equivalents for the purpose of the consolidated statement of financial position	就綜合財務狀況而言之現金及現金等價物	<b>83,017</b>	100,293

# Notes to Financial Statements

## 財務報表附註

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### 21. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS AND RESTRICTED CASH (continued)

At 31 December 2016, the cash and bank balances, and pledged deposits and restricted cash of the Group denominated in Renminbi ("RMB") amounted to HK\$30,179,000 (2015: HK\$40,243,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances, pledged deposits and restricted cash are deposited with creditworthy banks with no recent history of default.

Restricted cash of the Group represents a special fund granted by a PRC government authority and deposited into a designated bank account in relation to the Group's purchases of certain energy saving and sewage treatment machines. Such fund will only be released to the Group's use upon fulfilment of certain attaching conditions and is not immediately available for use in the Group's business.

### 21. 現金及現金等價物及已抵押存款及受限制現金(續)

於二零一六年十二月三十一日，本集團按人民幣（「人民幣」）計值的現金及銀行結餘及已抵押存款及受限制現金為30,179,000港元（二零一五年：40,243,000港元）。人民幣不得自由轉換為其他貨幣，惟根據中國內地之外匯管理條例以及結匯、售匯及付匯管理規定，本集團已獲准可透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

銀行現金按每日銀行存款利率賺取浮動利率利息。銀行結餘，已抵押存款及受限制現金已存於信譽良好及並無近期違約記錄的銀行。

本集團的受限制現金指中國政府當局對本集團購買若干節能及污水處理機器而授出的特別資金，其存於指定銀行戶口。有關資金僅於達成若干條件後方會發放予本集團且未能立即應用本集團之業務。

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## 財務報表附註

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### 22. TRADE AND BILLS PAYABLES

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Trade payables	貿易應付款項	97,952	103,168
Bills payable	應付票據	10,356	10,443
		<b>108,308</b>	<b>113,611</b>

An aged analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

於報告期末，貿易應付款項及應付票據根據發票日期的賬齡分析列載如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within three months	三個月內	94,437	92,172
Three to six months	三至六個月	12,077	20,319
Over six months	超過六個月	1,794	1,120
		<b>108,308</b>	<b>113,611</b>

The trade payables are non-interest-bearing and are normally settled within three months from the month-end of the date of invoice.

貿易應付款項為不計息及通常於發票日期月結日起計三個月內結付。

At 31 December 2016, bills payable with an aggregate carrying amount of HK\$8,744,000 (2015: HK\$9,036,000) were secured by pledged bank deposits of HK\$1,749,000 (2015: HK\$1,808,000).

於二零一六年十二月三十一日，賬面總值為8,744,000港元(二零一五年：9,036,000港元)的應付票據已由1,749,000港元(二零一五年：1,808,000港元)的已抵押銀行存款擔保。



# Notes to Financial Statements

## 財務報表附註

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### 23. OTHER PAYABLES AND ACCRUALS

### 23. 其他應付款項及應計費用

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Current</b>	<b>即期</b>		
Other payables	其他應付款項	21,477	55,871
Accruals	應計費用	33,236	37,579
Deferred income <sup>^</sup>	遞延收入 <sup>^</sup>	432	184
		<b>55,145</b>	<b>93,634</b>
<b>Non-current</b>	<b>非即期</b>		
Deferred income <sup>^</sup>	遞延收入 <sup>^</sup>	7,005	5,895
Other payable	其他應付款項	-	2,624

Other payables are non-interest-bearing and have an average term of three months.

其他應付款項不計息，平均期限為三個月。

<sup>^</sup> Deferred income mainly represented (i) special fund of HK\$3,202,000 (2015: HK\$3,577,000) granted by a PRC government authority in relation to the construction of a sewage treatment facility; (ii) a special fund of HK\$1,954,000 (2015: HK\$2,257,000) granted by a PRC government authority in relation to the Group's purchase of certain energy saving and sewage treatment machines; and (iii) certain special funds of HK\$2,281,000 (2015: a special fund of HK\$245,000) granted by certain PRC government authorities in relation to the Group's purchase of certain environmental friendly and water saving machines. The deferred income is recognised in profit or loss over the expected useful lives of the relevant property, plant and equipment.

<sup>^</sup> 遞延收入主要指：(i) 中國政府當局就建設污水處理設施授予之特殊基金3,202,000港元(二零一五年：3,577,000港元)；(ii) 中國政府就本集團購買若干節能及污水處理機器授予之特殊基金1,954,000港元(二零一五年：2,257,000港元)；及(iii)若干中國政府當局就本集團購買若干環保節水機器而授予之若干特別基金2,281,000港元(二零一五年：特別基金245,000港元)。該項遞延收入按有關物業、廠房及設備之預期可使用年期於損益確認。

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## 財務報表附註

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### 24. INTEREST-BEARING BANK BORROWINGS

### 24. 計息銀行借款

	2016 二零一六年			2015 二零一五年		
	Effective/ contractual interest rate (p.a.) 實際/合約年利率	Maturity <sup>2</sup> 到期日 <sup>2</sup>	HK\$'000 千港元	Effective/ contractual interest rate (p.a.) 實際/合約年利率	Maturity <sup>2</sup> 到期日 <sup>2</sup>	HK\$'000 千港元
<b>Current 即期</b>						
Secured trust receipt loans due for repayment within one year <sup>6</sup> 須於一年內償還的有抵押信託收據貸款 <sup>6</sup>	LIBOR <sup>1</sup> + 1.5% to 1.75%, or HIBOR <sup>3</sup> + 1.625% to 1.75% LIBOR <sup>1</sup> + 1.5% 至 1.75%, 或 HIBOR <sup>3</sup> + 1.625% 至 1.75%	2017 二零一七年	50,215	LIBOR <sup>1</sup> + 1.75% to 1.875%, or HIBOR <sup>3</sup> + 1.625% to 1.75% LIBOR <sup>1</sup> + 1.75% 至 1.875%, 或 HIBOR <sup>3</sup> + 1.625% 至 1.75%	2016 二零一六年	43,211
Secured bank loans due for repayment within one year which contain repayment on demand clauses <sup>6</sup> 須於一年內償還的有抵押銀行貸款 (載有按要求償還條款) <sup>6</sup>	LIBOR <sup>1</sup> + 2.5%, HIBOR <sup>3</sup> + 2%, or PRIME <sup>4</sup> - 2.25% LIBOR <sup>1</sup> + 2.5%, HIBOR <sup>3</sup> + 2%, 或 PRIME <sup>4</sup> - 2.25%	2017 二零一七年	31,591	LIBOR <sup>1</sup> + 2.5%, HIBOR <sup>3</sup> + 2%, or PRIME <sup>4</sup> - 2.25% LIBOR <sup>1</sup> + 2.5%, HIBOR <sup>3</sup> + 2%, 或 PRIME <sup>4</sup> - 2.25%	2016 二零一六年	19,928
Secured bank loans due for repayment after one year which contain repayment on demand clauses <sup>6</sup> 須於一年後償還的有抵押銀行貸款 (載有按要求償還條款) <sup>6</sup>	LIBOR <sup>1</sup> + 2.5%, HIBOR <sup>3</sup> + 2%, or PRIME <sup>4</sup> - 2.25% LIBOR <sup>1</sup> + 2.5%, HIBOR <sup>3</sup> + 2%, 或 PRIME <sup>4</sup> - 2.25%	2018-2021 二零一八年至二零二一年	87,773	LIBOR <sup>1</sup> + 2.5%, HIBOR <sup>3</sup> + 2%, or PRIME <sup>4</sup> - 2.25% LIBOR <sup>1</sup> + 2.5%, HIBOR <sup>3</sup> + 2%, 或 PRIME <sup>4</sup> - 2.25%	2017 - 2020 二零一七年至二零二零年	66,750
Secured bank loans due for repayment within one year <sup>7</sup> 須於一年內償還的有抵押銀行貸款 <sup>7</sup>	PBC BLR <sup>5</sup> + 5% PBC BLR <sup>5</sup> + 5%	2017 二零一七年	16,769	PBC BLR <sup>5</sup> + 5% PBC BLR <sup>5</sup> + 5%	2016 二零一六年	17,750
Current portion of secured bank loans due for repayment after one year <sup>7</sup> 須於一年後償還的有抵押銀行貸款即期部分 <sup>7</sup>	Over-5-year PBC BLR <sup>5</sup> or 6.54% 超過五年為 PBC BLR <sup>5</sup> 或 6.54%	2017 二零一七年	15,925	Over-5-year PBC BLR <sup>5</sup> , 6.54% or 6.84% 超過五年為 PBC BLR <sup>5</sup> , 6.54% 或 6.84%	2016 二零一六年	15,638
			<b>202,273</b>			<b>163,277</b>
<b>Non-current 非即期</b>						
Secured bank loans due for repayment after one year <sup>7</sup> 須於一年後償還的有抵押銀行貸款 <sup>7</sup>	Over-5-year PBC BLR <sup>5</sup> or 6.54% 超過五年為 PBC BLR <sup>5</sup> 或 6.54%	2018-2020 二零一八年至二零二零年	8,108	Over-5-year PBC BLR <sup>5</sup> , 6.54% or 6.84% 超過五年為 PBC BLR <sup>5</sup> , 6.54% 或 6.84%	2017 - 2020 二零一七年至二零二零年	25,655
Total 總計			<b>210,381</b>			<b>188,932</b>

# Notes to Financial Statements

## 財務報表附註

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### 24. INTEREST-BEARING BANK BORROWINGS

(continued)

- <sup>1</sup> London Interbank Offered Rate ("LIBOR")
- <sup>2</sup> Based on the scheduled repayment dates as set out in the loan agreement
- <sup>3</sup> Hong Kong Interbank Offered Rate ("HIBOR")
- <sup>4</sup> Standard Chartered Bank Prime Rate ("PRIME")
- <sup>5</sup> People's Bank of China benchmark lending rate ("PBC BLR")
- <sup>6</sup> Denominated in HK\$, United States dollars ("US\$") or EURO
- <sup>7</sup> Denominated in RMB

Certain of the Group's bank loan agreements contain repayment on demand clauses and the corresponding bank loans have been classified as current liabilities in the consolidated statement of financial position. Ignoring the effect of any repayment on demand clauses and based on the maturity terms of these loans, the interest-bearing bank borrowings of the Group are repayable:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	114,500	96,527
In the second year	第二年	36,980	36,927
In the third to fifth years, inclusive	第三至第五年(包括首尾兩年)	58,901	55,478
		<b>210,381</b>	<b>188,932</b>

Notes:

- (a) Certain of the Group's bank borrowings are secured by:
  - (i) the Group's leasehold land and buildings and construction in progress with an aggregate net carrying amount at the end of the reporting period of HK\$177,239,000 (2015: HK\$236,362,000) (note 13);
  - (ii) the Group's investment property with a carrying amount of HK\$5,970,000 (2015: HK\$5,966,000) (note 14);
  - (iii) the Group's parcels of leasehold land situated in Mainland China which are classified as prepaid land lease payments with a carrying amount of HK\$5,211,000 (2015: HK\$5,814,000) (note 15); and
  - (iv) pledged deposits with banks amounting to HK\$32,695,000 (2015: HK\$19,257,000) (note 21).
- (b) Included in the bank borrowings as at 31 December 2016 were borrowings with carrying amounts of HK\$40,802,000 (2015: HK\$59,043,000), HK\$143,888,000 (2015: HK\$109,007,000) and Nil (2015: HK\$2,155,000) which were denominated in RMB, US\$ and Euro, respectively. All other bank borrowings were denominated in HK\$.
- (c) At 31 December 2016, interest rates of the bank borrowings were either fixed or floating and determined with reference to rates such as Hong Kong/London Interbank Offered Rate, People's Bank of China benchmark lending rate and Standard Chartered Bank Prime Rate. The interest rates of the Group's bank borrowings at 31 December 2016 ranged from 2.14% to 6.55%, (2015: from 1.82% to 7.36%) per annum.

### 24. 計息銀行借款(續)

- <sup>1</sup> 倫敦銀行同業拆息(「LIBOR」)
- <sup>2</sup> 基於貸款協議所載預定還款日期
- <sup>3</sup> 香港銀行同業拆息(「HIBOR」)
- <sup>4</sup> 渣打銀行最優惠利率(「PRIME」)
- <sup>5</sup> 中國人民銀行基準借貸利率(「PBC BLR」)
- <sup>6</sup> 以港元、美元(「美元」)或歐元列值
- <sup>7</sup> 以人民幣列值

本集團若干銀行貸款協議載有按要求償還條款，而相應銀行貸款已於綜合財務狀況表分類為流動負債。倘不計及任何按要求償還條款之影響及根據該等貸款的到期期限，本集團之計息銀行借款須按下表償還：

附註：

- (a) 若干本集團銀行借款乃以下述各項作擔保：
  - (i) 本集團租賃土地及樓宇及在建工程，於報告期末的賬面總淨值為177,239,000港元(二零一五年：236,362,000港元)(附註13)；
  - (ii) 本集團賬面值為5,970,000港元之投資物業(二零一五年：5,966,000港元)(附註14)；
  - (iii) 本集團於中國內地的租賃地塊賬面值為5,211,000港元(二零一五年：5,814,000港元)，其分類為預付土地租賃款項(附註15)；及
  - (iv) 已抵押予銀行的存款為32,695,000港元(二零一五年：19,257,000港元)(附註21)。
- (b) 於二零一六年十二月三十一日，銀行借款包括賬面值分別為40,802,000港元(二零一五年：59,043,000港元)、143,888,000港元(二零一五年：109,007,000港元)及無(二零一五年：2,155,000港元)的借款(分別以人民幣、美元及歐元計值)。所有其他銀行借款均以港元計值。
- (c) 於二零一六年十二月三十一日，銀行借款按固定或浮動利率計息，利率乃參考香港/倫敦銀行同業拆息、中國人民銀行基準借貸利率及渣打銀行最優惠利率等利率後釐定。於二零一六年十二月三十一日，本集團銀行借款的利率介乎每年2.14%至6.55%(二零一五年：1.82%至7.36%)。

# Notes to Financial Statements

## 財務報表附註

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### 25. FINANCE LEASE PAYABLES

The Group leases motor vehicles and certain machinery and equipment for its operations. These leases are classified as finance leases and have remaining lease terms ranging from one year to five years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

At 31 December 2016, the total future minimum lease payments under finance leases and their present values were as follows:

### 25. 融資租賃應付款項

本集團租賃汽車及若干機械及設備，以供營運之用。該等租賃分類為融資租賃，餘下租期介乎一年至五年。所有租賃乃基於固定還款基準，且並無就或然租金付款訂立任何安排。

於二零一六年十二月三十一日，融資租賃項下未來最低租金付款總額及其現值列載如下：

		Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款現值	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Amounts payable:	應付款項：				
Within one year	一年內	6,219	6,169	5,826	5,470
In the second year	第二年	6,212	6,182	6,050	5,746
In the third to fifth years, inclusive	第三年至第五年 (包括首尾兩年)	1,210	6,312	1,172	6,153
Total minimum finance lease payments	最低融資租賃付款總額	13,641	18,663	13,048	17,369
Future finance charges	未來融資費用	(593)	(1,294)		
Total net finance lease payables	融資租賃應付款項淨值總額	13,048	17,369		
Portion classified as current liabilities	分類為即期負債的部分	(5,826)	(5,470)		
Non-current portion	非即期部分	7,222	11,899		

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## 財務報表附註

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### 26. DEFERRED TAX

The movements in deferred tax liabilities and assets during the year are as follows:

#### Deferred tax liabilities

		Depreciation allowances in excess of related depreciation 折舊撥備超過有關折舊 HK\$'000 千港元	Revaluation of properties 重估物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	(56)	–	(56)
Deferred tax credited/(charged) to profit or loss during the year (note 10)	於年內計入/(扣除)損益的遞延稅項(附註10)	(237)	110	(127)
Deferred tax credited to other comprehensive income during the year	於年內計入其他全面收益的遞延稅項	–	(162)	(162)
Exchange realignment	匯兌調整	–	3	3
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	(293)	(49)	(342)
Deferred tax credited/(charged) to profit or loss during the year (note 10)	於年內計入/(扣除)損益的遞延稅項(附註10)	274	(3,588)	(3,314)
Exchange realignment	匯兌調整	–	161	161
At 31 December 2016	於二零一六年十二月三十一日	(19)	(3,476)	(3,495)

### 26. 遞延稅項

遞延稅項負債及資產於年內的變動如下：

#### 遞延稅項負債

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## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 26. DEFERRED TAX (continued)

#### Deferred tax assets

### 26. 遞延稅項 (續)

#### 遞延稅項資產

		Provision for accrued staff welfare costs	Depreciation in excess of related depreciation allowance	Provision for inventories and trade receivables	Losses available for offsetting against future taxable profits	Other deductible temporary differences	Total
		累計員工福利 成本撥備	折舊超過有關 折舊撥備	存貨及貿易 應收款項撥備	可供抵銷未來應 課稅溢利之虧損	其他可扣減 臨時差異	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2015	於二零一五年一月一日	2,416	1,435	2,201	1,557	562	8,171
Deferred tax credited/(charged) to profit or loss during the year (note 10)	於年內於損益計入/(扣除) 的遞延稅項(附註10)	(450)	573	200	(1,200)	699	(178)
Exchange realignment	匯兌調整	(87)	(91)	(108)	-	(56)	(342)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日 及二零一六年一月一日	1,879	1,917	2,293	357	1,205	7,651
Deferred tax credited/(charged) to profit or loss during the year (note 10)	於年內於損益計入/(扣除) 的遞延稅項(附註10)	(63)	1,057	(358)	(59)	218	795
Exchange realignment	匯兌調整	(116)	(168)	(129)	-	(86)	(499)
At 31 December 2016	於二零一六年十二月三十一日	1,700	2,806	1,806	298	1,337	7,947

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5%. The Group is therefore liable to withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

根據中國企業所得稅法，於中國內地成立的外商投資企業向海外投資者宣派股息時，須徵收10%預扣稅。規定於二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後的盈利。倘中國內地與海外投資者的司法權區訂有稅務協議，則可按較低的預扣稅率繳稅。適用於本集團的稅率為5%。因此，該等於中國內地成立的附屬公司就二零零八年一月一日後產生的盈利分派股息時，本集團須繳納預扣稅。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 26. DEFERRED TAX (continued) Deferred tax assets (continued)

At the end of the reporting period, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of a subsidiary of the Group established in Mainland China. In the opinion of the directors, it is not probable that this subsidiary will distribute earnings arising from 1 January 2008 to 31 December 2016 in the foreseeable future. The aggregate amount of temporary differences associated with the investment in the subsidiary in Mainland China for which deferred tax liabilities have not been recognised totalled approximately HK\$188.9 million as at 31 December 2016 (2015: HK\$174.2 million).

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

### 27. SHARE CAPITAL

Shares	股份	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Authorised: 10,000,000,000 ordinary shares of HK\$0.01 each	法定： 10,000,000,000 股每股 0.01 港元 的普通股	100,000	100,000
Issued and fully paid: 240,000,000 ordinary shares of HK\$0.01 each	已發行及繳足： 240,000,000 股每股 0.01 港元 的普通股	2,400	2,400

There was no movement in the Company's share capital during the year.

### 26. 遞延稅項(續) 遞延稅項資產(續)

於報告期末，就本集團於中國內地成立的附屬公司的未匯出盈利(須繳納預扣稅)所須繳納的預扣稅而言，概無就此確認遞延稅項。董事認為，該附屬公司於可見未來不大可能分派於二零零八年一月一日至二零一六年十二月三十一日產生的盈利。於二零一六年十二月三十一日，於該中國內地附屬公司之投資有關之臨時差異總額(並未確認遞延稅項負債)分別合共約達 188.9 百萬港元(二零一五年：174.2 百萬港元)。

本公司向其股東派付股息並無附帶所得稅後果。

### 27. 股本

年內，本公司股本概無變動。

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## 財務報表附註

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### 28. SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The Scheme became effective on 18 November 2014 and, unless otherwise cancelled or amended, will remain in force for ten years from that date.

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

The offer of a grant of share options may be accepted within the date as specified in the offer letter issued by the Company, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of any option granted under the Scheme is determined by the board of directors in its absolute discretion, save that no option may be exercised more than ten years after it has been granted.

The exercise price of share options is determinable by the board of directors at its absolute discretion, but may not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average of the closing prices of the Company's shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the shares on the date of grant.

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

Further details of the Company's share option scheme are set out in the Company's Report of the Directors.

No share options were granted during the years ended 31 December 2016 and 2015 and no share options under the Scheme were outstanding as at 31 December 2016 and 2015.

### 28. 購股權計劃

本公司設立購股權計劃(「該計劃」)以向對本集團業務作出貢獻的合資格參與者提供獎勵及獎賞。該計劃於二零一四年十一月十八日生效，除非另有註銷或修訂，否則將由該日起計十年內維持有效。

向本公司董事、行政總裁或主要股東，或任何彼等之聯繫人士授出任何購股權須獲得獨立非執行董事的批准，方可落實。此外，於任何12個月期間，向本公司主要股東或獨立非執行董事，或任何彼等各自之聯繫人士授出的任何購股權超過本公司任何時間已發行股份的0.1%，或總額(根據本公司股份於授出日期的收市價)超過5,000,000港元須於股東大會獲得股東的事先批准，方可落實。

授出購股權之要約可由承授人於本公司發出之要約函件所列明之日期內透過支付1港元之名義代價接納。根據該計劃授出的任何購股權的行使期由董事會酌情釐定，惟前提是購股權於授出起計十年後不得行使。

購股權之行使價由董事會酌情釐定，但不得低於下列最高者：(i)本公司股份於授出日期的收市價；(ii)本公司股份於緊接授出日期前五個營業日之平均收市價；及(iii)股份於授出日期之面值。

購股權概無賦予持有人收取股息或於股東大會上投票之權利。

本公司購股有計劃之更多詳情載於本公司之董事會報告。

截至二零一六年及二零一五年十二月三十一日止年度，概無授出任何購股權，而於二零一六年及二零一五年十二月三十一日，購股權計劃下概無購股權尚未行使。



# Notes to Financial Statements

## 財務報表附註

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### 29. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 79 and 80 of the financial statements.

#### Capital reserve

The capital reserve represents the capital contribution from Mr. Chan Wing Yin and Mrs. Chan Yung by way of a waiver of shareholders' loan and the difference between the consideration and the carrying amount of the non-controlling interest acquired.

### 30. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

#### Major non-cash transaction

During the year, the Group entered into a finance lease arrangement in respect of property, plant and equipment with a total capital value at the inception of the lease of HK\$2,130,000 (2015: HK\$16,967,000).

### 31. PLEDGE OF ASSETS

Details of the Group's bills payable and bank borrowings, which are secured by certain assets of the Group, are included in note 22 and note 24, respectively to the financial statements.

### 32. OPERATING LEASE ARRANGEMENTS

#### (a) As lessor

The Group leases its investment property (note 14) under an operating lease arrangement, with the lease negotiated for a term of two years. The terms of the lease also require the tenant to pay a security deposit.

As at the end of the reporting period, the Group had total future minimum lease receivables under a non-cancellable operating lease with its tenant falling due as follows:

### 29. 儲備

於本年度及先前年度，本集團儲備金額及其變動乃呈列於財務報表第79及80頁的綜合權益變動表。

#### 資本儲備

資本儲備指陳榮賢先生及陳勇女士通過豁免股東貸款進行注資及代價與所收購的非控股權益賬面值之間的差額。

### 30. 綜合現金流量表附註

#### 主要非現金交易

年內，本集團就物業、廠房及設備訂立一項融資租賃安排，租賃開始時之資本價值總額為2,130,000港元(二零一五年：16,967,000港元)。

### 31. 資產質押

有關本集團應付票據及銀行借款(以本集團若干資產作抵押)的詳情，已分別載入財務報表附註22及附註24。

### 32. 經營租賃安排

#### (a) 作為出租人

本集團根據經營租賃安排出租其投資物業(附註14)，物業租賃經商定為期兩年。租賃條款亦要求租戶繳付保證金。

於報告期末，本集團根據與租戶的不可撤銷經營租賃應收的未來最低租金總額的到期情況如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	94	301
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	-	100
		94	401

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### 32. OPERATING LEASE ARRANGEMENTS

(continued)

#### (b) As lessee

The Group leases certain of its properties under operating lease arrangements. Leases for the properties are negotiated for terms ranging from one to two years. At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	2,041	2,044
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	1,158	506
		<b>3,199</b>	2,550

### 33. COMMITMENTS

In addition to the operating lease commitments detailed in note 32(b) above, the Group had the following capital commitments at the end of the reporting period:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Contracted, but not provided for:	已訂約但未撥備:		
Construction and property, plant and equipment	建設及物業、廠房及設備	9,663	23,873

### 34. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions, arrangements and balances detailed elsewhere in these financial statements, the Group had the following transaction with a related party during the year:

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
A related company:	關聯公司:			
Rentals paid	已付租金	(i)	1,624	1,624

Note:

(i) The rentals were charged by Yantek Electronics Company Limited ("Yantek"), a related company of the Group owned as to 33% by Mr. Chan Yan Kwong and 34% by Mr. Chan Yan Wing, who are directors of the Company, and 33% by Ms. Chan Yan Sam, a sister of Mr. Chan Yan Kwong and Mr. Chan Yan Wing, in accordance with the tenancy agreements entered into between the Group and Yantek.

### 32. 經營租賃安排(續)

#### (b) 作為承租人

本集團根據經營租賃安排租用若干物業。物業租賃經商定為期一至兩年。於報告期末，本集團根據不可撤銷經營租賃應付的未來最低租賃付款總額的到期情況如下：

### 33. 承擔

於報告期末，除上文附註32(b)詳述的經營租賃承擔外，本集團有以下資本承擔：

### 34. 關聯方交易

(a) 除該等財務報表其他部分詳述之交易、安排及結餘外，本集團於年內與關聯方進行以下交易：

附註：

(i) 租金費用乃恩德電子有限公司(「恩德」)(本集團的關聯公司)，由陳恩光先生、陳恩永先生(彼等為本公司董事)及陳恩沁女士(陳恩光先生及陳恩永先生的胞妹)分別擁有33%、34%及33%權益)根據本集團與恩德訂立的租賃協議徵收。

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## 財務報表附註

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### 34. RELATED PARTY TRANSACTIONS (continued)

#### (b) Other transaction with a related party

A director of the Company received sales commission of HK\$3,107,000 (2015: HK\$3,792,000) for his services provided to the Group during the year based on 3% (2015: 3%) of the transaction amounts.

#### (c) Commitments with a related party

Certain subsidiaries of the Group entered into two two-year non-cancellable agreements with Yantek to lease certain office properties and a director quarter under operating lease arrangements. The amount of rentals charged for the year is included in note 34(a)(i) to the financial statements. The Group's total future minimum lease payments to Yantek falling due within one year and within the second to fifth years, inclusive are approximately HK\$1,624,000 (2015: HK\$1,142,000) and HK\$1,158,000 (2015: Nil), respectively.

#### (d) Compensation of key management personnel of the Group:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Short term employee benefits	短期僱員福利	15,731	15,960
Post-employment benefits	離職後福利	90	90
Total compensation paid to key management personnel	已付主要管理人員的補償總額	<b>15,821</b>	16,050

Further details of directors' and the chief executive's emoluments are included in note 8 to the financial statements.

The related party transaction in respect of note 34(a)(i) above also constitutes continuing connected transaction as defined in Chapter 14A of the Listing Rules.

### 34. 關聯方交易(續)

#### (b) 其他與關聯方進行的交易

年內，本公司一名董事因向本集團提供服務而獲得銷售佣金3,107,000港元(二零一五年：3,792,000港元)，金額乃分別根據交易金額的3%(二零一五年：3%)計算。

#### (c) 與關聯方的承擔

本集團若干附屬公司與恩德訂立兩份兩年期不可撤銷協議，以根據經營租賃安排租用若干辦公室物業及董事宿舍。年內收取之租金費用載於財務報表附註34(a)(i)。就本集團支付予恩德之未來最低租金總額，於一年內到期及於第二至第五年內(包括首尾兩年)之金額分別約為1,624,000港元(二零一五年：1,142,000港元)及1,158,000港元(二零一五年：零港元)。

#### (d) 本集團主要管理人員的補償：

董事及行政總裁薪酬的其他詳情載於財務報表附註8。

上述附註34(a)(i)之關聯方交易亦構成上市規則第14A章界定之持續關連交易。

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### 35. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

### 35. 按類別劃分的金融工具

各類金融工具於報告期末的賬面值列載如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Financial assets</b>	<b>財務資產</b>		
Loans and receivables:	貸款及應收款項：		
Trade and bills receivables	貿易應收款項及應收票據	207,232	208,798
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的財務資產	2,763	3,391
Pledged deposits and restricted cash	已抵押存款及限制性現金	34,930	23,322
Cash and bank balances	現金及銀行結餘	83,017	100,293
		<b>327,942</b>	335,804
Available-for-sale financial asset:	可供出售財務資產：		
Available-for-sale investment	可供出售投資	3,773	1,697
		<b>331,715</b>	337,501
<b>Financial liabilities</b>	<b>財務負債</b>		
Financial liabilities at amortised cost:	按攤銷成本列賬的財務負債：		
Trade and bills payables	貿易應付款項及應付票據	108,308	113,611
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的財務負債	32,043	69,799
Interest-bearing bank borrowings	計息銀行借款	210,381	188,932
Finance lease payables	融資租賃應付款項	13,048	17,369
		<b>363,780</b>	389,711

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### 36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

### 36. 金融工具的公平值及公平值層級

本集團金融工具的賬面值及公平值(賬面值與其公平值合理相若的金融工具除外)列載如下:

		Carrying amounts		Fair values	
		賬面值		公平值	
		2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>Financial asset</b>	<b>財務資產</b>				
Available-for-sale investment	可供出售投資	<b>3,773</b>	1,697	<b>3,773</b>	1,697
<b>Financial liabilities</b>	<b>財務負債</b>				
Finance lease payables	融資租賃應付款項	<b>13,048</b>	17,369	<b>13,360</b>	17,828
Interest-bearing bank borrowings	計息銀行借款	<b>210,381</b>	188,932	<b>217,078</b>	197,172
		<b>223,429</b>	206,301	<b>230,438</b>	215,000

Management has assessed that the fair values of cash and bank balances, pledged deposits and restricted cash, trade and bills receivables, trade and bills payables, financial assets included in prepayments, deposits and other receivables, and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments or the effect of discounting is not material.

管理層已評定，現金及銀行結餘、已抵押存款及受限制現金、貿易應收款項及應收票據、貿易應付款項及應付票據、計入預付款項、按金及其他應收款項的財務資產、計入其他應付款項及應計費用的財務負債的公平值與其賬面值相若，主要原因為該等工具於短期內到期或其貼現影響並不重大。

The Group's chief financial officer is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the chief financial officer analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The directors review the results of the fair value measurement of financial instruments for annual financial reporting.

本集團財務總監負責決定金融工具公平值計量的政策及程序。於各報告日期，財務總監分析金融工具的價值變動，並釐定估值所用的主要輸入數據。董事為年度財務報告審閱金融工具公平值計量的結果。

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

財務資產及負債的公平值乃按該工具於目前由自願訂約方交易(惟不包括脅迫或清盤出售)下所能交換的金額入賬。估計公平值時已使用以下方法及假設:

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### 36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The fair values of the non-current portion of interest-bearing bank borrowings and finance lease payables have been calculated by discounting the expected future cash flows using discount rates that reflect the Group's borrowing rates as at the end of the reporting period. The Group's own non-performance risk for interest-bearing bank borrowings and finance lease payables as at the end of the reporting period was assessed to be insignificant.

For the fair value of the unlisted available-for-sale equity investment, management of the Group has estimated the fair value of the investment using an asset-based approach as its major asset is a property held for self-use and the investee is yet to have sufficient earning history to support the use of other approaches. The value of this property is adjusted to its fair value at the end of each reporting period for the purpose of determining the Group's share of adjusted net asset value and fair value of the investment.

#### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

### 36. 金融工具的公平值及公平值層級(續)

計息銀行借款非即期部分及應付融資租賃的公平值的計算方法，為以反映本集團於報告期末的借款利率的貼現率貼現預期未來現金流量。本集團自身於報告期末就計息銀行借款及應付融資租賃的不履約風險獲評定為不重大。

就非上市可供出售權益投資的公平值，本集團管理層已使用資產估值法估計投資的公平值，因主要資產為一項持有自用物業而有關投資對象並未有充分盈利記錄以支持使用其他方法。該物業的價值已調整至於各個報告期末之公平值，以釐定本集團應佔經調整資產淨值及投資公平值。

#### 公平值層級

下表列示本集團金融工具的公平值計量層級：

Asset measured at fair value:	按公平值計量的資產：	Fair value measurement using 使用以下輸入數據的公平值計量			Total 總計
		Quoted prices in active markets 活躍市場報價 (Level 1) (第一級) HK\$'000 千港元	Significant observable inputs 重大可觀察輸入數據 (Level 2) (第二級) HK\$'000 千港元	Significant unobservable inputs 重大不可觀察輸入數據 (Level 3) (第三級) HK\$'000 千港元	
At 31 December 2016	於二零一六年十二月三十一日				
Available-for-sale investment	可供出售投資	-	-	3,773	3,773
At 31 December 2015	於二零一五年十二月三十一日				
Available-for-sale investment	可供出售投資	-	-	1,697	1,697

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### 36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

#### Fair value hierarchy (continued)

The movements in fair value measurements within Level 3 during the year are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Available-for-sale investment — unlisted: 可供出售投資 — 非上市：			
At 1 January 於一月一日		1,697	1,350
Addition 添置		2,105	—
Fair value gain recognised in other comprehensive income 於其他全面收益確認的 公平值收益		179	426
Exchange realignment 匯兌調整		(208)	(79)
At end of year 年末		3,773	1,697

The Group did not have any financial liabilities measured at fair value as at 31 December 2016 and 31 December 2015.

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets (2015: Nil).

### 36. 金融工具的公平值及公平值層級(續)

#### 公平值層級(續)

於年內第三級的公平值計量變動如下：

於二零一六年十二月三十一日及二零一五年十二月三十一日，本集團並無任何按公平值計量的財務負債。

於年內，就財務資產而言，第一級及第二級之間概無轉移公平值計量，亦無轉入或轉出第三級(二零一五年：無)。

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### 36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

### 36. 金融工具的公平值及公平值層級(續)

公平值層級(續)

		Fair value measurement using 使用以下輸入數據的公平值計量			
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
		活躍市場報價 (Level 1) (第一級)	重大可觀察 輸入數據 (Level 2) (第二級)	重大不可觀察 輸入數據 (Level 3) (第三級)	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>Liabilities for which fair values are disclosed: 披露公平值的負債：</b>					
At 31 December 2016	於二零一六年 十二月三十一日				
Finance lease payables	融資租賃應付款項	-	-	13,360	13,360
Interest-bearing bank borrowings	計息銀行借款	-	-	217,078	217,078
		-	-	230,438	230,438
At 31 December 2015	於二零一五年 十二月三十一日				
Finance lease payables	融資租賃應付款項	-	-	17,828	17,828
Interest-bearing bank borrowings	計息銀行借款	-	-	197,172	197,172
		-	-	215,000	215,000



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees the Group's policies for managing each of these risks and they are summarised as below:

#### Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's cash and time deposits at banks and borrowings with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on deposits with banks and floating rate borrowings). There is no impact on the Group's equity except on the retained profits.

### 37. 財務風險管理目標及政策

本集團主要金融工具直接源於其營運。

本集團金融工具產生的主要風險為利率風險、外幣風險、信貸風險及流動資金風險。董事會審閱及同意本集團管理各項該等風險的政策，而該等政策概述如下：

#### 利率風險

利率風險乃指金融工具的未來現金流量將因市場利率改變而波動的風險。本集團面臨市場利率變動風險主要與本集團的銀行現金及定期存款及浮息借款有關。

下表列示本集團除稅前溢利(因銀行存款及浮息借款的影響)對利率出現合理可能變動(其他所有變數維持不變)的敏感度。除保留溢利外，本集團權益概無受影響。

		Increase/ (decrease) in basis points 基點增加/ (減少)	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) HK\$'000 千港元
<b>2016</b>	<b>二零一六年</b>		
HK\$	港元	50	(446)
RMB	人民幣	50	7
HK\$	港元	(50)	446
RMB	人民幣	(50)	(7)
<b>2015</b>	<b>二零一五年</b>		
HK\$	港元	50	216
RMB	人民幣	50	(11)
HK\$	港元	(50)	216
RMB	人民幣	(50)	11

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Foreign currency risk

The Group has transactional currency exposures. Those exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. The Group's main operating subsidiaries are located in Hong Kong and Mainland China and the Group's sales and purchases were mainly conducted in HK\$, RMB and US\$.

The RMB is not a freely convertible currency. Future exchange rates of the RMB could vary significantly from the current or historical exchange rates as a result of the changes in the PRC foreign currency policy. The exchange rates may also be affected by economic developments and political changes domestically and internationally, and the demand and supply of the RMB. The appreciation or devaluation of RMB against HK\$ and US\$ may have impact on the operating results of the Group.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB exchange rates, with all other variables held constant, of the Group's profit before tax (due to changes in the fair values of monetary assets and liabilities). There is no impact on the Group's equity except on the retained profits.

		Increase/ (decrease) in RMB rate 兌人民幣匯率 上升/(下跌) %	Increase/ (decrease) in profit before tax 除稅前溢利 上升/(下跌) HK\$'000 千港元
<b>2016</b>	<b>二零一六年</b>		
If HK\$ weakens against RMB	倘港元兌人民幣下跌	5	(190)
If HK\$ strengthens against RMB	倘港元兌人民幣上升	(5)	190
If US\$ weakens against RMB	倘美元兌人民幣下跌	5	(338)
If US\$ strengthens against RMB	倘美元兌人民幣上升	(5)	338
<b>2015</b>	<b>二零一五年</b>		
If HK\$ weakens against RMB	倘港元兌人民幣下跌	5	(350)
If HK\$ strengthens against RMB	倘港元兌人民幣上升	(5)	350
If US\$ weakens against RMB	倘美元兌人民幣下跌	5	(105)
If US\$ strengthens against RMB	倘美元兌人民幣上升	(5)	105

### 37. 財務風險管理目標及政策(續)

#### 外幣風險

本集團面臨交易貨幣風險。該等風險源於營運單位以該單位的功能貨幣以外的貨幣進行買賣。本集團的主要營運附屬公司位於香港及中國內地，而本集團的買賣主要以港元、人民幣及美元進行。

人民幣並非自由兌換貨幣。人民幣的未來匯率可能因為中國外匯政策變動而與目前或過往匯率有很大出入。匯率亦可能受國內外經濟發展及政治變動以至人民幣的供求所影響。人民幣兌港元及美元升值或貶值或會對本集團之經營業績造成影響。

下表列示於報告期末本集團除稅前溢利(因貨幣資產及負債公平值變動)對人民幣匯率出現合理可能變動(其他所有變數維持不變)的敏感度。除保留溢利外，本集團權益概無受影響。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures and payment in advance may be required. In addition, receivable balances are monitored on an ongoing basis.

The credit risk of the Group's financial assets, which comprise trade and bills receivables, pledged deposits and restricted cash, cash and bank balances, and financial assets included in prepayments, deposits and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Concentrations of credit risk are managed by customer/counterparty. At the end of the reporting period, the Group had certain concentrations of credit risk as 36.9% (2015: 41.7%) and 64.8% (2015: 66.2%) of the Group's trade receivables were due from the Group's largest customer and the five largest customers, respectively.

### 37. 財務風險管理目標及政策(續)

#### 信貸風險

本集團僅與獲認可及信譽良好的第三方交易。本集團的政策是任何有意按信貸期交易的客戶須經信貸核實程序，並可能需要預先付款。此外，本集團持續監察應收款項餘額。

本集團財務資產(包括貿易應收款項及應收票據、已抵押存款及受限制現金、現金及銀行結餘及列入預付款項、按金及其他應收款項之財務資產)的信貸風險源於對手方違約，最大風險程度等於該等工具的賬面值。

按客戶／對手方管理信貸集中風險。於報告期末，本集團有若干信貸集中風險，因為本集團應收貿易款項中，分別有36.9%(二零一五年：41.7%)及64.8%(二零一五年：66.2%)應收本集團最大及五大客戶。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings. The Group's policies are to regularly monitor the current and expected liquidity requirements, and to ensure that it maintains sufficient reserves of cash and available banking facilities to meet its liquidity requirements in short and longer terms.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

	On demand 按要求償還 HK\$'000 千港元	Less than 1 year 少於一年 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>2016</b>				
		<b>二零一六年</b>		
Trade and bills payables	–	108,308	–	108,308
Financial liabilities included in other payables and accruals	–	32,043	–	32,043
Interest-bearing bank borrowings	119,364	83,960	8,446	211,770
Finance lease payables	–	6,219	7,422	13,641
	<b>119,364</b>	<b>230,530</b>	<b>15,868</b>	<b>365,762</b>

### 37. 財務風險管理目標及政策(續)

#### 流動現金風險

本集團的目標為利用銀行借款維持資金的持續性與靈活性之平衡。本集團的政策為定期監察現有及預期流動資金需求，以確保能維持充裕現金儲備及可用銀行融資，以滿足短期及長期流動資金需求。

本集團於報告期末根據合約未貼現付款的財務負債到期狀況如下：

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### 37. 財務風險管理目標及政策(續)

**Liquidity risk (continued)** **流動現金風險(續)**

		On demand 按要求償還 HK\$'000 千港元	Less than 1 year 少於一年 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>2015</b>	<b>二零一五年</b>				
Trade and bills payables	貿易應付款項及應付票據	–	113,611	–	113,611
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的財務負債	–	67,175	2,624	69,799
Interest-bearing bank borrowings	計息銀行借款	86,678	88,853	27,224	202,755
Finance lease payables	融資租賃應付款項	–	6,169	12,494	18,663
		86,678	275,808	42,342	404,828

Included in interest-bearing bank borrowings are term loans of which the loan agreements contain a repayment on-demand clause giving the banks the unconditional right to call in the loans at any time and therefore, for the purpose of the above maturity profile, the total amount is classified as "on demand".

計息銀行借款中包括定期貸款，其貸款協議中包括須應要求還款之條款，給予銀行無條件權利可於任何時間追收貸款，因此，就上述到期狀況而言，該貸款乃全數分類為「應要求償還」。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Liquidity risk (continued)

Notwithstanding the above clause, the directors do not believe that the loans will be called in its entirety within 12 months, and they consider that the loans will be repaid in accordance with the maturity dates as set out in the loan agreements. This evaluation was made considering: the financial position of the Group at the date of approval of the financial statements; the lack of events of default, and the fact that the Group has made all previously scheduled repayments on time. In accordance with the terms of the loans which contain a repayment on demand clause, the maturity profile of those loans as at the end of the reporting period, based on the contractual undiscounted payments and ignoring the effect of any repayment on demand clause, is as follows:

		Less than 1 year 少於一年 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 December 2016	於二零一六年十二月三十一日	35,220	92,261	127,481
As at 31 December 2015	於二零一五年十二月三十一日	22,320	70,440	92,760

### 37. 財務風險管理目標及政策(續)

#### 流動現金風險(續)

縱然有以上條款，董事並不相信該貸款會被要求於十二個月內悉數償還，而董事認為該貸款將按貸款協議所載之到期日償還。此項評估之考慮因素為：本集團於財務報表獲批准當日之財務狀況；並無違約事件；及本集團先前一直按照時間表依時還款。根據包括須應要求還款條款之貸款的條款，若不論須應要求還款條款之影響，根據已訂約未貼現付款，該等貸款於報告期末時之到期情況如下：

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or raise new capital from its investors. The Group is required to comply with certain externally imposed capital requirements set out in certain of its bank loan agreements/bank facility letters. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2016 and 31 December 2015.

The Group monitors capital using a gearing ratio, which is total debt divided by total equity. Total debt includes interest-bearing bank borrowings and finance lease payables.

The gearing ratios as at the end of the reporting period are as follows:

### 37. 財務風險管理目標及政策(續)

#### 資本管理

本集團管理資本的主要目的為保障本集團維持持續經營能力，並保有穩健的資本比率，以支持業務及爭取最大股東價值。

本集團因應經濟狀況變動而管理資本架構及作出調整。為維持或調整資本架構，本集團可能調整付予股東的股息或向投資者籌集新資本。本集團須遵守若干銀行貸款協議／銀行融資信件所列載的若干外部施加的資本規定。於截至二零一六年十二月三十一日及二零一五年十二月三十一日止年度，管理資本的目標、政策或程序概無變動。

本集團按資產負債比率(即總債務除以總權益)管理資本。總債務包括計息銀行借款及融資租賃應付款項。

於報告期末之資產負債比率列載如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Interest-bearing bank borrowings	計息銀行借款	210,381	188,932
Finance lease payables	融資租賃應付款項	13,048	17,369
Total debt	總債務	223,429	206,301
Total equity	總權益	421,829	428,784
Gearing ratio	資產負債比率	0.5	0.5

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

### 38. 本公司財務狀況表

於報告期末本公司財務狀況表的資料如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
NON-CURRENT ASSET	非流動資產		
Investment in a subsidiary	於一間附屬公司的投資	1	1
CURRENT ASSETS	流動資產		
Due from subsidiaries	應收附屬公司款項	65,864	68,207
Prepayments	預付款項	360	295
Cash and bank balances	現金及銀行結餘	218	251
Total current assets	流動資產總額	66,442	68,753
CURRENT LIABILITIES	流動負債		
Other payables and accruals	其他應付款項及應計款項	1,190	906
Due to a subsidiary	應付一間附屬公司款項	1,463	—
Total current liabilities	流動負債總額	2,653	906
NET CURRENT ASSETS	流動資產淨值	63,789	67,847
Net assets	資產淨值	63,790	67,848
EQUITY	權益		
Issued capital	已發行股本	2,400	2,400
Reserves (note)	儲備(註)	61,390	65,448
Total equity	總權益	63,790	67,848



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

		Share premium account 股份溢價賬 HK\$'000 千港元	Retained profit/ (accumulated loss) 保留溢利/ (累計虧損) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	62,609	(20,932)	41,677
Profit and total comprehensive income for the year	年內溢利及全面收入總額	-	35,771	35,771
Interim 2015 dividend	二零一五年中期股息	-	(12,000)	(12,000)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	62,609	2,839	65,448
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	(4,058)	(4,058)
At 31 December 2016	於二零一六年十二月三十一日	62,609	(1,219)	61,390

### 39. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified/disaggregated to conform with the current year's presentation.

### 40. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 24 March 2017.

### 38. 本公司財務狀況表(續)

附註：

本公司儲備概要如下：

### 39. 比較數字

若干比較數字已重新分類/分拆以符合本年度之呈列方式。

### 40. 批准財務報表

財務報表已於二零一七年三月二十四日獲董事會批准及授權刊發。



**Yan Tat Group Holdings Limited**  
恩達集團控股有限公司



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