



RENTIAN TECHNOLOGY HOLDINGS LIMITED
仁天科技控股有限公司*

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

Stock Code 股份代號: 885



Annual Report 年報
2016

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Ms. Yang Xiaoying (*Chief Executive Officer*)
Mr. Tsang To
Mr. Choi Chi Fai

Independent Non-executive Directors

Mr. Zhang Xiaoman
Mr. Chin Hon Siang
Mr. Huang Xin (appointed on 15 November 2016)

COMMITTEES

Audit Committee

Mr. Chin Hon Siang (*Chairman*)
Mr. Zhang Xiaoman
Mr. Huang Xin (appointed on 15 November 2016)

Remuneration Committee

Mr. Zhang Xiaoman (*Chairman*)
Mr. Tsang To
Mr. Chin Hon Siang
Mr. Huang Xin (appointed on 15 November 2016)

Nomination Committee

Mr. Chin Hon Siang (*Chairman*)
Mr. Zhang Xiaoman
Mr. Huang Xin (appointed on 15 November 2016)

COMPANY SECRETARY

Mr. Wong Kwok San

AUTHORISED REPRESENTATIVES

Mr. Choi Chi Fai
Mr. Wong Kwok San

董事會

執行董事

楊曉櫻女士 (*行政總裁*)
曾濤先生
蔡志輝先生

獨立非執行董事

張小滿先生
陳鴻先先生
黃欣先生
(於二零一六年十一月十五日獲委任)

委員會

審核委員會

陳鴻先先生 (*主席*)
張小滿先生
黃欣先生
(於二零一六年十一月十五日獲委任)

薪酬委員會

張小滿先生 (*主席*)
曾濤先生
陳鴻先先生
黃欣先生
(於二零一六年十一月十五日獲委任)

提名委員會

陳鴻先先生 (*主席*)
張小滿先生
黃欣先生
(於二零一六年十一月十五日獲委任)

公司秘書

黃國新先生

授權代表

蔡志輝先生
黃國新先生



Corporate Information 公司資料

REGISTERED OFFICE

P. O. Box 309, Ugland House,
Grand Cayman, KY1-1104,
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 2001-2002, 20/F.,
AIA Central, 1 Connaught Road Central,
Hong Kong

AUDITOR

Mazars CPA Limited
Certified Public Accountants
42nd Floor, Central Plaza,
18 Harbour Road, Wanchai,
Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Hang Seng Bank Limited
Industrial Bank Co., Limited, Hong Kong Branch
The Bank of East Asia Limited
China Minsheng Banking Corporation Limited,
Hong Kong Branch

CAYMAN ISLANDS LEGAL ADVISERS

Maples and Calder Asia
53rd Floor, The Center,
99 Queen's Road Central,
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

STOCK CODE

00885

WEBSITE

www.rentiantech.com

註冊辦事處

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Grand Cayman, KY1-1104,
Cayman Islands

香港主要營業地點

香港
干諾道中1號友邦金融中心
20樓2001-2002室

核數師

瑪澤會計師事務所有限公司
執業會計師
香港
灣仔港灣道18號
中環廣場42樓

主要往來銀行

中國銀行(香港)有限公司
恒生銀行有限公司
興業銀行股份有限公司香港分行
東亞銀行有限公司
中國民生銀行股份有限公司香港分行

開曼群島法律顧問

Maples and Calder Asia
香港
皇后大道中99號
中環中心53樓

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心22樓

股份代號

00885

網址

www.rentiantech.com

Financial Highlights

財務摘要

The board of directors (the “Directors”) (the “Board”) of Rentian Technology Holdings Limited (the “Company” or “Rentian Technology”) is pleased to present the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2016 (the “Year”). The annual results have been audited by Mazars CPA Limited, the auditor of the Company, and reviewed by the audit committee of the Company (the “Audit Committee”).

The following is the financial highlights of the Company for the year ended 31 December 2016:

仁天科技控股有限公司（「本公司」或「仁天科技」）董事（「董事」）會（「董事會」）欣然呈報本公司及其附屬公司（「本集團」）截至二零一六年十二月三十一日止年度（「本年度」）之經審核綜合業績。年度業績已由本公司核數師瑪澤會計師事務所有限公司審核，並由本公司之審核委員會（「審核委員會」）審閱。

以下為本公司截至二零一六年十二月三十一日止年度之財務摘要：

| | | Year ended 31 December 截至十二月三十一日止年度 | | Change 變動 | Change 變動 |
|--|---------------------------|--|----------------------------------|--------------|--------------|
| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 | | % 百分比 |
| Revenue | 收益 | 1,203,580 | 904,096 | 299,484 | 33.1% |
| Gross profit | 毛利 | 464,259 | 353,692 | 110,567 | 31.3% |
| <i>Gross profit margin</i> | <i>毛利率</i> | 38.6% | 39.1% | | |
| Profit from operation | 經營溢利 | 386,130 | 48,893 | 337,237 | 689.7% |
| Profit for the year | 年內溢利 | 231,014 | 61,004 | 170,010 | 278.7% |
| <i>Net profit margin</i> | <i>純利率</i> | 19.2% | 6.7% | | |
| Profit attributable to the owners of the Company | 本公司擁有人應佔溢利 | 154,446 | 38,258 | 116,188 | 303.7% |
| Adjusted net profit (Note 1) | 經調整純利（附註1） | 329,750 | 100,864 | 228,886 | 226.9% |
| <i>Adjusted net profit margin</i> | <i>經調整純利率</i> | 27.4% | 11.2% | | |
| EBITDA | 除利息、稅項、折舊及攤銷前盈利（「EBITDA」） | 392,090 | 114,694 | 277,396 | 241.9% |
| <i>EBITDA margin</i> | <i>EBITDA率</i> | 32.6% | 12.7% | | |
| Adjusted EBITDA (Note 2) | 經調整EBITDA（附註2） | 473,765 | 154,554 | 319,211 | 206.5% |
| <i>Adjusted EBITDA margin</i> | <i>經調整EBITDA率</i> | 39.4% | 17.1% | | |



Financial Highlights

財務摘要

| | | Year ended 31 December 截至十二月三十一日止年度 | | Change 變動 | Change 變動 |
|---|-----------------------|--|----------------------------------|--------------|--------------|
| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 | | % 百分比 |
| Earnings per share (in HK cents) | 每股盈利 (港仙) | | | | |
| – basic | – 基本 | 1.59 | 0.52 | 1.07 | 205.8% |
| – diluted | – 攤薄 | 1.56 | 0.52 | 1.04 | 200.0% |
| Adjusted earnings per share (in HK cents) (Note 3) | 經調整每股盈利 (港仙) (附註3) | | | | |
| – basic | – 基本 | 2.61 | 1.06 | 1.55 | 146.0% |
| – diluted | – 攤薄 | 2.56 | 1.06 | 1.50 | 141.5% |
| Total assets | 資產總值 | 5,436,612 | 3,467,952 | 1,968,660 | 56.8% |
| Total liabilities | 負債總額 | 2,003,120 | 1,203,642 | 799,478 | 66.4% |
| Net assets | 資產淨值 | 3,433,492 | 2,264,310 | 1,169,182 | 51.6% |

Notes:

- Adjusted net profit is not defined under Hong Kong Financial Reporting Standards (“HKFRS”), and is derived from the net profit excluding the effect of non-cash share options expenses and non-cash expenses arising from acquisitions.
- Adjusted EBITDA, as presented, represents adjusted net profit, adjusted to exclude finance costs, taxation, depreciation and other amortisation.
- Adjusted basic earnings per share is calculated by dividing the adjusted net profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year. The denominator for computing the adjusted diluted earnings per share is calculated by the weighted average number of ordinary shares outstanding to assume certain specific conditions of part of the share options were met and those share options were exercised.

附註：

- 經調整純利於香港財務報告準則中未有界定，乃按純利扣除非現金購股權開支及收購產生之非現金開支之影響計算。
- 經調整EBITDA乃指經調整純利，已作調整以扣除融資成本、稅項、折舊及其他攤銷。
- 經調整每股盈利乃按本公司擁有人應佔經調整純利除以年內已發行普通股數目計算。計算經調整每股攤薄盈利所用分母乃按假設部分購股權之若干特定條件已達成及該等購股權已獲行使下之已發行普通股加權平均數計算。

CEO's Statement

行政總裁報告

PROSPECT

In 2016, Rentian Technology Holdings Limited ("Rentian Technology" or the "Group") continued to expand its business in the corporate internet-of-things ("IoT") solutions sector. During the Year, the Group carried on with its focus on corporate IoT applications by actively assisting its operating arms to expand and grow. For example, it supported Shenzhen Hexicom Technologies Company Limited* ("Hexicom") to acquire Hangzhou Lepei Telecommunication Company Limited* ("Lepei"), which is equipped with state-of-the-art optical transmission design capacity. All subsidiaries retained their core management so as to keep on exploring new businesses and markets, such as logistic and storage automation, data processing services and smart terminal development. Notwithstanding the prevailing challenges in the Chinese macro-economic environment, Rentian Technology delivered outstanding growth and satisfactory results, demonstrating the initial success of its post-acquisition management and integration efforts.

During the Year, Rentian Technology completed the acquisition of 51% equity interest in Next Concept International Investment Limited ("Next Concept") and its subsidiaries (the "Next Concept Group"). Following the acquisition, the software development of the Rentian Technology is strengthened and Rentian Technology's business is diversified into internet finance and related sectors, including trading management and hosting services for bulk commodities supply chain, information broadcasting, IoT storage and logistics facilitation, and transaction settlement and electronic payment system.

Rentian Technology believes that the IoT market will maintain rapid growth in the next few years. As such, the Group will carry on with its market development, product research and development, investment and merger and acquisition in the IoT sector. According to the latest research report issued by Machina Research, a renowned international IoT research institute, in August 2016, it is expected that by 2025, the total number of connected IoT devices across the world will increase from 6 billion for 2015 to 27 billion, representing a compound annual growth rate (CAGR) of 16%, and China, the United States and Japan will top the list with rates of 21%, 20% and 7% respectively. Revenue from operations relating to IoT will grow from US\$750 billion for 2015 to US\$3,000 billion. Volume of data relating to IoT will also reach 2 billion TB.

* The official name is in Chinese and the English is translated for identification purpose only

前景

2016年是仁天科技控股有限公司(以下簡稱「仁天科技」或「本集團」)在企業物聯網解決方案領域繼續深耕的一年。本年度本集團繼續專注於企業級的物聯網應用,而且主要投入於幫助進入集團平台的成員公司做大做強,包括協助深圳市海億康科技有限公司(「海億康」)收購具有業界領先的光通訊領域設計能力的杭州樂佩通信有限公司(「樂佩通信」)等。各附屬公司能保持核心管理層的穩定,不斷拓展新的業務領域和市場如物流倉儲自動化、數據處理服務和智能終端設計等,在當前具有挑戰性的中國內地宏觀經濟環境下,仍能達到良好的增長目標,交出了一份不錯的業務成績單,說明了仁天科技在收購後的管理和整合已經具備了初期的效果。

仁天科技於本年度內完成收購進念國際投資有限公司(「進念」)及其附屬公司(「進念集團」)51%股本權益。是次收購增強仁天科技軟件技術能力,將仁天科技業務延伸到互聯網金融及相關領域,包括大宗商品供應鏈、信息資訊、物聯網倉儲物流、交易清算支付等方面的管理與服務。

仁天科技相信,未來幾年的物聯網市場將繼續維持高速增長趨勢,本集團將繼續圍繞物聯網進行市場拓展、產品研發及投資併購。按照國際著名的物聯網研究機構Machina Research在2016年8月發表的最新研究報告,預計到2025年,全球物聯網連接總數量將從2015年的60億增長至270億個,預計年度複合增長率(CAGR)達到16%,中國、美國、日本分別佔據前三位(各自為21%、20%、7%),物聯網相關營業收入將從2015年的7,500億美元增長到30,000億美元,物聯網相關數據亦將增長至20億TB的規模。

* 官方名稱以中文為準,英文翻譯名稱僅供識別之用



CEO's Statement 行政總裁報告

In view of the above, the growth of the IoT market in China will continue to lead the world in the coming years. Further to the document named "Made in China 2025" promulgated by the State Council of China in May 2015, two Chinese government bodies, namely the Ministry of Industry and Information Technology and the National Development and Reform Commission issued a Circular on Intelligent Hardware Industry Innovation and Development Initiative (2016-2018) in September 2016, which set out the national goals of reaching a share of over 30% in the world intelligent hardware market and a total industry volume of over RMB500 billion by 2018. The government also anticipates a number of leading listed companies in this industry with significant breakthroughs in key technical areas such as the design of low-power light-weight systems, low-power wide-area intelligent IoT, virtual reality, intelligent human-machine interaction and high-performance motion attitude control. The nation aims at boosting its involvement in, contribution to and influence over international market trends having a 10% share in patents around the world. Three pillars, namely standard development, product and application testing, and industrial supply capacity monitoring, will be established with state-of-the-art intelligent hardware standardisation and public service capacity. Several innovation platforms with advanced technologies, distinctive hallmarks and complementarity will be laid down to foster entrepreneurship and innovation support. In order to raise production efficiency by 20% or above, intelligent industrial sensors, intelligent PLC, intelligent unmanned systems and other intelligent industrial hardware should have been put into large-scale testing so as to develop replicable and marketable industrial application solutions that can facilitate both industrial and civil sectors. It is clear that the priority currently given by Rentian Technology to IoT development is closely in line with such goals.

承上所述，中國區域內的物聯網市場在未來的幾年將在全球範圍內繼續保持領先的發展趨勢。在中國國務院2015年5月印發《中國製造2025》文件後，中國兩部委（工業和信息化部、國家發展和改革委員會）在2016年9月印發了《智能硬件產業創新發展專項行動（2016-2018年）》的通知，文中設定的行動目標為「到2018年，中國智能硬件全球市場佔有率超過30%，產業規模超過人民幣5,000億元。在低功耗輕量級系統設計、低功耗廣域智能物聯、虛擬現實、智能人機互動、高性能運動與姿態控制等關鍵技術環節取得明顯突破，培育一批行業領軍上市企業。在國際主流生態中的參與度、貢獻度和影響力明顯提升，海外專利佔比超過10%。建成標準開發、產品及應用檢測、產業供給能力監測三大支撐平台，智能硬件標準化及公共服務能力達到國際先進水平。佈局若干技術先進、特色突出、優勢互補的高水平創新平台，創業創新支撐能力明顯提升。智能工業傳感器、智能PLC、智能無人系統等工業級智能硬件產品形成規模示範，帶動生產效率提升20%以上。形成一批可複製、可推廣的行業應用解決方案，產業便民、惠民成效顯現。」不難看出，仁天科技當前的物聯網發展重點與此目標是繼續高度匹配的。

CEO's Statement

行政總裁報告

Looking forward to 2017, Rentian Technology will further invest in and develop the following aspects:

1. Promote IoT infrastructure applications and realise customers' value with outstanding products and solutions in a comprehensive manner

It is observed that in spite of rapid growth, the Chinese IoT application market is characterised by imbalanced and fragmentary development. There is no clear market leader in large-volume markets such as basic customer information systems as well as foundational components such as RFID, sensors, mobile telecommunications and so on. Standards (such as NB-IOT and LORA technologies for low-power wide-area networks) are complicated and inconsistent. There is also a lack of good solutions to enhance customers' value. These conditions pose challenges for any multiplication of IoT infrastructure applications.

Rentian Technology has already taken ground in the infrastructure application sector with an IoT platform comprising cloud (such as back-office data and processing systems), pipeline (telecommunication technologies) and endpoint (such as frontline data collection and processing). In the coming year, Rentian Technology will step up its efforts in promoting infrastructure application, assisting each of the subsidiaries to expand in their specialties through acquisitions, and enhancing customers' end value by developing solutions. In other words, the Group will carry on its intricate development approach while also stressing gradual integration.

展望2017年，仁天科技將在如下方面進行進一步的投入與發展：

1. 縱深推動物聯網基礎應用，通過優秀產品和解決方案實現客戶價值

觀察中國國內的物聯網應用市場，雖然發展很快，但是呈現一種不均衡和碎片化的特點。客戶基礎信息系統的缺乏，基礎級的部件如RFID、傳感器和移動通訊等應用量大但缺乏明顯的市場領導者，標準的複雜和不統一（如低功耗廣域網領域的NB-IOT和LORA技術），缺乏良好的解決方案提升客戶價值體現，給物聯網基礎應用的大規模爆發帶來了挑戰。

仁天科技在過去已經佈局了雲（後台數據和處理系統等）、管（通訊技術）、端（前段數據收集和處理等）的物聯網體系，在基礎應用上具備了很好的競爭力。在未來一年內，仁天科技將加大基礎應用的推廣，協助各成員公司完成各自細分領域的擴展性收購，並通過發展解決方案來提升客戶最終的價值實現。換言之，本集團將繼續推動「小而美」的發展路線，同時關注「由點到面」的整合路線。



CEO's Statement 行政總裁報告

2. Focus on data-related core value and services and encourage device, platform and model development

In addition to the promotion of IoT infrastructure applications, Rentian Technology must also foster data-related core value and services. Rentian Technology has an extensive and diversified customer base. As the aforementioned infrastructure applications mature, a substantial amount of business data will be generated automatically or semi-automatically. Such data is important for tailor-made marketing and production. Despite the capabilities to process certain amount of data, the Group's subsidiaries still have to make headway with the development of big data infrastructure platforms and models. Rentian Technology will provide its subsidiaries with the required resources to pursue such goals, particularly in upholding big data processing centre technology and gradually offer "Data as a Service (DAAS)".

3. Capitalise on the development of unmanned or intelligent technologies

In view of the rise in labour cost and diminishing demographic dividend in China, the replacement of manual labour by machines or unmanned techniques will prolong for a long time under the Industry 4.0 blueprint. The existing product and service portfolio of Rentian Technology have demonstrated relatively sufficient coverage within the segment of the IoT industry, such as storage and logistic automation and intelligent boundary surveillance and management. In the coming year, Rentian Technology may further develop into its related fields such as industrial robots and commercial drone.

2. 重視數據核心價值和服務，推進工具、平台和模型建設

在繼續推動物聯網基礎應用的同時，發展數據延伸的核心價值和服務是仁天科技非常自然的路徑選擇。仁天科技擁有廣闊且多元化的客戶群，由於上述基礎應用的成熟，將自動或者半自動產生巨量的業務數據，這些對於精準營銷及精準生產來說是非常有價值的因素。本集團下屬成員公司目前已經擁有了一定的數據處理分析能力，但在海量數據基礎工具平台和模型開發上仍需要繼續發展。仁天科技將提供必要資源協助成員公司在此方向繼續發展和進步，構建大數據處理中心的能力，以逐步向「數據即服務 (DAAS)」的方向前進。

3. 把握無人化或智能化的趨勢

由於國內人力成本的攀升和人口紅利的逐步下降，在工業4.0藍圖的驅動下，機器換人或者無人化的趨勢將持續相當長的時間。仁天科技目前的產品及服務組合中已有部分很好地覆蓋物聯網行業中的此領域，如倉儲物流自動化、智能周界監控和管理等，在新的一年中可以往相關領域如工業機器人和商用無人機方向拓展。

CEO's Statement

行政總裁報告

Furthermore, although artificial super intelligence will not materialize in the near future according to futurologists, the advancement of artificial intelligence, especially the deep learning and neural network development had captured the attention in the past few years. In particular, AlphaGo, a computer Go programme, defeated Lee Sedol, a top South Korean professional Go player, in 2016. Rentian Technology believes that artificial intelligence will gradually take root in commercial sector and stimulate high-level development of IoT applications. In the coming year, the Group will keep track of the boost in these areas triggered by artificial intelligence.

Following the global and regional consolidation across the industry in 2016, the management perceives that the coming years will be full of challenges and opportunities. Outdated players will be eliminated and phased out. Players developing new technologies will continue to prosper. We are confident to believe that Rentian Technology will continue to generate new business models and markets and be equipped to embrace the future.

Yang Xiaoying

Executive Director and Chief Executive Officer

進一步說，雖然按照未來學家的預測，超級人工智能在未來相當長的時間中尚未能實現，人工智能在過去幾年的進步特別是深度學習和神經網絡方面的進展仍然是令人關注的，尤其是2016年機器人圍棋棋手AlphaGo戰勝韓國一流棋手李世石後。仁天科技認為，人工智能在商業領域的落地將逐步實現，同時將驅動物聯網的應用向高端發展，在新一年中集團將關注人工智能機會對上述兩點的增強。

延續2016年全球和地區性的行業整合，管理層認為來年將會是充滿挑戰和機會的一年，沒有進化完全的物種將會凋謝或者消亡，進化出新的生存方式的物種將繼續繁榮。我們深信，仁天科技將不斷發展新的商業模式和市場，為未來做好準備。

執行董事兼行政總裁

楊曉櫻



Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

The Group has the following major business activities during the Year:

IoT Business

The major business activities of the Group covers cloud computing and data processing and analysis (“cloud”), telecommunication infrastructure and technologies (“pipeline”) and terminal computing (“endpoint”) for corporate IoT systems. Given the varied, but inter-related businesses of the subsidiaries, the Group’s business portfolio is diversified with potential for profit growth. Following the acquisitions and initial consolidation platform of subsidiaries in 2015, the Group continued to expand its business in the corporate IoT solution sector in 2016.

During the Year, the Group has made 4 additional acquisitions to strengthen the IoT business.

In April 2016, the Group completed the acquisition of 51% equity interests in Next Concept Group. Next Concept Group is principally engaged in providing one-stop solution, including but not limited to market promotion research, software design, IT solution and strategic business consultation and development, to companies engaging in commodities trading industry in the People’s Republic of China (the “PRC”).

In April 2016, the Group completed the acquisition of the remaining 17% equity interests in Fujian Start Computer Equipment Company Limited* (“FSCE”) and its subsidiaries (“FSCE Group”). FSCE Group is principally engaged in design, manufacturing and distribution of printers, terminals and computers and point-of-sales electronic products and providing information technology services to institutional clients under its own brand name “Start” in the PRC.

* The official name is in Chinese and the English is translated for identification purpose only

業務回顧

本集團於本年度內曾進行下列主要業務活動：

物聯網業務

本集團之主營業務主要分佈在面向企業的物聯網體系中的雲端計算和資料處理分析（「雲」）、通訊基礎設施與技術（「管」）和終端計算（「端」）三個環節。基於集團成員公司的組合特點，本集團之業務具有很好的行業多樣性和潛在盈利增長能力。經過二零一五年的成員公司收購和初步平台整合後，二零一六年是本集團在企業物聯網解決方案領域繼續深耕的一年。

本集團於本年度內再進行四宗收購，加強物聯網業務。

於二零一六年四月，本集團完成收購進念集團51%股本權益。進念集團主要從事向中華人民共和國（「中國」）大宗商品買賣行業之公司提供一站式解決方案業務，包括但不限於市場推廣研究、軟件設計、資訊科技解決方案及策略業務諮詢及開發。

於二零一六年四月，本集團完成收購福建實達電腦設備有限公司（「實達外設」）及其附屬公司（「實達外設集團」）餘下17%股本權益。實達外設集團主要於中國設計、製造及分銷打印機、終端機及電腦以及銷售點電子產品，並以自有品牌名稱「實達(Start)」向機構客戶提供資訊科技服務。

* 官方名稱以中文為準，英文翻譯名稱僅供識別之用

Management Discussion and Analysis

管理層討論與分析

In April 2016, Hexicom completed the acquisition of 75% equity interests in Lepei and its subsidiary (“Lepei Group”), which is principally engaged in the research and development, design and manufacturing of optical transmission network equipment and software products for Gigabit-Capable Passive Optical Network (“GPON”) and Ethernet Passive Optical Network (“EPON”) communication. Lepei Group has vast experience in the research and development of GPON/EPON products and secured extensive clients in the market.

In December 2016, the Group completed the acquisition of the additional 10% equity interests in Shenzhen CNEOP Technology Company Limited* (“CNEOP”) for a total cash consideration of RMB15,000,000 (equivalent to approximately HK\$16,753,000) and resulted in the Group holding 61% equity interest in CNEOP. CNEOP is principally engaged in (i) the research, development and production of mobile data capture intelligence terminals; (ii) the provision of internet-of-things application and solutions based on automatic identification and data capture (AIDC) technologies for, among others, courier, logistics, storage, medical, transportation industries; and (iii) the operation of internet-of-things data servicing platform.

Securities Investment business

The Group invested in listed and unlisted securities as both short-term and long-term investments. During the Year, the Group recorded realised gain of approximately HK\$25.63 million from the disposal of certain securities and recognised unrealised gains of financial assets through profit or loss of approximately HK\$264.44 million in profit or loss. The Group also recorded HK\$0.41 million loss on disposal of available-for-sales financial assets. An impairment loss of HK\$41.11 million has been reclassified as a reclassification adjustment on available-for-sale financial assets for long-term investments.

於二零一六年四月，海億康完成收購樂佩通信及其附屬公司（「樂佩集團」）75%股本權益，樂佩集團主要從事研發、設計及製造千兆無源光網路（「GPON」）及乙太網無源光網路（「EPON」）通信相關的光纖傳輸網絡設備及軟件產品，擁有豐富的GPON/EPON產品研發經驗和廣泛的市場客戶。

於二零一六年十二月，本集團完成收購深圳市中光遠科技有限公司（「中光遠科技」）額外10%股本權益，總現金代價為人民幣15,000,000元（相等於約16,753,000港元），致使本集團持有中光遠科技61%股本權益。中光遠科技主要從事(i)移動數據智能採集終端之研發與生產；(ii)基於自動識別與數據採集技術提供快遞、物流、倉儲、醫療、交通等行業之物聯網應用及解決方案；及(iii)物聯網資料服務平台運營。

證券投資業務

本集團投資於上市及非上市證券作短期及長期投資。於本年度內，本集團因出售若干證券而錄得已變現收益約25,630,000港元，並於損益中就於損益帳按公平值處理之財務資產確認未變現收益約264,440,000港元。本集團亦錄得出售可供出售財務資產之虧損410,000港元。由於就作長期投資之可供出售財務資產作出重新分類調整，故減值虧損41,110,000港元已重新分類。

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* 官方名稱以中文為準，英文翻譯名稱僅供識別之用



Management Discussion and Analysis

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Market momentum fluctuated tremendously in 2016. The Hang Seng Index (“HSI”) and the Hang Seng China Enterprises Index recorded declines of up to 17% and 22%, respectively, at one point due to poor sentiment and worse-than expected macro data in China. This was followed by a sharp rebound, driven by strong momentum in overseas markets, particularly the US market’s sentiment. However, the HSI severely affected later in the year by some disappointing news, including MSCI’s decision not to include China A-shares in its benchmark indices and Brexit-related turbulence. Market volatility increased further in the second half year in 2016 due to uncertainties regarding the US presidential election and the long-awaited Shenzhen-HK Connect announcement.

二零一六年的市場發展態勢極為波動。恒生指數及恒生中國企業指數曾一度由於中國低迷的氣氛及較預期差的宏觀數據而分別下跌高達17%及22%，隨後受海外市場，尤其是美國市場氣氛的強勁勢頭帶動猛烈反彈。然而，年內稍後出現摩根士丹利資本國際決定不將中國A股納入其基準指數及英國脫歐相關動蕩在內的事件，令人沮喪，再次對恒生指數造成沉重打擊。二零一六年下半年，由於與美國總統大選及人們期盼已久的深港通啟動相關的不明朗因素，市場波動進一步增加。

The Group’s significant investments (i.e. investment with carrying amount exceeding 5% of the total assets of the Group) held as at 31 December 2016 stated were as follows:

本集團於二零一六年十二月三十一日所持重大投資（即帳面金額佔本集團資產總值超過5%之投資）如下：

| Type of security 證券類別 | Classification of financial assets (fair value through profit or loss (“FVTPL”)/ available-for-sale (“AFS”)) 財務資產分類（於損益帳按公平值處理/可供出售） | % of shareholding represented by the shares/ underlying shares held by the Company 本公司所持股份/相關股份所佔持股量之百分比 | | Unrealised gain/(loss) or increase/ (decrease) in fair value as at 31 December 2016 於二零一六年十二月三十一日之未變現收益/（虧損）或公平值增加/（減少） HK\$'000 千港元 | Unrealised gain/(loss) or increase/ (decrease) in fair value as at 31 December 2015 於二零一五年十二月三十一日之未變現收益/（虧損）或公平值增加/（減少） HK\$'000 千港元 | Fair value as at 31 December 2016 於二零一六年十二月三十一日之公平值 HK\$'000 千港元 | Fair value as at 31 December 2015 於二零一五年十二月三十一日之公平值 HK\$'000 千港元 | |
|-----------------------------------|---|---|---|---|---|---|---|-----------|
| | | as at 31 December 2016 於二零一六年十二月三十一日 | as at 31 December 2015 於二零一五年十二月三十一日 | | | | | |
| Investment A (Note 1) 投資甲（附註1） | Ordinary shares 普通股 | 0.65% | 0.74% | AFS 可供出售 | (41,114) (Note 3) (附註3) | (41,114) (Note 3) (附註3) | 110,106 | 110,106 |
| | | 5.96% | 6.76% | FVTPL 於損益帳按公平值處理 | - | (110,855) | 1,005,824 | 1,005,824 |
| Investment B (Note 2) 投資乙（附註2） | Equity-linked notes (Note 4) 股票掛鈎票據（附註4） | N/A 不適用 | N/A 不適用 | FVTPL 於損益帳按公平值處理 | 202,077 | 17,123 | 677,200 | 475,123 |
| Investment C (Note 5) 投資丙（附註5） | Ordinary shares 普通股 | 4.19% | - | FVTPL 於損益帳按公平值處理 | 83,984 | - | 300,000 | - |

Management Discussion and Analysis

管理層討論與分析

Notes:

1. Investment A is Carnival Group International Holdings Limited (stock code: 00996.HK) (“Carnival”) which is the Hang Seng Mid-Cap Index Constituent Stock, information published by Carnival regarding its performance and prospects can be found at the HKEXNews website. Based on published announcement, Carnival has diversified its business into other sectors, including edutainment and restaurant operation, which Carnival believes complement its existing business, further expand its customer base and diversify its future sources of revenue. Integrated tourism and leisure projects, will continue to benefit from the growing tourism market, expanding middle class and trend towards a consumption-driven economy in the PRC and abroad. Carnival can fully leverage the uniqueness of its business model to gain first-mover advantage and seize the opportunities in the industry.
2. Investment B, which cannot be identified due to confidentiality obligations, was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) in 2015. Based on published research reports, the bank is considered a fast-growing bank with improving retail franchise, relatively prudent risk management and flexible loan mix. The bank had stated that it will proactively gather momentum on traditional businesses of wholesale, retail and asset management as well as on innovative businesses of “Internet +” and “Commercial Bank +”, strengthen its risk management and control and seek to achieve steady growth of its market value. Based on its published interim report and recent announcement, the bank is faced with challenges of downward pressure caused by complex external development environment and internal economic restructuring, such as continued regional risks, sluggish credit demand in the real economy, continued narrowing of interest spread and changes in policies of the industry. The bank is presented with both challenges and opportunities. It still enjoys a number of development opportunities such as steady development opportunity brought by the stability in economic growth, major project reserve opportunity incubated by the “13th Five-year Plan” with a good start in 2016, livelihood finance opportunity powered by the local government financial investment, financial market opportunity generated from the easing monetary policy and retail finance opportunity brought by household wealth accumulation. The fundamentals of economic development kept getting better, with economy in a steadily rising trend for the whole year, and the base and support for the long-term and healthy development were growing increasingly solid.

附註:

1. 投資甲指嘉年華國際控股有限公司(股份代號: 00996.HK) (「嘉年華」, 為恒生中型股指數成份股)。嘉年華就其表現及前景刊發之資料載於披露易網站。根據已發表公告, 嘉年華已開拓娛樂教育及經營餐廳等業務範疇, 相信可與現有業務配合, 進一步擴大客戶群及多元化未來收入來源。旅遊及休閒綜合項目將繼續受益於旅遊業市場增長、中產階層擴大, 以及中國及海外趨向由消費帶動之經濟模式。嘉年華可充分運用其業務模式之獨特性質, 在業界獲得先手優勢並把握商機。
2. 投資乙乃於二零一五年在香港聯合交易所有限公司(「聯交所」)主板上市, 因保密責任而不可指明。根據已刊發之研究報告, 該銀行被視為高增長銀行, 零售業務一直改善, 風險管理相對審慎, 貸款組合靈活。該銀行表示, 其將積極發展傳統批發、零售及資產管理業務, 同時發展「互聯網+」及「商業銀行+」創新業務, 強化風險管理及監控, 致力達致穩定市值增長。根據其已發表之中期報告及近期公佈, 該銀行面對外部發展環境和內部經濟結構調整導致的下行壓力, 如區域風險繼續暴露、實體經濟信貸需求不足、利差持續收窄及行業政策變動等挑戰。惟該銀行所面臨之機遇與挑戰並存。該銀行仍擁有諸多發展機遇, 如經濟增長企穩帶來之平穩發展機遇, 二零一六年良好開局之「十三五規劃」產生之大項目機遇, 地方政府財政投資發力帶來之民生金融機遇, 貨幣政策寬鬆帶來之金融市場機遇, 以及居民財富增長帶來之零售金融機遇。經濟發展基本面持續向好, 全年經濟運行穩中有進, 長期健康發展的基礎和支撐日趨穩固。



Management Discussion and Analysis

管理層討論與分析

- At 31 December 2015, a decrease in fair value of HK\$41.11 million in respect of Carnival was recognised in the available-for-sale financial assets revaluation reserve and charged to the other comprehensive loss in consolidated statement of comprehensive income. In view of the prolonged decline in fair value below cost, an impairment loss of HK\$41.11 million has been reclassified to profit or loss as a reclassification adjustment during the Year.
- The equity-linked notes are redeemable at the discretion of the Group from time to time based on the net proceeds to be obtained from the disposal of the underlying shares at the time of redemption.
- Investment C is Freeman FinTech Corporation Limited (stock code: 00279.HK) ("Freeman") which is the Hang Seng SmallCap Index Constituent Stock, information published by Freeman regarding its performance and prospects can be found at the HKEXNews website. Based on published announcement, Freeman has been offered a firststarter advantage to access to the huge and fast-growing financial markets in China which enabled Freeman to engage in a full spectrum of securities and financial business in China. Freeman believed that would be significantly benefited from the expansion of its financial services in the new market. Freeman is in the process of acquiring a licensed corporation carrying out businesses in Type 1 (dealing in securities), 4 (advising on securities) and 9 (asset management) regulated activities under the SFO, which is also a member of Professional Insurance Brokers Association of Hong Kong, aiming to create a one-stop financial conglomerate to provide a comprehensive range of financial services and to enhance the overall competitiveness of Freeman. In the long run, Freeman aims at extending its financial services businesses to Mainland China and will continue to pursue new opportunities in the financial services industry to enhance values to its shareholders.
- 於二零一五年十二月三十一日，就嘉年華於可供出售財務資產重估儲備中確認公平值減少41,110,000港元，並計入綜合全面收入報表中之其他全面虧損。鑑於公平值長期減少至低於成本，故於本年度將減值虧損41,110,000港元重新分類至損益帳，列作重新分類調整。
- 本集團可不時按照於贖回時出售相關股份所得款項淨額，酌情贖回股票掛鈎票據。
- 投資丙為民眾金融科技控股有限公司（股份代號：00279.HK）（「民眾」，為恒生小型股指數成份股）。民眾就其表現及前景刊發之資料載於披露易網站。根據已發表公告，民眾已獲得進軍中國龐大且迅速發展之金融市場之先佔優勢，這令民眾可在中國從事全面之證券及金融業務。民眾相信將自其於新市場擴展金融服務中大獲裨益。民眾正在收購一間從事證券及期貨條例項下第1類（證券交易）、第4類（就證券提供意見）及第9類（提供資產管理）受規管活動之持牌法團（其亦為香港專業保險經紀協會會員），旨在創建一站式金融集團，以提供綜合性金融服務及提升民眾綜合競爭力。長遠看來，民眾旨在將其金融服務業務擴展至中國內地，並將繼續把握金融服務業新機遇，以增強股東價值。

Money Lending Business

The Group provides short-term loans to various borrowers. Those short-term loans carried interest rates ranging from 10% to 18% per annum. During the Year, the money lending business contributed a loan interest income of HK\$8.70 million to the Group.

貸款業務

本集團向多名借款人提供短期貸款。該等短期貸款按年利率介乎10厘至18厘計息。於本年度內，貸款業務為本集團貢獻8,700,000港元之貸款利息收入。

Management Discussion and Analysis

管理層討論與分析

OUTLOOK

IoT Business

The major business activities of Rentian Technology covers cloud computing and data processing and analysis (“cloud”), telecommunication infrastructure and technologies (“pipeline”) and terminal computing (“endpoint”) for corporate IoT systems. Given the varied but inter-related businesses of the subsidiaries, Rentian Technology’s business portfolio is diversified with potential for profit growth. Following the acquisitions and initial consolidation platform of subsidiaries in 2015, Rentian Technology continued to expand its business in the corporate IoT solution sector in 2016.

A brief discussion and analysis of the operations of the principal subsidiaries of the Group is as follows.

Human-Machine Interactive Devices business

FSCE focuses on commercial human-machine interactive devices and develops terminal hardware, software and services application for treasury and taxation, finance, education and other key industries during the Year. It offered corporate solutions incorporating intelligence and mobile telecommunication, including but not limited to industrial integrated or self-service systems, intelligent payment devices, printing devices and all-in-one systems based on cloud platform. Apart from the traditional banking sectors, FSCE will continue to explore the national treasury and taxation sectors in the coming years. At the same time, Jiangsu Start Dima Data Processing Company Limited* (“Start Dima”, a directly non wholly-owned subsidiary of FSCE) will also continue to expand in insurance and other finance sectors. In respect of the research and development of new products, FSCE co-operated with CNEOP to develop the next-generation intelligent payment endpoints which are expected to be launched in 2017, thereby realising synergies in terms of technology and resource sharing.

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展望

物聯網業務

仁天科技的主營業務主要分佈在面向企業的物聯網體系中的雲端計算和數據處理分析(「雲」)、通訊基礎設施與技術(「管」)和終端計算(「端」)三個環節。基於集團成員公司的組合特點，仁天科技的業務具有很好的行業多樣性和潛在盈利增長能力。經過2015年的成員公司收購和初步平台整合後，2016年是仁天科技在企業物聯網解決方案領域繼續深耕的一年。

以下將針對本集團各主要附屬公司的運營進行概要討論和分析。

人機互動商業終端業務

實達外設在本年度內主要聚焦於人機互動商業終端(Human-Machine Interactive Devices)領域，圍繞財稅、金融、教育等重點行業應用場景構建終端硬件、軟件和服務產品，提供面向企業的智能化和移動互聯化的解決方案，包括但不限於行業化的集成式或自助式系統、智能支付設備、打印設備和基於雲平台的一體機系統。在行業領域方面，除傳統的銀行領域外，明年實達外設將繼續在國家財務和稅務等領域進行努力，同時下屬直接非全資附屬公司江蘇實達迪美數據處理有限公司(以下簡稱「實達迪美」)亦將在保險及其他金融領域繼續發展。在新產品研發方面，實達外設與中光遠科技開始了新一代的智能支付終端設備的合作開發，達到了技術共享和資源共享的協同目的，並預計在2017年度開始投入市場。

* 官方名稱以中文為準，英文翻譯名稱僅供識別之用



Management Discussion and Analysis 管理層討論與分析

Integrated smart IoT solutions business

The principal businesses of CNEOP encompass smart IoT endpoints and industrial solutions. During the Year, CNEOP achieved new milestones and extended the coverage of its smart IoT endpoints from the existing logistic and courier industries to other new areas, such as customs. In the aforementioned development collaboration with FSCE, CNEOP also tried to integrate payment and other features to its existing smart endpoints in order to process and collect cash flow information. In terms of industrial solutions, CNEOP will focus on the construction of smart community and solutions for the healthcare industry.

Hexicom continued to perform IoT telecommunication development during the Year. In addition to the existing operator clients, Hexicom is also trying to establish footholds in second- and third-tier cities served by these operator clients. In the meantime, Hexicom also consolidated Lepei, which is equipped with state-of-the-art optical transmission design capacity, thereby laying a solid foundation for an improvement in its overall product design capacity and the development of new products. The newly developed power line communication product is gradually rolled out for commercial applications by telecommunication operators.

2016 has been a year of major transition for Guangzhou Wealth-Depot Logistics Technology Company Limited* (“Wealth-Depot”). Although Wealth-Depot has a good reputation and a wide customer base for its major products in the industry, upstream raw material and other costs have restricted Wealth-Depot’s profit growth. Wealth-Depot strived for new development in smart bins and storage and logistic automation. It co-operated with CNEOP to develop smart bins. It also conducted strategic collaboration with a topnotch international storage and logistic automation developer to tap into new projects. The transition of Wealth-Depot leads domestic competitors and is expected to deliver further results in the coming year.

整合智能物聯網解決方案業務

中光遠科技主要的業務包括智能物聯網終端設備和行業解決方案業務。本年度除在原有的物流快遞行業外，智能物聯網終端設備在海關等新行業領域繼續取得突破。在上述與實達外設的合作開發項目中，中光遠科技亦逐步嘗試將支付等產品功能整合至現有的智能終端設備中，處理和獲取資金流信息。本年度在行業解決方案上，中光遠科技聚焦於智慧社區建設及醫療行業解決方案。

海億康在本年度繼續在物聯網通訊領域發力，除原有三大運營商客戶外，亦努力開拓有關運營商客戶的二三級城市。海億康成功整合了具備行業領先光通信設計能力的樂佩通信，為整體產品設計能力提升和新產品的開發奠定了堅實的基礎，新研發的電力貓產品已嘗試逐步進入電信運營商的商業應用。

廣州大庫工業設備有限公司（以下簡稱「大庫工業」）在2016年處在一個重大的轉變時期。大庫的主要產品在行業中具有良好的美譽度及客戶群體，但受到上游原材料及其他成本因素的影響，盈利能力無法大幅提升。大庫團隊努力在智能物流箱及倉儲物流自動化方面做出新的開拓，與中光遠科技合作開發智能物流箱，並與國際一流的倉儲物流自動化廠商進行戰略合作，不斷試點新的項目。大庫目前的轉型在國內類似廠商中是具備領先性的，相信在未來一年能取得更大進展。

* The official name is in Chinese and the English is translated for identification purpose only

* 官方名稱以中文為準，英文翻譯名稱僅供識別之用

Management Discussion and Analysis

管理層討論與分析

Next Concept Group is principally engaged in the provision of one-stop solutions to companies engaging in the commodities trading industry such as commodity exchange company. Next Concept Group achieved rapid growth in both business and earnings in the current year. As an integrated corporation, Next Concept Group has put enormous effort in establishing a technology-oriented internet service management system which goes beyond boundaries and exceeds users' expectation. Next Concept Group developed an independent and innovative model for core management areas such as strategic planning, marketing and internal control. With its innovative technologies and self-developed IT risk management and control system, Next Concept Group has transformed the customer's passive IT operation model into an active monitoring system which automatically amends malfunctions, successfully safeguards internet security and maintains sustainability on a continuous basis. Next Concept Group was awarded "High and New Technology Enterprise" in the PRC which affirmed its competitiveness in core technology and laid a solid foundation to becoming a leading technology company in the commodities industry. Next Concept Group will continue in developing advanced technology and providing excellent service to attract customers. Tapping into the trend of integration between internet and traditional industries, Next Concept Group will expand its business and explores opportunities in areas such as finance leasing for commodities, futures of commodities and internet finance. By bringing in capital, technology and talents, Next Concept Group intends to further invest in technological research and development and foster innovations to fulfill its future demand in software and hardware development.

As for the co-operation between the subsidiaries during the Year, the Group has invested additional resources and strived to encourage collaborations between subsidiaries spanning from collaborative technological research and development to marketing co-operation. Such initiatives have yielded groundbreaking results, such as the next-generation intelligent payment endpoints (which involved FSCE and CNEOP) and smart bin system (which involved Wealth-Depot and CNEOP).

進念集團主要為商品交易所公司等商品買賣行業公司提供一站式解決方案。於本年度，進念集團業務及盈利增長迅速。進念集團作為一家綜合企業，本年度著力於打造「無邊界、超預期、技術導向」的互聯網服務管理體系，在戰略、行銷、內控等核心管理領域建立自主創新體系。進念集團依靠企業自身的技術創新，自主研發IT風控及監控系統，改變了客戶原有的被動式運維，實現了核心交易系統的主動監控和故障的自動處理，成功抵禦網路安全事件，保證了系統運行的連續性。進念集團並榮獲中國「高新技術企業」，認定其技術核心競爭力，為成為領先的商品行業科技企業奠定了穩固的基礎。進念集團將會繼續開發先進技術及提供優質服務，吸引更多客戶。在互聯網與傳統企業融合的大趨勢下，在商品融資租賃、商品期權、互聯網金融等領域拓展業務及尋求機會。進念集團計劃進一步加大技術研發投入，培育技術創新能力，聚合資本、技術、人才等要素，以滿足未來發展的軟硬體需求。

在各附屬公司協作方面，集團方面本年度加大了各種資源的投入，不遺餘力地推動各附屬公司間的協作機會，既包括技術研發性質的協作，也包括市場營銷方面的協作，並在實際結果上取得了突破性的進展，如新一代智能支付終端設備（涉及實達外設及中光遠科技）及智能物流箱系統項目（涉及大庫及中光遠科技）等。



Management Discussion and Analysis 管理層討論與分析

As mentioned in the Company's announcements dated 7 May 2015, 20 July 2015, 3 August 2015, 7 August 2015, 11 August 2015, 31 March 2016 and notes 35 to 36 to the consolidated financial statements, the vendors of Next Concept Group, CNEOP, Hexicom, Wealth-Depot and Lepei Group agreed to provide profit guarantee to the Group, namely "Next Concept Group Profit Guarantee", "CNEOP Profit Guarantee", "Hexicom Profit Guarantee", "Wealth-Depot Profit Guarantee" and "Lepei Group Profit Guarantee".

The profit after tax of Next Concept Group for the Year was exceed HK\$144 million, as a result, Next Concept Group had successfully met the Next Concept Group Profit Guarantee for the Year.

The profit after tax of CNEOP for the Year was exceed RMB15.60 million (equivalent to approximately HK\$19.39 million), as a result, CNEOP had successfully met the CNEOP Profit Guarantee for the Year.

The profit after tax of Hexicom for the Year was exceed RMB15 million (equivalent to approximately HK\$18.64 million), as a result, Hexicom had successfully met the Hexicom Profit Guarantee for the Year.

The profit after tax of Wealth-Depot for the Year was approximately RMB7 million (equivalent to approximately HK\$8.18 million), as a result, Wealth-Depot failed to meet the Wealth-Depot Profit Guarantee for the Year and 65,079,365 consideration shares in aggregate were deducted accordingly.

The profit after tax of Lepei Group for the Year was exceed RMB4.5 million (equivalent to approximately HK\$5.35 million), as a result, Lepei Group had successfully met the Lepei Group Profit Guarantee for the Year.

誠如本公司日期為二零一五年五月七日、二零一五年七月二十日、二零一五年八月三日、二零一五年八月七日、二零一五年八月十一日及二零一六年三月三十一日之公佈，以及綜合財務報表附註35至36所述，進念集團、中光遠科技、海億康、大庫工業及樂佩集團之賣方同意向本集團提供溢利保證，即「進念集團溢利保證」、「中光遠科技溢利保證」、「海億康溢利保證」、「大庫工業溢利保證」及「樂佩集團溢利保證」。

進念集團本年度之除稅後溢利超過144,000,000港元，因此，進念集團已於本年度成功達成進念集團溢利保證。

中光遠科技本年度之除稅後溢利超過人民幣15,600,000元（相等於約19,390,000港元），因此，中光遠科技已成功達成本年度之中光遠科技溢利保證。

海億康本年度之除稅後溢利超過人民幣15,000,000元（相等於約18,640,000港元），因此，海億康已成功達成本年度之海億康溢利保證。

大庫工業本年度之除稅後溢利約為人民幣7,000,000元（相等於約8,180,000港元），因此，大庫工業未能達成本年度之大庫工業溢利保證，並相應扣減合共65,079,365股代價股份。

樂佩集團本年度之除稅後溢利超過人民幣4,500,000元（相等於約5,350,000港元），因此，樂佩集團已成功達成本年度之樂佩集團溢利保證。

Management Discussion and Analysis

管理層討論與分析

Securities investment business

Despite such a volatile investment environment, value investment remains as Rentian Technology's core investment philosophy. Despite volatility, Rentian Group's principle of value investment should generate solid returns in the long run, from Rentian Group's point of view. Constituent stocks continue to be the core holdings in Rentian Group's portfolio. Rentian Group will allocate some weight to mid and small caps as the Group find that there are still plenty of undervalued companies with attractive risk/reward profiles and resilient earnings outlooks. In addition, the market price of each stock will also be affected by the financial performance and development plans of the relevant company, as well as the outlook of the industry in which such company operates.

The weakening RMB, government policy changes, rising interest rates, and growing Sino-US tensions are some of the determining factors for the volatility in equity markets in 2017. The investment outlook seems challenging and full of opportunities. We shall continue to adopt a strict bottom-up approach to identifying investment opportunities in the long run.

證券投資業務

儘管投資環境波動，價值投資仍然為仁天科技的核心投資理念。雖然波動不可避免，然而本集團認為，本集團的價值投資原則長遠而言應產生穩固的回報。成份股繼續為本集團投資組合中的核心組成。本集團將分配一定比重給中小型股，因本集團發現，仍有大量風險／回報情況可觀及盈利前景具有彈性的公司被忽視。此外，各股的市價亦將受相關公司的財務表現及發展計劃以及該等公司經營所在行業的前景影響。

人民幣走弱、政府政策改變、加息及中美關係日益緊張為二零一七年股票市場動蕩之部分主因。投資前景應危機並存。長遠而言，本集團將繼續嚴格採取由下而上之方針揀選投資機會。



Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW

Results for the Year

The Group's revenue for the Year increased by 33.12% year-on-year to approximately HK\$1,203.58 million (2015: HK\$904.10 million). The increase was mainly driven by robust growth in Integrated Smart IoT solutions business, which generated revenue of approximately HK\$511.47 million and representing an increase of 731.93% from approximately HK\$61.48 million in 2015. Increase in revenue from Integrated Smart IoT solutions business was mainly contributed by (i) revenue from Next Concept Group of approximately HK\$308.57 million since its acquisition in April 2016; and (ii) full year revenue generated from subsidiaries acquired in the previous year amounted to approximately HK\$178.97 million, representing an increase of 191.10% from approximately HK\$61.48 million in 2015. Revenue from Human-Machine Interactive Device business amounted to approximately HK\$657.77 million, which represented a decrease of 12.21% from approximately HK\$749.23 million in 2015 as a result of depreciation of RMB against Hong Kong dollar and keen competition in the industry. Revenue from both Integrated Smart IoT solutions business and Human-Machine Interactive Device business contributed 97.15% of total revenue for 2016. Revenue from the securities and other investment business decreased by 71.93% to approximately HK\$25.64 million (2015: HK\$91.35 million) due to market volatility during 2016.

財務回顧

年內業績

本年度，本集團之收益按年增加33.12%至約1,203,580,000港元（二零一五年：904,100,000港元），主要受整合智能物聯網解決方案業務蓬勃增長帶動。整合智能物聯網解決方案業務產生收益約511,470,000港元，較二零一五年約61,480,000港元增加731.93%，主要源於(i)進念集團自於二零一六年四月被收購以來產生收益約308,570,000港元；及(ii)去年收購之附屬公司帶來全年收益約178,970,000港元，較二零一五年約61,480,000港元增加191.10%。人機互動商業終端業務之收益約為657,770,000港元，較二零一五年約749,230,000港元減少12.21%，乃因人民幣兌港元貶值及業內競爭激烈所致。整合智能物聯網解決方案業務及人機互動商業終端業務之收益佔二零一六年總收益之97.15%。證券及其他投資業務之收益減少71.93%至約25,640,000港元（二零一五年：91,350,000港元），乃因二零一六年市場波動所致。

Management Discussion and Analysis

管理層討論與分析

Non-HKFRS Measures

To supplement this report which are presented in accordance with HKFRS, adjusted net profit and adjusted EBITDA are used as additional financial measures. These financial measures are presented because they are used by management to evaluate operating performance. The Company also believes that these non-HKFRS measures provide useful information to help investors and others understand and evaluate the Company's consolidated results of operations in the same manner as management and in comparing financial results across accounting periods and to those of our peer companies.

The following table sets forth the Company's non-HKFRS financial data for the years presented:

非香港財務報告準則計量資料

作為本公司根據香港財務報告準則呈列之本報告之補充，經調整純利及經調整EBITDA已用作額外財務計量資料。呈列該等財務計量資料乃因管理層利用有關資料評估經營表現所致。本公司同時相信，該等非香港財務報告準則計量資料提供有用資訊，讓投資者及其他人士可以管理層所用相同方式了解及評估本公司之綜合經營業績，以及比較各會計期間之財務業績及同業公司之財務業績。

下表載列本公司於呈列年度之非香港財務報告準則財務數據：

| | | 截至十二月三十一日止年度 Year ended 31 December | |
|--|----------------------|--|---------------|
| | | 2016 二零一六年 | 2015 二零一五年 |
| (in HK\$'000) | (千港元) | | |
| <i>Non-HKFRS Financial Data</i> | <i>非香港財務報告準則財務數據</i> | | |
| Adjusted net profit | 經調整純利 | 329,750 | 100,864 |
| Adjusted EBITDA | 經調整EBITDA | 473,765 | 154,554 |
| <i>Adjusted EBITDA margin*</i> | <i>經調整EBITDA率*</i> | 39.4% | 17.1% |
| Adjusted earnings per share (in HK cents) | 經調整每股盈利(港仙) | | |
| – basic | – 基本 | 2.61 | 1.06 |
| – diluted | – 攤薄 | 2.56 | 1.06 |

* Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by revenue.

* 經調整EBITDA率乃按經調整EBITDA除以收益計算。



Management Discussion and Analysis

管理層討論與分析

| | | 截至十二月三十一日止年度 Year ended 31 December | |
|--|-------------------|--|---------------|
| (in HK\$'000) | (千港元) | 2016 二零一六年 | 2015 二零一五年 |
| <i>Profit for the year</i> | 年內溢利 | 231,014 | 61,004 |
| <u>Non-cash share options expenses</u> | <u>非現金購股權開支</u> | | |
| Share-based payment in respect of share options | 有關購股權之以股份支付之款項 | 52,192 | 29,344 |
| <u>Non-cash expenses arising from acquisitions</u> | <u>收購產生之非現金開支</u> | | |
| Share-based payment in respect of profit guarantee | 有關溢利保證之以股份支付之款項 | 10,423 | 2,606 |
| Long-term employee benefits in respect of profit guarantee | 有關溢利保證之長期僱員福利 | 19,060 | 7,910 |
| Amortisation arising from acquisitions | 收購產生之攤銷 | 17,061 | – |
| | | 46,544 | 10,516 |
| Adjusted net profit | 經調整純利 | 329,750 | 100,864 |
| Taxation | 稅項 | 22,120 | 6,956 |
| Finance costs | 融資成本 | 109,685 | 37,732 |
| Depreciation | 折舊 | 12,210 | 9,002 |
| Other amortisation | 其他攤銷 | – | – |
| Adjusted EBITDA | 經調整EBITDA | 473,765 | 154,554 |

Management Discussion and Analysis

管理層討論與分析

Non-HKFRS adjusted net profit

Non-HKFRS adjusted net profit eliminates the effect of non-cash share-based payment in respect of share options and profit guarantee, long-term employee benefits in respect of profit guarantee, and amortisation of intangible assets arising from acquisitions. The term of adjusted net profit is not defined under HKFRS.

Non-HKFRS adjusted EBITDA

Non-HKFRS adjusted EBITDA, as presented, represents adjusted net profit, and adjusted to taxation, finance costs, depreciation and other amortisation. The use of non-HKFRS adjusted EBITDA has certain limitations because it does not reflect all items of income and expenses that affect operations. Items excluded from non-HKFRS adjusted EBITDA are significant components in understanding and assessing our operating and financial performance. Non-cash share-based payments expenses and long-term employee benefits in respect of profit guarantee, depreciation and amortisation have been and may continue to be incurred are not reflected in the presentation of non-HKFRS adjusted EBITDA. Each of these items should also be considered in the overall evaluation of the Company's results.

Non-HKFRS adjusted earnings per share

Non-HKFRS adjusted basic earnings per share and non-HKFRS adjusted diluted earnings per share are not defined under HKFRS. Non-HKFRS adjusted basic earnings per share is defined as adjusted net profit attributable to the owners of the Company divided by weighted average number of ordinary shares outstanding. The denominator for computing the adjusted diluted earnings per share is calculated by the weighted average number of ordinary shares outstanding to assume certain specific conditions of part of the share options were met and those share options were exercised. The numerator of adjusted diluted earnings per share is adjusted net profit attributable to the owners of the Company.

非香港財務報告準則經調整純利

非香港財務報告準則經調整純利已抵銷有關購股權及溢利保證之以股份支付之非現金款項、有關溢利保證之長期僱員福利及收購產生之無形資產之攤銷之影響。經調整純利一詞於香港財務報告準則中未有界定。

非香港財務報告準則經調整EBITDA

非香港財務報告準則經調整EBITDA一如所列，乃指就稅項、融資成本、折舊及其他攤銷調整後之經調整純利。非香港財務報告準則經調整EBITDA存在若干限制，原因在於此項目並不反映影響營運之所有收支項目。從非香港財務報告準則經調整EBITDA剔除之項目為了解及評估本公司經營及財務表現之重要組成部分。有關已經及可能繼續產生之有關溢利保證之以股份支付之非現金款項及長期僱員福利、折舊及攤銷於呈列非香港財務報告準則經調整EBITDA時並未反映。於整體評估本公司業績時亦應考慮各有關項目。

非香港財務報告準則經調整每股盈利

非香港財務報告準則經調整每股基本盈利及非香港財務報告準則經調整每股攤薄盈利於香港財務報告準則中未有界定。非香港財務報告準則經調整每股基本盈利之定義為本公司擁有人應佔經調整純利除以已發行普通股之加權平均數。計算經調整每股攤薄盈利所用分母乃按假設部分購股權之若干特定條件已達成及該等購股權已獲行使下之已發行普通股加權平均數計算。經調整每股攤薄盈利之分子為本公司擁有人應佔經調整純利。



Management Discussion and Analysis 管理層討論與分析

Liquidity, Financial Resources, Borrowing and Gearing Ratio

As at 31 December 2016, the current assets and current liabilities of the Group were approximately HK\$3,588.32 million (2015: HK\$2,547.19 million) and approximately HK\$923.28 million (2015: HK\$723.86 million) respectively. The liquidity ratio, which is calculated as current assets over current liabilities, was approximately 3.89 times as at 31 December 2016, as compared to that of approximately 3.52 times as at 31 December 2015.

The Group financed its operation largely through internal cash resources, bank borrowings, placing of promissory notes and convertible bonds. As at 31 December 2016, the Group maintained cash and bank balances (including pledged bank deposits) at approximately HK\$442.68 million (2015: HK\$232.10 million). The increase in cash and bank balances was mainly due to the equity funding, placing of promissory notes and issuing of convertible bonds during the Year. The Group's gearing ratio, expressed as a percentage of total borrowings and long-term debts (including promissory notes and convertible bonds) over total equity, is stated at 47.74% (2015: 40.01%). The increase in gearing ratio was mainly due to placing of promissory notes of aggregate principals of HK\$530.48 million and the issuance of US\$80 million (equivalent to approximately HK\$620.40 million) in principal amount of convertible bonds during the year.

The Group's total assets and total liabilities as at 31 December 2016 amounted to approximately HK\$5,436.61 million (2015: HK\$3,467.95 million) and approximately HK\$2,003.12 million (2015: HK\$1,203.64 million) respectively. The debt ratio, which is calculated based on total liabilities over total assets, was approximately 0.37 times as at 31 December 2016, as compared to that of approximately 0.35 times as at 31 December 2015.

流動資金、財務資源、借貸及負債資產比率

於二零一六年十二月三十一日，本集團之流動資產及流動負債分別約為3,588,320,000港元（二零一五年：2,547,190,000港元）及923,280,000港元（二零一五年：723,860,000港元）。於二零一六年十二月三十一日，按流動資產除以流動負債計算之流動資金比率約為3.89倍，而二零一五年十二月三十一日則約為3.52倍。

本集團主要以內部現金資源、銀行借貸以及配售承兌票據及可換股債券為其業務提供資金。於二零一六年十二月三十一日，本集團之現金及銀行結存（包括已質押銀行存款）維持於約442,680,000港元（二零一五年：232,100,000港元）。現金及銀行結存增加主要是由於本年度內股本集資、配售承兌票據及發行可換股債券所致。本集團之負債資產比率（以借貸及長期債務（包括承兌票據及可換股債券）總額除以權益總額之百分比計算）為47.74%（二零一五年：40.01%）。負債資產比率上升主要是由於年內配售本金總額為530,480,000港元之承兌票據及發行本金額80,000,000美元（相等於約620,400,000港元）之可換股債券所致。

於二零一六年十二月三十一日，本集團之資產總值及負債總額分別約為5,436,610,000港元（二零一五年：3,467,950,000港元）及2,003,120,000港元（二零一五年：1,203,640,000港元）。於二零一六年十二月三十一日，按負債總額除以資產總值計算之債務比率約為0.37倍，而二零一五年十二月三十一日則約為0.35倍。

Management Discussion and Analysis

管理層討論與分析

Capital Structure

On 18 January 2016, the Company, through a placing agent, placed 500,000,000 shares to an independent investor at the placing price of HK\$0.42 per share. The placing was completed on 4 February 2016. The Company received a net proceed of approximately HK\$204.67 million from the subscription which was used for (i) approximately HK\$66.25 million was used for the general working capital of the Group; (ii) approximately HK\$17.40 million was used for repayment of loans; and (iii) approximately HK\$121.02 million was used for investment in securities up to the date of this report. As a result, the number of shares in issue increased from 8,136,390,530 shares to 8,636,390,530 shares on 4 February 2016.

On 7 April 2016, the Company issued 1,512,000,000 consideration shares under issue mandate at an issue price of HK\$0.51 per share to certain vendors as part of consideration to acquire 51% equity interests in Next Concept. As a result, the number of shares in issue increased from 8,636,390,530 shares to 10,148,390,530 shares on 7 April 2016.

On 23 September 2016, convertible bonds (the "Convertible Bonds") in the principal amount of US\$80 million have been issued by the Company to two independent investors. Based on the initial conversion price of HK\$0.586 per share, upon conversion in full of the Convertible Bonds, 1,058,703,070 convertible shares will be issued. Details of the Convertible Bonds are set out in the Company's announcements dated 9 September 2016 and 23 September 2016.

The capital of the Company comprises only ordinary shares. As at 31 December 2016, the issued share capital of the Company was 10,148,390,530 shares.

資本架構

於二零一六年一月十八日，本公司透過配售代理向一名獨立投資者配售500,000,000股股份，配售價為每股0.42港元。是項配售已於二零一六年二月四日完成。本公司收取認購所得款項淨額約204,670,000港元，直至本報告日期，其中(i)約66,250,000港元已用作本集團之一般營運資金；(ii)約17,400,000港元已用於償還貸款；及(iii)約121,020,000港元已用作證券投資。因此，已發行股份數目於二零一六年二月四日由8,136,390,530股增加至8,636,390,530股。

於二零一六年四月七日，本公司根據發行授權向若干賣方發行1,512,000,000股代價股份，發行價為每股0.51港元，作為收購進念51%股本權益之部分代價。因此，已發行股份數目於二零一六年四月七日由8,636,390,530股增加至10,148,390,530股。

於二零一六年九月二十三日，本公司向兩名獨立投資者發行本金額為80,000,000美元之可換股債券（「可換股債券」）。按初步轉換價每股0.586港元計算，當可換股債券獲悉數轉換，1,058,703,070股轉換股份將予發行。可換股債券之詳情載於本公司日期為二零一六年九月九日及二零一六年九月二十三日之公佈內。

本公司之資本僅包括普通股。於二零一六年十二月三十一日，本公司之已發行股本為10,148,390,530股股份。



Management Discussion and Analysis

管理層討論與分析

Foreign Currency Exposure

The Group is not subject to material foreign currency exposure since its operations in Hong Kong are mainly denominated in Hong Kong dollars and the Group's revenue and operating costs in PRC are denominated in the functional currency of the Group entity making the sales or incurring the costs. Accordingly, the Directors consider that the currency risk is not significant. As such, no hedging instrument is considered necessary by the Board during the Year. The Directors will monitor the Group's exposure on an ongoing basis and will consider hedging the currency risk should the need arise.

Pledge of Assets

As at 31 December 2016, the Group was granted margin facilities from certain regulated securities brokers. The facilities were secured by the Group's financial assets at fair value through profit or loss and available-for-sale financial assets with carrying amount of HK\$1,437.45 million (2015: HK\$1,172.93 million) and HK\$110.11 million (2015: HK\$110.11 million) respectively. The Group utilised part of these facilities amounting of HK\$36.04 million (2015: HK\$350 million) as at 31 December 2016.

As at 31 December 2016, the Group had pledged the entire shares of certain subsidiaries incorporated in the BVI and Hong Kong to secure the convertible bonds up to US\$110 million and promissory notes amounted to HK\$200 million.

As at 31 December 2016, the subsidiaries in the PRC had pledged bank deposits of HK\$2.95 million (2015: HK\$3.85 million) to banks to secure guarantee issued for trade finance facilities, note payables and banking facilities granted to the subsidiaries in the PRC.

As at 31 December 2016, the Group had pledged certain property, plant and equipment with net book value of approximately HK\$0.48 million (2015: HK\$0.71 million) to secure the interest-bearing borrowings.

外幣風險

由於本集團於香港之業務主要以港元計值，而本集團於中國之收益及經營成本以本集團進行銷售或產生成本之實體之功能貨幣計值，故本集團並無面對任何重大外幣風險。因此，董事認為貨幣風險並不重大。因此，董事會於本年度內認為無必要使用對沖工具。董事將持續監察本集團之風險，並於有需要時考慮對沖貨幣風險。

資產質押

於二零一六年十二月三十一日，多名受規管證券經紀向本集團授出若干孖展融資。該等融資以本集團帳面金額分別為1,437,450,000港元（二零一五年：1,172,930,000港元）及110,110,000港元（二零一五年：110,110,000港元）之於損益帳按公平值處理之財務資產及可供出售財務資產作抵押。於二零一六年十二月三十一日，本集團已動用該等融資中36,040,000港元（二零一五年：350,000,000港元）。

於二零一六年十二月三十一日，本集團已質押若干於英屬處女群島及香港註冊成立之附屬公司之全部股份，以作為最多110,000,000美元之可換股債券及200,000,000港元之承兌票據之抵押。

於二零一六年十二月三十一日，於中國之附屬公司將銀行存款2,950,000港元（二零一五年：3,850,000港元）質押予銀行，作為就貿易融資信貸、應付票據及向中國附屬公司授出之銀行融資發出擔保之抵押。

於二零一六年十二月三十一日，本集團已質押帳面淨值約為480,000港元（二零一五年：710,000港元）之若干物業、廠房及設備，以作為計息借貸之抵押。

Management Discussion and Analysis

管理層討論與分析

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the Year.

MATERIAL ACQUISITIONS

During the Year, the Group has made four additional acquisitions. Details of the transactions were disclosed in notes 34 and 35 to the consolidated financial statements.

EMPLOYEES, REMUNERATION POLICY AND RETIREMENT BENEFIT SCHEME

As at 31 December 2016, the Group had approximately 1,500 employees including Directors in Hong Kong and in the PRC. Employee remuneration, bonus, share option scheme and training policies are commensurate with individual performance and experience and comparable to the market rate. The Group contributes to a Mandatory Provident Fund under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. Other employee benefits include insurance and medical cover, subsidised educational and training programmes as well as a share option scheme.

The employees of the Group's subsidiaries in the PRC are members of a state-managed retirement benefit plan operated by the government of the PRC. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits.

CONTINGENT LIABILITIES

As at 31 December 2016, the Group had no material contingent liabilities (2015: HK\$Nil).

末期股息

董事會不建議派付本年度之末期股息。

重大收購

本集團於本年度內額外進行四項收購。交易詳情於綜合財務報表附註34及35披露。

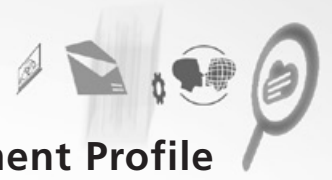
僱員、薪酬政策及退休福利計劃

於二零一六年十二月三十一日，本集團有約1,500名僱員（包括董事）駐於香港及中國。僱員薪酬、花紅、購股權計劃及培訓政策均按個人表現及經驗和參照市場水平釐定。本集團根據香港強制性公積金計劃條例就所有香港合資格僱員向強制性公積金供款。其他僱員福利包括保險及醫療保障、資助教育及培訓計劃以及購股權計劃。

本集團中國附屬公司之僱員均為中國政府營辦之國家管理退休福利計劃成員。該等附屬公司須按工資成本之特定百分比向退休福利計劃供款，為福利提供資金。

或然負債

於二零一六年十二月三十一日，本集團並無重大或然負債（二零一五年：零港元）。



Management Profile 管理層履歷

EXECUTIVE DIRECTORS

Ms. Yang Xiaoying (楊曉櫻) (“Ms. Yang”), aged 49, joined the Company on 26 August 2014. She studied and obtained her Bachelor degree in Computer Science in the University of Electronic Science & Technology of China (電子科技大學) in the PRC and EMBA in China Europe International Business School (中歐國際工商學院). She has 27 years of experience in sales and marketing, business development, operations as well as consulting in the IT industry. She currently is an independent non-executive director of Digital China Information Service Company Limited, which is listed on the Shenzhen Stock Exchange (stock code: 000555.SZ) and director of Fujian Start Group Company Limited (福建實達集團股份有限公司), which is listed on the Shanghai Stock Exchange (Stock code: 600734.SH). Before joining the Company as an executive Director, Ms. Yang was Vice President of Oracle Customer Services, Greater China of Oracle (China) Software Systems Co., Ltd. from February 2006 to April 2014.

Mr. Tsang To (曾濤) (“Mr. Tsang”), aged 41, joined the Company on 27 February 2014. He is a partner of a PRC law firm. Mr. Tsang holds a bachelor’s degree in laws from Xiamen University (廈門大學) and a master’s degree in laws from the University of London. He is admitted as a solicitor to the High Court of Hong Kong as well as a PRC qualified lawyer. Mr. Tsang was an executive director of Enterprise Development Holdings Limited (stock code: 1808) (formerly known as Tai-I International Holdings Limited), a company listed on the Stock Exchange.

執行董事

楊曉櫻女士 (「楊女士」)，49歲，於二零一四年八月二十六日加入本公司。彼於中國電子科技大學修讀並取得計算機科學學士學位，以及於中歐國際工商學院修讀並取得高層管理人員工商管理碩士學位。彼於資訊科技行業擁有27年銷售及市場推廣、業務發展、營運及諮詢經驗。彼現為神州數碼信息服務股份有限公司（於深圳證券交易所上市（股票代碼：000555.SZ））之獨立非執行董事，並為福建實達集團股份有限公司（於上海證券交易所上市（股票代碼：600734.SH））之董事。加入本公司出任執行董事前，楊女士於二零零六年二月至二零一四年四月期間，曾任甲骨文（中國）軟件系統有限公司大中華區客戶服務部副總裁。

曾濤先生 (「曾先生」)，41歲，於二零一四年二月二十七日加入本公司。彼為一間中國律師事務所之合夥人。曾先生持有廈門大學法學學士學位及倫敦大學法學碩士學位。彼為香港高等法院認可律師及中國合資格律師。曾先生曾任企展控股有限公司（聯交所上市公司，股份代號：1808）（前稱合一國際控股有限公司）之執行董事。

Management Profile

管理層履歷

Mr. Choi Chi Fai (蔡志輝) (“Mr. Choi”), aged 39, joined the Company on 4 March 2015. He holds a Bachelor of Business Administration in Accounting from The Hong Kong University of Science and Technology. Mr Choi is a member of Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. He has over 10 years of experience in internal and external auditing, merger and acquisition, and direct investment. He currently is the Chief Investment Officer of Carnival Group International Holdings Limited (stock code: 996), which is listed on the Stock Exchange. He was an independent non-executive director of Energy International Investments Holdings Limited (stock code: 353) and Associate Director of CCB International Asset Management Limited (“CCBIAM”). CCBIAM is ultimately controlled by China Construction Bank Corporation (stock code: 939), which is listed on the Stock Exchange and the Shanghai Stock Exchange (stock code: CH. 601939). He also holds directorships in the major subsidiaries of the Company.

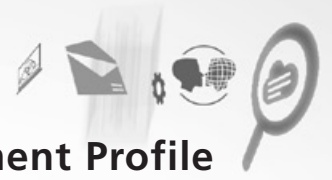
蔡志輝先生(「蔡先生」)，39歲，於二零一五年三月四日加入本公司。彼持有香港科技大學工商管理(會計)學士學位。蔡先生為香港會計師公會會員及英國特許公認會計師公會資深會員。蔡先生在內部及外部審計、併購及直接投資等方面擁有超過10年經驗。彼現為嘉年華國際控股有限公司(聯交所上市公司，股份代號：996)之投資總監。在此之前，彼為能源國際投資控股有限公司(股份代號：353)之獨立非執行董事，並於建銀國際資產管理有限公司(「建銀國際」)擔任聯席董事。建銀國際由中國建設銀行股份有限公司(聯交所及上海證券交易所上市公司，股份代號分別為：939及CH.601939)最終控制。彼亦出任本公司主要附屬公司之董事。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Zhang Xiaoman (張小滿) (“Mr. Zhang”), aged 35, joined the Company on 4 March 2015. He holds a bachelor’s degree in laws from Peking University. He is a partner of a law firm and qualified lawyer in China. He is currently an independent non-executive director of Huarong Investment Stock Corporation Limited (stock code: 2277) and was an independent non-executive director of Enterprise Development Holdings Limited (stock code: 1808) until he resigned on 28 January 2015.

獨立非執行董事

張小滿先生(「張先生」)，35歲，於二零一五年三月四日加入本公司。彼持有北京大學法律學士學位。彼為一間中國律師事務所之合夥人及一名中國認可合資格律師。張先生現為華融投資股份有限公司(股份代號：2277)之獨立非執行董事，並曾任企展控股有限公司(股份代號：1808)之獨立非執行董事，直至二零一五年一月二十八日辭任為止。



Management Profile 管理層履歷

Mr. Chin Hon Siang (陳鴻先) (“Mr. Chin”), aged 47, joined the Company on 14 October 2015. He holds a Bachelor of Commerce Degree from Monash University. Mr Chin is a member of CPA Australia. He has over 15 years of experience in external auditing, merger and acquisition and corporate finance. He currently is an independent non-executive director of Ping Shan Tea Group Limited, a company listed on the Stock Exchange (stock code: 364). He served as the Chief Financial Officer of Asia Green Agriculture Corp, a company formerly listed on the Over-the-Counter Bulletin Board in the United States of America (stock code: AGAC), from September 2012 to August 2015, the Chief Finance Manager of Dukang Distillers Holdings Limited, a company listed on Singapore Exchange (stock code: GJ8) and Taiwan Stock Exchange Corporation (stock code: 911616), from May 2010 to March 2012 and the Chief Financial Officer of United Food Holdings Limited, a company listed on Singapore Exchange (stock code: AZR), from September 2002 to April 2010.

Mr. Huang Xin (黃欣) (“Mr. Huang”), aged 33, joined the Company on 15 November 2016. He holds a master’s degree in laws from Peking University. He has worked in United Securities Limited, HongYuan Securities Co., Limited and Credit Suisse Founder Securities Limited and engaged in investment banking business. He is currently a director of 中海陽能源集團股份有限公司 (Raypower New Energy Co., Ltd.*), a company listed on National Equities Exchange and Quotations (NEEQ: 430065), the director and general manager of 北京精益智慧教育科技有限責任公司 (Beijing Jingyixihui education technology Co.*) and 共青城星辰教育投資管理有限公司 (Gonqingcheng Xingchen Education Investment Co.*) and member of investment committee of 久泰藍山(蘇州)投資管理有限公司 (Suzhou Jiutailanshan Investment Co.*).

陳鴻先先生(「陳先生」)，47歲，於二零一五年十月十四日加入本公司。陳先生持有 Monash University 頒授之商學士學位，並為澳洲特許公認會計師公會會員。彼於外部審核、併購及企業融資方面擁有逾15年經驗。彼現為坪山茶業集團有限公司(聯交所上市公司，股份代號：364)之獨立非執行董事。於二零一二年九月至二零一五年八月期間，彼曾出任亞洲綠色農業集團公司(一間曾於美國場外櫃檯交易系統(Over-the-Counter Bulletin Board)(股份代號：AGAC)上市之公司)之財務總監；於二零一零年五月至二零一二年三月期間，彼曾出任杜康控股有限公司(一間於新加坡證券交易所(股份代號：GJ8)及臺灣證券交易所(股份代號：911616)上市之公司)之財務長；以及於二零零二年九月至二零一零年四月期間，彼曾出任聯合食品控股有限公司(一間於新加坡證券交易所(股份代號：AZR)上市之公司)之財務總監。

黃欣先生(「黃先生」)，33歲，於二零一六年十一月十五日加入本公司。彼持有北京大學法學碩士學位。彼曾先後在聯合證券有限公司、宏源證券股份有限公司及瑞信方正證券有限責任公司從事投資銀行業務。彼現為中海陽能源集團股份有限公司(一間於中國全國中小企業股份轉讓系統上市之公司，新三板股份代號：430065)之董事；北京精益智慧教育科技有限責任公司及共青城星辰教育投資管理有限公司之董事及總經理；久泰藍山(蘇州)投資管理有限公司投資決策委員會委員。

Report of the Directors

董事會報告

The Directors hereby present their report together with the audited consolidated financial statements of the Group for the financial year ended 31 December 2016.

PRINCIPAL PLACE OF BUSINESS

The Company is a company incorporated in the Cayman Islands with its registered office at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and its principal place of business at Suites 2001 & 2002, 20/F., AIA Central, 1 Connaught Road Central, Hong Kong.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company is an investment holding company, and, through its subsidiaries and associated company, is principally engaged in (i) the provision of integrated smart Internet-of-things solutions to enterprise customers; (ii) Human-machine Interactive Devices business; (iii) securities investment; and (iv) money lending business. Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group's business, can be found in the Management Discussion and Analysis set out on pages 11 to 28 of this annual report. This discussion forms part of this directors' report.

Particulars of the Company's principal subsidiaries are set out in note 14 to the consolidated financial statements.

The environmental policies and performance, compliance with relevant laws and regulations and relationships with employees are also discussed under the section headed "Environmental, Social and Governance Report" on pages 63 to 80.

董事謹此提呈本集團截至二零一六年十二月三十一日止財政年度之報告連同經審核綜合財務報表。

主要營業地點

本公司為於開曼群島註冊成立之公司，其註冊辦事處位於P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands，而其主要營業地點為香港干諾道中1號友邦金融中心20樓2001-2002室。

主要業務及業務回顧

本公司為投資控股公司，透過其附屬公司及聯營公司主要從事(i)向企業客戶提供整合智能物聯網解決方案；(ii)人機互動商業終端業務；(iii)證券投資；及(iv)貸款業務。按照香港公司條例附表5所規定，對該等業務之進一步討論及分析可參閱本年報第11至28頁之管理層討論與分析，當中包括對本集團面對之主要風險及不明朗因素的描述，以及本集團業務相當可能有的未來發展之揭示。此討論構成本董事會報告一部分。

本公司主要附屬公司之詳情載於綜合財務報表附註14。

環境政策和績效、遵守相關法律及法規之情況以及與僱員之關係亦闡述於第63至80頁之「環境、社會及管治報告」一節。



Report of the Directors 董事會報告

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

During the year under review, as far as the Board and management are aware, there was no material breach of or non-compliance with the applicable laws and regulations by the Group that has a significant impact on the businesses and operation of the Group.

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group recognises that employees are one of the significant assets of the Group. The Group aims to continue establishing a caring environment to employees and emphasise the personal development of its employees.

The Group maintains a good relationship with our customers and suppliers. The Group aims to continue providing quality products and services to our customers and establishing co-operation strategy with our suppliers.

遵守相關法律及法規之情況

於回顧年度內，據董事會及管理層所知，本集團並無嚴重違反或不符合適用法例及規例之情況，致令本集團業務及營運受到重大影響。

與僱員、客戶及供應商之重要關係

本集團確認僱員為本集團重要資產之一。本集團以繼續營造關愛僱員之環境為目標，重視其僱員之個人發展。

本集團與客戶及供應商保持良好關係。本集團繼續以向客戶提供優質產品及服務並與供應商建立合作策略為目標。

Report of the Directors

董事會報告

MAJOR SUPPLIERS AND CUSTOMERS

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the financial year is as follows:

主要供應商及客戶

於本財政年度內，有關本集團主要客戶及供應商應佔銷售及購貨額之資料如下：

| | | Percentage of the Group's total 所佔下列項目百分比 | |
|--|------------|--|----------------------|
| | | Sales 本集團銷售總額 | Purchases 本集團購貨總額 |
| Largest customer/supplier | 最大客戶／供應商 | 12% | 14% |
| Five largest customers/suppliers in aggregate | 五大客戶／供應商合計 | 34% | 39% |

At no time during the year did the directors, their associates or any shareholder of the Company (which to the knowledge of the directors of the Company owned more than 5% of the Company's issued capital) have any interest in these major customers and suppliers.

於年內任何時間，本公司董事、彼等之聯繫人或任何股東（據本公司董事所知擁有本公司已發行股本5%以上者）概無於該等主要客戶及供應商中擁有任何權益。

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2016 and the state of affairs of the Company and of the Group as at that date are set out in the consolidated financial statements on pages 89 to 242.

業績及股息

本集團截至二零一六年十二月三十一日止財政年度之業績及本公司與本集團於該日之財務狀況載於第89至242頁之綜合財務報表。

The Directors do not recommend the payment of any dividend in respect of the year ended 31 December 2016.

董事不建議就截至二零一六年十二月三十一日止年度派付任何股息。

CHARITABLE DONATIONS

Charitable donations made by the Group during the Year amounted to HK\$232,000.

慈善捐款

本集團於本年度作出慈善捐款232,000港元。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment during the Year are set out in note 11 to the consolidated financial statements.

物業、廠房及設備

物業、廠房及設備於本年度之變動詳情載於綜合財務報表附註11。



Report of the Directors

董事會報告

SHARE CAPITAL

Details of movements in share capital of the Company during the Year are set out in note 30 to the consolidated financial statements. Shares were issued during the Year on placing of new shares and consideration shares. Details about the issue of consideration shares are also set out in note 34(a) to the consolidated financial statements.

CONVERTIBLE SECURITIES, OPTION, WARRANTS OR OTHER SIMILAR RIGHTS

Details of movements in share option of the Company are set out in note 31 to the consolidated financial statements.

Details of the convertible bonds issued during the Year or subsisting at the end of the Year are set out in note 29 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association and the laws in the Cayman Islands, which would oblige the Company to offer shares on a pro rata basis to its existing shareholders.

PURCHASE, SALES OR REDEMPTION OF SECURITIES

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

RESERVES

Movements in the reserves of the Company during the Year are set out in note 42(a) to the consolidated financial statements. The surplus in distributable reserves of the Company as at 31 December 2016 amounted to approximately HK\$3,029,791,000 (2015: HK\$2,046,987,000)

股本

本公司股本於本年度之變動詳情載於綜合財務報表附註30。本年度曾於配售新股份及代價股份時發行股份。有關發行代價股份之詳情亦載於綜合財務報表附註34(a)。

可換股證券、購股權、認股權證或其他相類權利

本公司購股權之變動詳情載於綜合財務報表附註31。

於本年度發行或於本年度年終存在之可換股債券詳情載於綜合財務報表附註29。

優先購買權

本公司組織章程細則及開曼群島法律並無關於本公司須按比例向其現有股東發售股份之優先購買權之條文。

購買、出售或贖回證券

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

儲備

本公司儲備於本年度之變動載於綜合財務報表附註42(a)。於二零一六年十二月三十一日，本公司之可供分派儲備盈餘約為3,029,791,000港元（二零一五年：2,046,987,000港元）。

Report of the Directors

董事會報告

FIVE YEARS SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 243 and 244 of the annual report.

RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

Related party transactions are disclosed in note 38 of the consolidated financial statements.

The Group has entered into the following connected transactions during the Year:

(a) Continuing Connected Transactions

- (i) On 1 January 2016, 1 July 2016 and 30 September 2016, tenancy agreements were entered into between FSCE, a wholly-owned subsidiary of the Company (as the lessee) and 福建實達集團股份有限公司 (Fujian Start Group Company Limited*) ("Fujian Start") (as the lessor), in relation to the lease of an office premise in Fuzhou, the PRC owned by Fujian Start for an aggregate term of 12 months commencing from 1 January 2016 to 31 December 2016 (the "Tenancy Agreements 1").

On 28 December 2015, 1 July 2016 and 30 September 2016, tenancy agreements were entered into between Start Dima (as the lessee) and Fujian Start (as the lessor), in relation to the lease of an office premise in Fuzhou, the PRC owned by Fujian Start for an aggregate term of 12 months commencing from 1 January 2016 to 31 December 2016 (the "Tenancy Agreements 2").

五年概要

本集團過去五個財政年度之業績及資產負債概要載於年報第243及244頁。

關連人士交易及關連交易

關連人士交易於綜合財務報表附註38披露。

本集團於本年度曾進行以下關連交易：

(a) 持續關連交易

- (i) 於二零一六年一月一日、二零一六年七月一日及二零一六年九月三十日，實達外設（本公司之全資附屬公司，作為承租人）與福建實達集團股份有限公司（「福建實達」，作為出租人）就租賃福建實達所擁有位於中國福州之辦公室物業訂立租賃協議，由二零一六年一月一日起至二零一六年十二月三十一日止為期合共十二個月（「租賃協議1」）。

於二零一五年十二月二十八日、二零一六年七月一日及二零一六年九月三十日，實達迪美（作為承租人）與福建實達（作為出租人）就租賃福建實達所擁有位於中國福州之辦公室物業訂立租賃協議，由二零一六年一月一日起至二零一六年十二月三十一日止為期合共十二個月（「租賃協議2」）。



Report of the Directors 董事會報告

Details of the Tenancy Agreements 1 and Tenancy Agreements 2 were set out in the Company's announcement dated 30 September 2016.

Accordingly, the Company set the annual cap for the aggregate amount of rental to be payable under the Tenancy Agreements 1 and Tenancy Agreements 2 at approximately HK\$4,000,000 for the year ended 31 December 2016.

The transactions under the Tenancy Agreements 1 and Tenancy Agreements 2 were subject to the reporting, announcement and annual review requirements, but were exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

During the Year, the aggregate rents of approximately RMB3,189,000 (equivalent to approximately HK\$3,726,000) were paid under the Tenancy Agreements 1 and Tenancy Agreements 2.

On 30 December 2016, the FSCE, as lessee, and Fujian Start, as lessor, entered into a tenancy agreement ("Tenancy Agreement 3"), pursuant to which FSCE has agreed to renew the existing lease of an office premise owned by Fujian Start for a term of 12 months commencing from 1 January 2017 to 31 December 2017.

On the same day, Start Dima, as tenant, and Fujian Start, as landlord, entered into a tenancy agreement ("Tenancy Agreement 4"), pursuant to which Start Dima has agreed to renew the existing lease of an office premise owned by Fujian Start for a term of 12 months commencing from 1 January 2017 to 31 December 2017.

Details of the Tenancy Agreement 3 and Tenancy Agreement 4 are set out in the Company's announcement dated 30 December 2016.

有關租賃協議1及租賃協議2之詳情載於本公司日期為二零一六年九月三十日之公佈。

就此，本公司就截至二零一六年十二月三十一日止年度根據租賃協議1及租賃協議2應付之租金總額設定年度上限約4,000,000港元。

根據上市規則第十四A章，租賃協議1及租賃協議2項下交易須遵守申報、公告及年度審核規定，惟獲豁免遵守獨立股東批准規定。

於本年度，根據租賃協議1及租賃協議2支付之租金合共約為人民幣3,189,000元（相等於約3,726,000港元）。

於二零一六年十二月三十日，實達外設（作為承租人）與福建實達（作為出租人）訂立租賃協議（「租賃協議3」），據此，實達外設同意重續福建實達擁有之辦公室物業之現有租約，由二零一七年一月一日起至二零一七年十二月三十一日止為期十二個月。

同日，實達迪美（作為租戶）與福建實達（作為業主）訂立租賃協議（「租賃協議4」），據此，實達迪美同意重續福建實達擁有之辦公室物業之現有租約，由二零一七年一月一日起至二零一七年十二月三十一日止為期十二個月。

租賃協議3及租賃協議4之詳情載於本公司日期為二零一六年十二月三十日之公佈。

Report of the Directors

董事會報告

- (ii) On 7 December 2015, the Company entered into the services agreement (the “Services Agreement”) with Carnival regarding the provision of the services by the Group to Carnival and its subsidiaries for a term of one year commencing from 1 January 2016 and expiring on 31 December 2016. Details of the Services Agreement are set out in the Company’s announcement dated 7 December 2015.

Accordingly, the Company set the annual cap for the aggregate annual fee for the services under the Services Agreement at HK\$20,000,000 for the year ended 31 December 2016.

The transactions under the Services Agreement were subject to the reporting, announcement and annual review requirements, but were exempt from the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules.

During the Year, no service fee was recognised.

- (ii) 於二零一五年十二月七日，本公司與嘉年華就本集團向嘉年華及其附屬公司提供服務訂立服務協議（「服務協議」），由二零一六年一月一日起至二零一六年十二月三十一日止為期一年。有關服務協議之詳情載於本公司日期為二零一五年十二月七日之公佈。

就此，本公司就截至二零一六年十二月三十一日止年度根據服務協議之年度服務費總額設定年度上限20,000,000港元。

根據上市規則第十四A章，服務協議項下交易須遵守申報、公告及年度審核規定，惟獲豁免遵守獨立股東批准規定。

於本年度並無確認服務費。



Report of the Directors 董事會報告

(b) Connected Transactions

On 6 November 2015, Wealth Global Investment Limited (“Wealth Global”), an indirect wholly-owned subsidiary of the Company, entered into the agreement with the vendor, to acquire 17% equity interest of FSCE at a consideration of RMB52,372,200 (equivalent to approximately HK\$63,022,000) (the “Acquisition”). On 13 January 2016, Wealth Global, 青島嘉華盛投資顧問有限公司 (Qingdao Jiahuasheng Investment Consulting Co. Ltd.*) (“Qingdao Jiahuasheng”) and the Vendor entered into a supplemental agreement, pursuant to which the parties agreed that Qingdao Jiahuasheng will take up all the rights and obligations of Wealth Global under the agreement and become the purchaser of the Acquisition in place of Wealth Global. The Acquisition was completed in April 2016 and settled in cash. FSCE was then became an indirect wholly-owned subsidiary of the Company.

The Acquisition constitutes a discloseable and connected transaction for the Company under Chapter 14 and Chapter 14A of the Listing Rules and is subject to reporting, announcement and the independent shareholders’ approval requirements under the Listing Rules. Details of the agreement were set out in the announcements of the Company dated 6 November 2015 and 13 January 2016 and the circular of the Company dated 27 November 2015. The Acquisition was approved by independent shareholder of the Company at the extraordinary general meeting held on 14 December 2015.

* The official name is in Chinese and the English is translated for identification purpose only

(b) 關連交易

於二零一五年十一月六日，世康投資有限公司（「世康」，本公司之間接全資附屬公司）與賣方訂立協議，以收購實達外設17%股本權益，代價為人民幣52,372,200元（相等於約63,022,000港元）（「收購事項」）。於二零一六年一月十三日，世康、青島嘉華盛投資顧問有限公司（「青島嘉華盛」）及賣方訂立補充協議，據此，訂約各方同意青島嘉華盛將承擔世康於該協議下之一切權利及義務，並取代世康成為收購事項之買家。收購事項已於二零一六年四月完成，並以現金償付。實達外設其後已成為本公司之間接全資附屬公司。

根據上市規則第十四章及第十四A章，收購事項構成本公司之須予披露及關連交易，須遵守上市規則項下之申報、公告及獨立股東批准規定。協議詳情載於本公司日期為二零一五年十一月六日及二零一六年一月十三日之公佈，以及日期為二零一五年十一月二十七日之通函。收購事項已於二零一五年十二月十四日舉行之股東特別大會上獲本公司獨立股東批准。

* 官方名稱以中文為準，英文翻譯名稱僅供識別之用

Report of the Directors

董事會報告

(c) Annual review of the continuing connected Transactions

In accordance with Rule 14A.37 of the Listing Rules, the independent non-executive directors of the Company (“INEDs”) had reviewed the above continuing connected transactions (the “2016 Continuing Connected Transactions”) which was subsisting during the Year and confirmed that the 2016 Continuing Connected Transactions had been entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms; and
- (iii) in accordance with the relevant agreements governing the 2016 Continuing Connected Transactions on terms that were fair and reasonable and in the interests of the Company’s shareholders as a whole.

The Company’s auditor was engaged to report on the Group’s 2016 Continuing Connected Transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing their findings and conclusions in respect of the 2016 Continuing Connected Transactions disclosed above by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor’s letter has been provided by the Company to the Stock Exchange.

Save as disclosed above, none of the material related party transactions as disclosed in note 38 to the consolidated financial statements constituted discloseable non-exempted connected transaction or non-exempted continuing connected transaction under the Listing Rules.

(c) 持續關連交易之年度審核

根據上市規則第14A.37條，本公司獨立非執行董事已審核於本年度仍然有效之上述持續關連交易（「二零一六年持續關連交易」），並確認二零一六年持續關連交易乃：

- (i) 在本集團一般及日常業務過程中訂立；
- (ii) 按照一般商務條款進行；及
- (iii) 根據條款屬公平合理並符合本公司股東整體利益之二零一六年持續關連交易相關監管協議進行。

本公司之核數師已獲委聘，按照香港會計師公會頒佈之香港鑒證業務準則第3000號（經修訂）「非審核或審閱過往財務資料之鑒證工作」及參照實務說明第740號「關於香港《上市規則》所述持續關連交易的核數師函件」就本集團之二零一六年持續關連交易發表報告。核數師已發出無保留意見之函件，載列其有關本集團根據上市規則第14A.56條於上文披露之二零一六年持續關連交易之發現及結論。本公司已向聯交所提供核數師函件副本。

除上文所披露者外，根據上市規則，於綜合財務報表附註38披露之重大關連人士交易概不構成須予披露之不獲豁免關連交易或不獲豁免持續關連交易。



Report of the Directors 董事會報告

To the extent of the above material related party transactions constituted connected transaction as defined in the Listing Rules, the Company had complied with the relevant requirements under Chapter 14A of the Listing Rules during the Year.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors who held office during the Year and up to the date of this report were:

Executive Directors

Ms. Yang Xiaoying
Mr. Tsang To
Mr. Choi Chi Fai

Independent Non-Executive Directors

Mr. Zhang Xiaoman
Mr. Chin Hon Siang
Mr. Huang Xin (appointed on 15 November 2016)

Mr. Pak William Eui Won (resigned on 15 November 2016)

In accordance with Article 116 of the Article of Association of the Company, Mr. Choi Chi Fai and Mr. Zhang Xiaoman will retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

上述重大關連人士交易凡構成關連交易(定義見上市規則),本公司均已於本年度遵守上市規則第十四A章之相關規定。

董事及董事之服務合約

於本年度及截至本報告日期任職之董事如下:

執行董事

楊曉櫻女士
曾濤先生
蔡志輝先生

獨立非執行董事

張小滿先生
陳鴻先先生
黃欣先生
(於二零一六年十一月十五日獲委任)
Pak William Eui Won先生
(於二零一六年十一月十五日辭任)

依據本公司組織章程細則第116條,蔡志輝先生及張小滿先生將於應屆股東週年大會上輪流告退,惟彼等符合資格,且願意於應屆股東週年大會上膺選連任。

Report of the Directors

董事會報告

DIRECTORS' SERVICE CONTRACTS

Ms. Yang has entered into a service contract with the Company on 16 June 2014. The service contract was effective from 26 August 2014, which may be terminated by either party thereto by giving to the other party three month's prior notice in writing. Ms. Yang is entitled to a director's fee of HK\$104,167 per month and the Company will bear the salaries tax arises from this service contract in Hong Kong by Ms. Yang.

Save as disclose above, none of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not terminable by the Company within one year without payment of compensation, other than statutory compensation.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the Year.

董事服務合約

於二零一四年六月十六日，楊女士與本公司訂立服務合約。該服務合約由二零一四年八月二十六日起生效，可由任何一方向另一方發出三個月事先書面通知終止。楊女士有權收取董事袍金每月104,167港元，而本公司將承擔楊女士於香港因此服務合約而產生之薪俸稅。

除上文所披露者外，擬於應屆股東週年大會上重選之董事概無與本公司訂立任何本公司不可於一年內免付補償（法定補償除外）而終止之服務合約。

管理合約

於本年度概無訂立或存在關於本公司全部或任何重大部分業務之管理及行政合約。



Report of the Directors

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

The Directors who held office at 31 December 2016 had the following interests in the shares of the Company, its holding company, subsidiaries and other associated corporations (within the meaning of the Securities and Futures Ordinance (the "SFO")) at that date as recorded in the register of directors' and chief executives' interests and short positions required to be kept under section 352 of the SFO:

(i) Long positions in shares of the Company

| Name of Directors | Capacity | Ordinary shares (no. of shares) | Derivative shares (no. of shares) | Total number of shares held (no. of shares) | % of the Company's issued share capital | Note |
|-------------------|--|---------------------------------|-----------------------------------|---|---|------|
| 董事姓名 | 身份 | 普通股 (股份數目) | 衍生股份 (股份數目) | 所持股份總數 (股份數目) | 佔本公司已發行股本之百分比 | 附註 |
| Mr. Yang 楊女士 | Interest of controlled corporation/Beneficial owner 於受控制法團之權益/ 實益擁有人 | 168,000,000 | 60,000,000 | 228,000,000 | 2.25% | 1 |
| Mr. Choi 蔡先生 | Beneficial owner 實益擁有人 | – | 142,363,900 | 142,363,900 | 1.40% | 2 |
| Mr. Tsang 曾先生 | Beneficial owner 實益擁有人 | – | 30,000,000 | 30,000,000 | 0.30% | 3 |

Note 1: Toplap International Limited, the beneficial owner of 168,000,000 shares, is 90% owned by Ms. Yang. 60,000,000 shares are derived from the interest in 60,000,000 share options granted by the Company to Ms. Yang exercisable into 60,000,000 shares.

附註1: Toplap International Limited (168,000,000股股份之實益擁有人)由楊女士擁有90%權益。60,000,000股股份衍生自本公司授予楊女士之60,000,000份購股權之權益，有關購股權可以行使，從而換取60,000,000股股份。

Note 2: These 142,363,900 shares are derived from the interest in 142,363,900 share options granted by the Company to Mr. Choi exercisable into 142,363,900 shares.

附註2: 該142,363,900股股份衍生自本公司授予蔡先生之142,363,900份購股權之權益，有關購股權可以行使，從而換取142,363,900股股份。

Note 3: These 30,000,000 shares are derived from the interest in 30,000,000 share options granted by the Company to Mr. Tsang exercisable into 30,000,000 shares.

附註3: 該30,000,000股股份衍生自本公司授予曾先生之30,000,000份購股權之權益，有關購股權可以行使，從而換取30,000,000股股份。

董事於股份及相關股份之權益及淡倉

按照根據證券及期貨條例第352條須存置之董事及最高行政人員權益及淡倉登記冊之紀錄，於二零一六年十二月三十一日，當時在任之董事於本公司、其控股公司、附屬公司及其他相聯法團（定義見證券及期貨條例）之股份中擁有以下權益：

(i) 於本公司股份中之好倉

Report of the Directors

董事會報告

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "Share Option Scheme" below and note 31 to the consolidated financial statements, at no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate, neither the Directors nor any of their spouses or children under the age of 18 had any right to subscribe for the securities or debt securities of the Company or had exercised any such right.

DIRECTORS' INTEREST IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries or holding companies was a party to and in which any of the Company's directors or members of its management had a material interest in, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

DIRECTORS' INTEREST IN A COMPETING BUSINESS

During the Year and up to the date of this report, no Director is considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules.

SHARE OPTION SCHEME

The Company has a share option scheme which was adopted on 6 August 2007 whereby the Directors are authorised, at their discretion, to invite employees of the Group, including directors of any company in the Group, to take up options to subscribe for ordinary shares of the Company. The purpose of the scheme is to provide an opportunity for employees of the Group to acquire an equity participation in the Company and to encourage them to work towards enhancing the value of the Company and its shares for the benefit of the Company and its Shareholders as a whole. The share option scheme shall be valid and effective for a period of ten years ending on 5 August 2017, after which no further options will be granted.

董事購買股份或債權證之權利

除下文「購股權計劃」一節及綜合財務報表附註31所披露者外，於本年度任何時間，本公司或其任何附屬公司概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債務證券（包括債權證）而獲取利益，而各董事或彼等之配偶或十八歲以下子女概無擁有可認購本公司證券或債務證券之任何權利，亦無行使任何該等權利。

董事於合約之權益

於本年度年終或年內任何時間並無存在由本公司或其任何附屬公司或控股公司就本集團業務訂立，且本公司任何董事或管理層成員於當中直接或間接擁有重大權益之重大合約。

董事於競爭業務之權益

於本年度及截至本報告日期，概無董事被視為於與本集團業務直接或間接競爭或可能競爭之業務中擁有權益（定義見上市規則）。

購股權計劃

本公司於二零零七年八月六日採納一項購股權計劃，據此，董事獲授權酌情邀請本集團僱員（包括本集團旗下任何公司之董事）承購購股權，以認購本公司之普通股。該計劃旨在為本集團僱員提供機會，取得於本公司之股本權益，鼓勵彼等為本公司及其股東整體之利益，努力提升本公司及其股份之價值。購股權計劃於截至二零一七年八月五日止十年內有效及生效，其後不得再授出購股權。



Report of the Directors 董事會報告

The exercise price of options is the highest of the nominal value of the shares, the closing price of the shares on the Stock Exchange on the date of grant and the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of grant.

As at 31 December 2016, the executive directors and employees of the Group had the following interests in options to subscribe for shares of the Company (market value per share at 31 December 2016 was HK\$0.54) granted for HK\$1 under the share option scheme of the Company. As at 31 December 2016, the total grant date fair value of unexercised unvested options, measured in accordance with the accounting policy set out in note 31 to the consolidated financial statements, amounted to HK\$52,192,000. The options are unlisted. Once vested, each option gives the holder the right to subscribe for one ordinary share of the Company. Assuming that all the options outstanding as at 31 December 2016 are exercised, the Company will receive proceeds of approximately HK\$477,735,000.

購股權之行使價為股份面值、股份於授出日期在聯交所之收市價及股份於緊接授出日期前五個營業日在聯交所之平均收市價中之最高者。

於二零一六年十二月三十一日，執行董事及本集團僱員於本公司根據購股權計劃以1港元授出可認購本公司股份（股份於二零一六年十二月三十一日之市價為每股0.54港元）之購股權中擁有以下權益。於二零一六年十二月三十一日，未行使未歸屬購股權於授出日期之公平值（按照綜合財務報表附註31所載會計政策計量）合共為52,192,000港元。該等購股權並無上市。每份購股權於歸屬後將賦予持有人權利認購一股本公司之普通股。假設於二零一六年十二月三十一日尚未行使之購股權獲悉數行使，本公司將獲得所得款項約477,735,000港元。

Report of the Directors

董事會報告

| Category of participant | Date of grant | Exercise price | Number of share options 購股權數目 | | | |
|--|-------------------------------|----------------------|----------------------------------|-------------------------------|--|------------------------------|
| | | | As at 1 January 2016 | Granted during the year | Lapsed/ Cancelled during the year | As at 31 December 2016 |
| 參與者類別 | 授出日期 | 行使價 | 於 二零一六年 一月一日 | 年內授出 | 年內失效/ 註銷 | 於 二零一六年 十二月 三十一日 |
| Executive Directors: | | | | | | |
| 執行董事: | | | | | | |
| Ms. Yang (Note 1) 楊女士(附註1) | 30 March 2015 二零一五年三月三十日 | HK\$0.247 0.247港元 | 60,000,000 | - | - | 60,000,000 |
| Mr. Choi 蔡先生 | 30 March 2015 二零一五年三月三十日 | HK\$0.247 0.247港元 | 72,363,900 | - | - | 72,363,900 |
| | 14 July 2016 二零一六年七月十四日 | HK\$0.52 0.52港元 | - | 70,000,000 | - | 70,000,000 |
| | | | 72,363,900 | 70,000,000 | - | 142,363,900 |
| Mr. Tsang 曾先生 | 30 March 2015 二零一五年三月三十日 | HK\$0.247 0.247港元 | 20,000,000 | - | - | 20,000,000 |
| | 14 July 2016 二零一六年七月十四日 | HK\$0.52 0.52港元 | - | 10,000,000 | - | 10,000,000 |
| | | | 20,000,000 | 10,000,000 | - | 30,000,000 |
| Employees in aggregate 僱員總計 | 30 March 2015 二零一五年三月三十日 | HK\$0.247 0.247港元 | 551,275,150 | - | (108,863,900) | 442,411,250 |
| | 14 July 2016 二零一六年七月十四日 | HK\$0.52 0.52港元 | - | 515,800,000 | (7,000,000) | 508,800,000 |
| | 6 December 2016 二零一六年十二月六日 | HK\$0.493 0.493港元 | - | 50,000,000 | - | 50,000,000 |
| | | | 551,275,150 | 565,800,000 | (115,863,900) | 1,001,211,250 |
| Total 總計 | | | 703,639,050 | 645,800,000 | (115,863,900) | 1,233,575,150 |

Note:

附註:

1. Ms. Yang also through Toplap International Limited owns 168,000,000 shares of the Company.

1. 楊女士亦透過Toplap International Limited擁有168,000,000股本公司股份。



Report of the Directors 董事會報告

Apart from the foregoing, at no time during the Year was the Company, or any of its holding company, subsidiaries or 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

除上文所述者外，於本年度任何時間，本公司或其任何控股公司、附屬公司或同系附屬公司概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債權證而獲取利益。

SUBSTANTIAL SHAREHOLDER AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2016, the following persons (other than the directors or chief executive of the Company) has interests or short position in the shares and underlying shares of the company, being 5% or more of the Company's issued share capital, as known to the Company or recorded in the register required to be kept under Section 336 of the SFO and in accordance with information received by the Company.

主要股東及其他人士於股份及相關股份之權益

於二零一六年十二月三十一日，據本公司所知或根據證券及期貨條例第336條須存置之登記冊所記錄及按照本公司獲得之資料，以下人士（本公司董事或最高行政人員除外）於本公司股份及相關股份中擁有佔本公司已發行股本5%或以上之權益或淡倉。

| Name of shareholders 股東姓名 | Number in shares (Long position) 股份數目 (好倉) | % of voting right (Long position) 佔投票權之百分比 (好倉) | Number of shares (Short position) 股份數目 (淡倉) | % of voting right (Short position) 佔投票權之百分比 (淡倉) |
|--|---|--|--|---|
| Mr. King Pak Fu ("Mr. King") (Note 1) 景百孚先生（「景先生」）（附註1） | 5,398,483,350 | 53.20% | - | - |
| Central Huijin Investment Ltd 中央匯金投資有限責任公司 | 926,365,187 | 9.13% | - | - |
| Mr. Lee Tai Hay ("Mr. Lee") (Note 2) 李大熙先生（「李先生」）（附註2） | 795,022,942 | 7.83% | - | - |
| Mr. Zhao Zhen Zhong ("Mr. Zhao") 趙振中先生（「趙先生」） | 592,941,176 | 5.84% | - | - |
| China Huarong Overseas Investment Holdings Co., Limited 中國華融海外投資控股有限公司 | 589,751,535 | 5.81% | - | - |
| Ministry of Finance of the People's Republic of China 中華人民共和國財政部 | 589,751,535 | 5.81% | - | - |
| Sun Siu Kit 孫少杰 | 589,751,535 | 5.81% | - | - |

Report of the Directors

董事會報告

Notes:

1. Mr. King is interested in the share capital of the Company through his wholly-owned companies Mystery Idea Limited and Better Joint Venture Limited, being the beneficial owner of 5,231,723,350 shares and 11,260,000 shares respectively and through Carnival, being the beneficial owner of 155,500,000 shares. Carnival is 63.37% indirectly owned by Mr. King.
2. Giant Profit Enterprises Limited ("Giant Profit") is wholly-owned by Mr. Lee and Giant Profit is interested in 320,670,000 shares. As such, Mr. Lee is deemed to be interested in 320,670,000 shares held by Giant Profit and will be deemed to be interested in 795,022,942 shares, being the beneficial owner of 474,352,942 shares and 320,670,000 shares respectively.

SUFFICIENCY OF PUBLIC FLOAT

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

CODE OF BEST PRACTICE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 50 to 62.

EVENT AFTER THE REPORTING PERIOD

Details of the significant event after the reporting period of the Group are set out in note 41 to the consolidated financial statements.

附註：

1. 景先生透過其全資公司Mystery Idea Limited及Better Joint Venture Limited (分別為5,231,723,350股及11,260,000股股份之實益擁有人)以及嘉年華(155,500,000股股份之實益擁有人)擁有本公司股本之權益。嘉年華由景先生間接擁有63.37%權益。
2. 李先生全資擁有Giant Profit Enterprises Limited (「Giant Profit」)，而Giant Profit擁有320,670,000股股份之權益。因此，李先生被當作於Giant Profit所持320,670,000股股份中擁有權益，並將因分別作為474,352,942股及320,670,000股股份之實益擁有人而被當作於795,022,942股股份中擁有權益。

公眾持股量之充足度

根據本公司所得之公開資料及於本年報日期就董事所知，本公司已維持上市規則規定之公眾持股量。

最佳常規守則

本公司採納之主要企業管治常規載於第50至62頁之企業管治報告。

報告期後事項

本集團於報告期後發生之重大事項詳情載於綜合財務報表附註41。



Report of the Directors 董事會報告

AUDITOR

The consolidated financial statements of the Company for the year ended 31 December 2016 were audited by Mazars CPA Limited.

A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appointed Mazars CPA Limited as auditor of the Company.

ON BEHALF OF THE BOARD

Yang Xiaoying

Executive Director and Chief Executive Officer

Hong Kong

28 March 2017

核數師

本公司截至二零一六年十二月三十一日止年度之綜合財務報表由瑪澤會計師事務所有限公司審核。

本公司將於應屆股東週年大會上提呈一項決議案，續聘瑪澤會計師事務所有限公司為本公司之核數師。

代表董事會

執行董事兼行政總裁

楊曉櫻

香港

二零一七年三月二十八日

Corporate Governance Report

企業管治報告

The Company recognises that good governance standards maintained throughout the Group serves as an effective risk management mechanism for the Company. The Board is committed to ensuring a high level of corporate governance standards.

CORPORATE GOVERNANCE PRACTICES

The Board has adopted its own code on corporate governance practices which incorporate all the code provisions in the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). The Company will continue to enhance the corporate governance standards throughout the Group and ensure further standards be put in place by reference to the recommended best practices whenever suitable and appropriate.

Save as disclosed below, in the opinion of the Directors, the Company has adopted and complied with the CG Code as set out in Appendix 14 to the Listing Rules during the year.

- (a) CG Code Provision A.2.1 stipulated that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Ms. Yang Xiaoying was appointed as the chief executive officer on 1 May 2015 and is responsible for monitoring the daily operation and management of the Company. Although the responsibilities of the Chairman and the Chief Executive Officer are vested in one person, all major decisions are made in consultation with the Board members. There are three independent non-executive Directors in the Board. The Board considers that there is sufficient balance of power and the current arrangement maintains a strong management position of the Company. The Board will keep reviewing its current structure and the need of appointment of a suitable candidate to perform the role of Chairman.

本公司確認，本集團上下奉行之良好管治標準能有效地管理本公司之風險。董事會致力確保維持高企業管治水平。

企業管治常規

董事會已採納自訂企業管治常規守則，該守則加入聯交所證券上市規則（「上市規則」）附錄十四載列之企業管治守則之所有守則條文。本公司將繼續提升本集團整體之企業管治標準，確保於合適及適當之時參考建議最佳常規採用進一步之標準。

除下文所披露者外，董事認為，本公司於年內一直採納及遵守上市規則附錄十四所載之企業管治守則。

- (a) 企業管治守則條文A.2.1訂明主席與行政總裁的角色應有區分，並不應由一人同時兼任。楊曉櫻女士於二零一五年五月一日獲委任為行政總裁，負責監督本公司日常營運及管理。儘管主席及行政總裁的職責由一人同時兼任，惟所有重大決定均會諮詢董事會成員方始作出。董事會有三名成員為獨立非執行董事。董事會認為現時具有充份權力平衡，現行安排能維持本公司的妥善管理。董事會將不斷檢討其現行架構及委任適當人選履行主席職務之需要。



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- (b) CG Code Provision A.4.1 stipulated that non-executive directors should be appointed for a specific term and be subject to re-election. The Company has not fixed the term of appointment for non-executive directors, which constitutes a deviation from Code Provision of A.4.1. However, all non-executive directors are also subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to Article 116 in the Articles of Association of the Company.
- (c) CG Code A.6.7 stipulated that independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the view of shareholders. Due to other pre-arranged business commitments which must be attended by the Directors, Mr. Zhang Xiaoman was not able to attend the general meeting of the Company on 14 March 2016 and while Mr. Pak William Eui Won was not able to attend the general meetings on 14 March 2016 and 31 May 2016 respectively.
- (b) 企業管治守則條文A.4.1訂明非執行董事的委任應有指定任期，並須接受重新選舉。本公司並無釐定非執行董事之任期，因而構成偏離守則條文A.4.1。然而，按照本公司組織章程細則第116條，全體非執行董事亦須於本公司股東週年大會上輪流告退並接受重選。
- (c) 企業管治守則條文A.6.7訂明獨立非執行董事及其他非執行董事應出席股東大會，對股東之意見有公正了解。由於事先已有其他業務安排必須由董事出席，因此，張小滿先生未能出席本公司於二零一六年三月十四日舉行之股東大會，而 Pak William Eui Won先生未能出席分別於二零一六年三月十四日及二零一六年五月三十一日舉行之股東大會。

DIRECTORS' SECURITIES TRANSACTIONS

Conduct on Share Dealings

The Company has adopted a code of conduct for securities transactions and dealings (the "Code of Conduct") based on the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code"). The terms of Code of Conduct are no less exacting than the standards in the Model Code, and the Code of Conduct applies to all the relevant persons as defined therein. Specific enquiry has been made of all Directors who have confirmed in writing of their compliance with the required standards set out in the Code of Conduct during the year under review.

董事之證券交易

股份買賣操守

本公司已根據上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）採納證券交易及買賣之操守守則（「操守守則」）。操守守則之條款不遜於標準守則內之標準，而操守守則適用於當中界定之全部有關人士。本公司已向全體董事作出特定查詢，而所有董事已書面確認於回顧年度內已遵守操守守則所載之規定標準。

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CORPORATE MANAGEMENT

Board of Directors

Composition

As at the date of this report, the Board is comprised of 6 members including 3 executive Directors and 3 INEDs. The biographical details are set out on pages 29 to 31 of this report. The executive Directors are responsible for managing the Group's business, including business development, corporate strategies and company policies. The INEDs endeavor to assist the Board to maintain high standards of financial and other mandatory reporting standards as well as providing adequate checks and balance for safeguarding the interest of shareholders and the Company as a whole.

Independent Non-executive Directors

For the year ended 31 December 2016, the number of INEDs at all times exceeded one-third of the Board membership. Pursuant to the Listing Rules, the Company has received written confirmation from each INED of his/her independence to the Company, and the Company considered each of them is independent under Rule 3.13 of the Listing Rules. None of the existing INEDs is appointed for a specific term which constitutes a deviation from code provision A.4.1 of the CG Code.

However, one-third of the Directors of the Company (both executive and independent non-executive) are subject to retirement by rotation at each annual general meeting under the Articles of Association of the Company. The Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are in line to those of the CG Code. The Board is comprised of professionally qualified and diversified individuals.

企業管理

董事會

成員

於本報告日期，董事會由六名成員組成，包括三名執行董事及三名獨立非執行董事，彼等之履歷載於本報告第29至31頁。執行董事負責管理本集團之業務，包括業務發展、企業策略及公司政策。獨立非執行董事致力協助董事會維持高水平之財政及其他強制性申報標準，並作出充份制衡，以保障股東及本公司之整體利益。

獨立非執行董事

於截至二零一六年十二月三十一日止年度，獨立非執行董事之人數一直超過董事會成員人數三分之一。根據上市規則，本公司已接獲各獨立非執行董事發出之確認書，確認其獨立於本公司，而本公司認為彼等均為上市規則第3.13條下之獨立人士。現任獨立非執行董事概無特定任期，此舉構成偏離企業管治守則之守則條文A.4.1。

然而，按照本公司組織章程細則，本公司三分之一之董事（包括執行董事及獨立非執行董事）須於每屆股東週年大會上輪流告退。本公司認為已採取足夠措施，確保本公司之企業管治常規符合企業管治守則之守則條文。董事會成員包括具備專業資格之多個界別人士。



Corporate Governance Report

企業管治報告

Directors' Training

All Directors should keep abreast of the responsibilities as a director, and of the conduct and business activities of the Company. The Company is responsible for arranging and funding suitable training for the Directors. During the year, all Directors, except for Mr. Huang Xin who newly appointed on 15 November 2016, namely Ms. Yang Xiaoying, Mr. Tsang To, Mr. Choi Chi Fai, Mr. Zhang Xiaoman and Mr. Chin Hon Siang confirmed that they had participated in appropriate continuous professional development to develop and refresh their knowledge and skills or had studied the reading materials relevant to corporate governance and other regulatory requirements in order to ensure that their contribution to the Board remains informed and relevant.

All Directors had provided the company secretary with their training records for the year under review. All Directors are encouraged to attend relevant training courses and seminars that may require keeping abreast with the latest changes in laws, regulations and the business environment.

Board Process

The Board meets regularly throughout the year to discuss the overall strategy as well as the operational and financial performance of the Group. In 2016, the Board held 4 scheduled full board meetings. In addition, executive board meetings are convened when necessary to deal with day-to-day matters that require the Board's prompt decision, and therefore usually only executive Directors attend. Individual attendance records on full board meetings and committees meetings are set out on page 54 of this annual report. Directors who are considered having conflict of interests or material interests in the proposed transactions or issues to be discussed would not be counted in the quorum of meeting and would abstain from voting on the relevant resolutions subject to certain exceptions set out in the Articles of Association of the Company. The company secretary maintains minutes of the Board meetings for inspection by Directors. All directors have access to the services of the company secretary who regularly updates the Board on corporate governance and regulatory matters. Any Director, Audit Committee member, Remuneration Committee member and Nomination Committee member of the Company may take independent professional advice at the expense of the Company should they so wish.

董事培訓

全體董事應緊貼董事所負責任之最新資訊以及本公司之方針及業務活動。本公司有責任為董事安排及撥資進行合適培訓。於年內，全體董事楊曉櫻女士、曾濤先生、蔡志輝先生、張小滿先生及陳鴻先先生（於二零一六年十一月十五日新委任之黃欣先生除外）均確認有參與合適之持續專業發展活動，以獲得及更新知識及技能，或研習與企業管治及其他監管規定之讀材，從而確保在得到全面資訊情況下為董事會作出切合其需要之貢獻。

全體董事已向公司秘書提供彼等於回顧年度內之培訓紀錄。本公司鼓勵全體董事出席相關培訓課程及座談會，該等課程及座談會或能向董事提供有關法律、規例及業務環境之最近期變動。

董事會程序

董事會全年定期舉行會議，討論整體策略以及本集團之經營及財務表現。於二零一六年，董事會曾舉行4次全體會議。此外，必要時會召開執行董事會議，處理需要董事會迅速決策之日常事宜，有關會議一般僅由執行董事出席。個別出席全體董事會會議及委員會會議之紀錄載於本年報第54頁。被認為於建議交易或將予討論事宜中存在利益衝突或擁有重大權益之董事，將不會計入會議法定人數，並會放棄就相關決議案投票，惟本公司組織章程細則所載之若干例外情況除外。公司秘書保存董事會會議之紀錄以供董事查閱。公司秘書定期為董事會更新企業管治及法規事宜之資料，並向所有董事提供有關服務。本公司董事、審核委員會成員、薪酬委員會成員及提名委員會成員均可按意願獲取獨立專業意見，費用由本公司承擔。

Corporate Governance Report

企業管治報告

Board and Board Committee Attendance

The following table indicates the number of Board, committee and general meetings during the financial year and the number of attendance by each of the Directors:

董事會及董事委員會之出席率

下表顯示董事會、其轄下委員會及股東大會於本財政年度內舉行會議之數目及各董事出席該等會議之次數：

| Name 姓名 | Board 董事會 | Number of meetings attended/held 出席／舉行會議次數 | | | | General 股東大會 |
|--|--------------|---|------------------------------------|----------------------------------|-----|-----------------|
| | | Audit Committee 審核委員會 | Remuneration Committee 薪酬委員會 | Nomination Committee 提名委員會 | | |
| Executive Directors 執行董事 | | | | | | |
| Ms. Yang Xiaoying 楊曉櫻女士 | 13/19 | - | - | - | 1/2 | |
| Mr. Tsang To 曾濤先生 | 16/19 | - | 1/1 | - | 1/2 | |
| Mr. Choi Chi Fai 蔡志輝先生 | 19/19 | - | - | - | 2/2 | |
| Independent Non-executive Directors 獨立非執行董事 | | | | | | |
| Mr. Pak William Eui Won (resigned on 15 November 2016) Pak William Eui Won先生 (於二零一六年 十一月十五日辭任) | 11/14 | 2/2 | 1/1 | 1/2 | 0/2 | |
| Mr. Zhang Xiaoman 張小滿先生 | 15/19 | 2/2 | 1/1 | 2/2 | 1/2 | |
| Mr. Chin Hon Siang 陳鴻先先生 | 19/19 | 2/2 | 1/1 | 2/2 | 2/2 | |
| Mr. Huang Xin (appointed on 15 November 2016) 黃欣先生 (於二零一六年 十一月十五日獲委任) | 3/5 | - | - | - | - | |

During the year, meetings of the Chairman and the INEDs without presence of the executive Directors and the management were held to discuss and review the performance of the executive Directors and the management. This also includes the adequacy of systems and controls in place to safeguard the interests of the Group.

年內，主席與獨立非執行董事在並無執行董事及管理層在場情況下舉行會議，討論及檢討執行董事及管理層之表現，並包括現行制度及監控是否足以保障本集團利益。

Directors' Duties

The Board in charge of leadership and supervision on the Group's affairs and is collectively responsible for promoting the success of the Group. Each Director has a duty to act in good faith and in the best interests of the Company.

董事之職責

董事會之職責為領導及監督本集團事務，並須共同負責為本集團之成功作出努力。各董事有責任真誠地為本公司之最佳利益行事。



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Matters that require decisions by the Board normally include but not limited to overall Group strategies, major acquisitions and disposals, annual and interim results, recommendation on the appointment or re-appointment of Directors, and other significant operational and financial matters. Directors are kept up-to-date by monthly management information on a timely basis as well as on major changes that may affect the Group's businesses, including relevant rules and regulations.

The Board acknowledges its responsibility to prepare the financial statements and have them audited on an annual basis. The Company has adopted the generally accepted accounting standards in Hong Kong in preparing financial statements. Reasonable and prudent judgment and estimates have been made. The Group announces its financial results on a timely basis.

Corporate Governance Functions

The Board is responsible for performing the corporate governance duties including:

- (a) to develop and review the Company's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with Appendix 14 to the Listing Rules (Corporate Governance Code and Corporate Governance Report).

During the year, the Board reviewed the corporate governance policy and practices of the Company.

須提交董事會決定之事宜一般包括(但不限於)本集團整體策略、主要收購事項及出售事項、年度及中期業績、有關任命或重新任命董事之推薦建議以及其他重大營運及財務事宜。各董事均會透過每月管理資料適時獲得可能影響本集團業務之重大變動之最新資訊,包括相關規則及規例。

董事會知悉其有責任編製並每年審核財務報表。本公司於編製財務報表時採納香港公認會計原則,並已作出合理而審慎之判斷及估計。本集團適時公佈其財務業績。

企業管治職能

董事會負責履行企業管治責任,包括:

- (a) 制訂及檢討本公司之企業管治政策及常規;
- (b) 檢討及監察董事及高級管理人員之培訓及持續專業發展;
- (c) 檢討及監察本公司有關遵守法律及監管規定方面之政策及常規;
- (d) 制訂、檢討及監察適用於僱員及董事之操守守則及合規手冊(如有);及
- (e) 檢討本公司遵守上市規則附錄十四(企業管治守則及企業管治報告)之情況。

年內,董事會已檢討本公司之企業管治政策及常規。

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企業管治報告

Indemnification of Directors and Officers

The Directors and officers are indemnified under a directors' and officers' liability insurance against any liability incurred by them in the discharge of their duties while holding office as the directors and officers of the Company.

Chairman and Chief Executive Officer

Code Provision A.2.1 provides that the role of chairman and chief executive officer should be separate and should not be performed by the same individual. During the year, Ms. Yang Xiaoying was appointed as the chief executive officer on 1 May 2015 and monitored the daily operation and management of the Company. The Board will keep reviewing the current structure of the Board and the need of appointment of a suitable candidate to perform the role of Chairman.

BOARD COMMITTEES

The Board established an Audit Committee, a Remuneration Committee and a Nomination Committee with defined terms of reference. Audit Committee, Remuneration Committee and Nomination Committee are chaired by Independent Non-Executive Directors.

(a) Audit Committee

The Company has established an Audit Committee which comprises three INEDs namely Mr. Chin Hon Siang, Mr. Zhang Xiaoman and Mr. Huang Xin. The Audit Committee has reviewed the audit findings, the accounting principles and practices adopted by the Group, the Listing Rules and statutory compliance, and has discussed auditing, internal control, risk management and financial reporting matters (including the interim and annual financial statements) with senior management and the auditor. In addition, the Audit Committee has also reviewed the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting function.

董事及高級職員之彌償保證

董事及高級職員於擔任本公司董事及高級職員時，為履行職責而招致之任何責任，均可根據董事及高級職員責任保險獲得彌償。

主席及行政總裁

企業管治守則條文A.2.1訂明主席與行政總裁的角色應有所區分，並不應由一人同時兼任。年內，楊曉櫻女士於二零一五年五月一日獲委任為行政總裁，負責監督本公司日常營運及管理。董事會將不斷檢討其現行架構及委任適當人選履行主席職務之需要。

董事委員會

董事會已成立具有界定職權範圍之審核委員會、薪酬委員會及提名委員會。審核委員會、薪酬委員會及提名委員會均由獨立非執行董事擔任主席。

(a) 審核委員會

本公司已成立審核委員會，由三名獨立非執行董事陳鴻先先生、張小滿先生及黃欣先生組成。審核委員會已審閱核數結果、本集團採納之會計原則及常規、上市規則及法定合規情況，並聯同高級管理層及核數師討論審核、內部監控、風險管理及財務申報事宜（包括中期及年度財務報表）。此外，審核委員會亦已審閱本集團會計及財務申報職能之員工在資源、資格及經驗方面是否足夠。



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The Audit Committee met two times during the year to review the Group's annual and interim financial statements, review the external auditor's plan for the audit of the Group's accounts, review the risk management and internal control procedures and the financial reporting systems of the Group and make recommendations with respect to the appointment and re-appointment of the auditor of the Company.

(b) Remuneration Committee

A Remuneration Committee has been established in accordance with the requirements of the CG Code. The Remuneration Committee comprises three INEDs, namely Mr. Zhang Xiaoman, Mr. Chin Hon Siang and Mr. Huang Xin and one executive Director, namely Mr. Tsang To. The primary duties of the Remuneration Committee are to review and determination of the remuneration policy and packages of the directors and management executives. No Director is involved in deciding his own remuneration.

The Remuneration Committee meet one time during the year to review the remuneration policies and remuneration packages of the Directors of the Company.

(c) Nomination Committee

A Nomination Committee has been established in accordance with the requirements of the CG Code. The Nomination Committee comprises three INEDs, namely Mr. Chin Hon Siang, Mr. Zhang Xiaoman and Mr. Huang Xin. The primary duties of the Nomination Committee are to review the structure, size and composition of the Board, and select and make recommendations to the Board on the appointment of Directors and senior management.

The Nomination Committee met two times during the year to review the year to review the size, composition and structure of the Board, assess the independence of the INEDs, review the suitability of the Directors proposed for re-election at the annual general meeting and approve the nomination and appointment of the executive Director, independent non-executive director and chief executive officer of the Company and recommend to the Board for approval.

審核委員會於回顧年度曾舉行兩次會議，以審閱本集團之年度及中期財務報表、檢討外聘核數師有關本集團帳目之審核計劃、檢討本集團之風險管理及內部監控程序及財務申報系統以及就委任及續聘本公司核數師作出推薦建議。

(b) 薪酬委員會

薪酬委員會已根據企業管治守則之規定成立。薪酬委員會由三名獨立非執行董事張小滿先生、陳鴻先先生及黃欣先生，以及一名執行董事曾濤先生組成。薪酬委員會之主要職責為檢討及釐定董事及管理級行政人員之薪酬政策及組合。概無董事參與釐定其本身之薪酬。

薪酬委員會於回顧年度曾舉行一次會議，以檢討本公司董事之薪酬政策及待遇。

(c) 提名委員會

提名委員會已根據企業管治守則之規定成立。提名委員會由三名獨立非執行董事陳鴻先先生、張小滿先生及黃欣先生組成。提名委員會之主要職責為檢討董事會之架構、規模及成員組合，以及就委任董事及高級管理人員進行甄選，並向董事會作出推薦建議。

提名委員會於回顧年度曾舉行兩次會議，以檢討董事會之規模、成員組合及架構，評估獨立非執行董事之獨立性，檢討本公司建議於股東週年大會上重選之董事之合適性，批准本公司執行董事、獨立非執行董事及行政總裁之提名及委任，並向董事會作出推薦建議以供批准。

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is committed to providing a balanced, clear and comprehensive assessment of the financial performance and prospects of the Group in all the disclosures made to the shareholders and the regulatory authorities.

Timely release of interim and annual results announcements reflects the Board's commitment to provide transparent and up-to-date disclosures of the Group's performance.

The Board, assisted by the Audit Committee, oversees the financial reporting process and the quality of the financial reporting of the Group. The Audit Committee reviews and monitors the integrity of the Group's annual and interim financial statements. It also reviews the appropriateness of the Group's accounting policies and the changes to these policies as well as ensuring these financial statements comply with accounting standards and regulatory requirements.

The Directors acknowledge their responsibilities for preparing the accounts of the Company and the responsibilities of the external auditors with in respect to financial reporting which are set out in the Independent Auditors' Report on pages 81 to 88.

External Auditor

The fees paid/payable to the Company's auditor, in respect of audit, review and non-audit services for the year ended 31 December 2016 amounted to HK\$1,340,000, HK\$263,000 and HK\$289,000 respectively.

問責及審核

財務申報

董事會致力於向股東及監管機構作出之披露資料中，就本集團之財務表現及前景提供不偏不倚、清晰而全面之評估。

適時發佈中期及年度業績公告，反映董事會致力提供有關本集團表現之具透明度及最新披露資料。

在審核委員會協助下，董事會監督本集團財務申報程序及財務申報之質素。審核委員會檢討及監察本集團年度及中期財務報表之完整性，亦檢討本集團會計政策及該等政策之變更是否恰當，以及確保該等財務報表符合會計準則及監管規定。

董事確認彼等有責任編製本公司帳目，而外聘核數師就財務申報所負之責任載於第81至88頁之獨立核數師報告。

外聘核數師

於截至二零一六年十二月三十一日止年度，已付／應付本公司核數師之審核、審閱及非審核服務之費用分別為1,340,000港元、263,000港元及289,000港元。



Corporate Governance Report

企業管治報告

COMPANY SECRETARY

The company secretary is responsible to the Board for ensuring that board procedures are followed and that the Board is fully briefed on all legislative, regulatory and corporate governance developments and that it has regard to them when making decisions and would also facilitate induction and professional development of Directors. The company secretary is also directly responsible for the Group's compliance with the continuing obligations of the Listing Rules, Codes on Takeovers and Mergers and Share Buy-backs, Companies Ordinance, Securities and Futures Ordinance and other applicable laws, rules and regulations.

Mr. Wong Kwok San ("Mr. Wong") was appointed as the company secretary of the Company on 1 October 2014. He is responsible to the Board for ensuring the board procedures are followed and that the Board is briefed on legislative, regulatory and corporate governance developments. Mr. Wong has confirmed that he had received no less than 15 hours of relevant professional training for the year ended 31 December 2016, in compliance with Rule 3.29 of the Listing Rules.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board recognises the overall responsibility for the establishment, maintenance, and review of the risk management internal control system that provides reasonable assurance of the reliability and integrity of financial and operational information, effectiveness and efficiency of operations, the safeguarding of assets and the compliance with laws and regulations. Such systems are designed to manage rather than eliminate all risks of failure where its goal is to provide reasonable but not absolute assurance regarding the achievement of organisational objectives.

The Board, through its Audit Committee, assesses the effectiveness of the Group's risk management and internal control system which covers all material controls, including financial, operational and compliance control.

The risk management contains the following processes, which are connected to setting up targets, identification of risks, risk prioritisation and assessment, risk owner appointment, review, handling, reporting, follow-up, monitoring and reacting to identified risks.

公司秘書

公司秘書向董事會負責，確保董事會程序得以遵從，並保證董事會已就全部法例、監管及企業管治發展獲得全面簡報，且董事會作出決定時已考慮彼等之意見，並負責安排董事之入職培訓及專業發展。公司秘書亦直接負責確保本集團履行上市規則、香港公司收購、合併及股份回購守則、公司條例、證券及期貨條例以及其他適用法例、規則及規例下之持續責任。

黃國新先生（「黃先生」）於二零一四年十月一日獲委任為本公司之公司秘書。彼須向董事會負責，確保遵守董事會議事規則，並確保董事會知悉有關法例、規例及企業管治最新狀況。黃先生確認，於截至二零一六年十二月三十一日止年度，彼已遵守上市規則第3.29條，接受不少於15小時相關專業培訓。

風險管理及內部監控

董事會確認其有整體責任成立、維持及檢討風險管理及內部監控系統，以合理地確保財務及營運資料之可靠性及完整性、營運效率及效益、保障資產及遵守法律及法規。該等系統乃為管理而非消除所有錯誤之風險而設，旨在就達成組織目標提供合理而非絕對之保證。

董事會透過審核委員會評估本集團風險管理及內部監控系統之成效，有關系統涵蓋所有重大監控事宜，包括財務、營運及遵例監控。

風險管理包括以下程序，其涉及設立目標、識別風險、風險優次排序及評估、風險責任人、審閱、處理、報告、跟進、監察及回應所識別之風險。

Corporate Governance Report

企業管治報告

The Group's internal audit function is performed by an internal audit team, which reports directly to the Board and Audit Committee.

With the adoption of a risk-based approach, the internal audit team takes the lead to evaluate the risk management and internal control systems of the Group by reviewing all its major operations on a cyclical basis. The audit reviews cover all material controls including financial, operational and compliance controls. Results of the audit reviews in the form of internal audit reports are submitted to the members of the Audit Committee for discussion at the Audit Committee meetings. The internal audit reports are also followed up by the internal audit team to ensure that findings previously identified have been properly resolved.

The Board also engaged an external professional firm to conduct the annual review of the effectiveness of the risk management and internal control systems for the Year. The Group has properly followed all recommendations, and ensures these recommendations will be implemented within a reasonable time.

The Company regulates the handling and propagation of inside information according to the "Guidelines on Disclosure of Inside Information" published by the Securities and Futures Commission in June 2012 and as indicated in the corporate responsibility policy and various affiliate proceedings to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the propagation of such information is efficiently and consistently made. The Company regularly reminds the Directors and employees about the due compliance with all policies regarding the inside information with the latest regulatory updates.

The Board has conducted a review of the systems of risk management and internal control for the Year to ensure the effectiveness and adequacy of the systems. Such review shall be conducted annually. The Board considered that the risk management and internal systems of Company for the Year were effective and adequate.

本集團之內部審核職能由內部審核團隊履行，其直接向董事會及審核委員會報告。

隨着採用以風險為基礎之方法，內部審核團隊牽頭，透過週期性檢討本集團所有主要營運，評估本集團之風險管理及內部監控系統。該審核檢討覆蓋所有重要監控，包括財務、營運及合規監控。審核檢討之結果會以內部審核報告形式向審核委員會成員匯報，以便於審核委員會會議上討論。內部審核報告亦會由內部審核團隊跟進，確保報告先前識別之事項已妥善解決。

董事會亦委聘外部專業事務所，對本年度風險管理及內部監控系統之成效進行年度檢討。本集團已妥為跟進所有建議，並確保有關建議將於合理時間內落實。

本公司按照證券及期貨事務監察委員會於二零一二年六月發佈之「內幕消息披露指引」以及按公司責任政策和多項附屬程序所列監管內幕消息之處理及發佈，以確保內幕消息於獲適當批准披露前一直保密，並以有效及一致之方式發佈。本公司定期提醒董事及僱員妥善遵守有關內幕消息之所有政策，並提供最新監管資訊。

董事會已檢討本年度之風險管理及內部監控系統以確保其屬有效及足夠。該等檢討須每年進行。董事會認為，本公司本年度之風險管理及內部監控系統屬有效及足夠。



Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS

Convening Extraordinary General Meeting and Putting Forward Proposals at Shareholders' Meetings

Pursuant to the Articles of Association of the Company, shareholders are requested to follow article 72 of the Articles of Association of the Company to propose new resolutions at the general meetings. However, shareholders are requested to follow article 72 of the Articles of Association of the Company. Pursuant to article 72 of the Articles of Association of the Company, general meetings shall be convened on the written requisition of any two or more members of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member of the Company which is a recognized clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitioner, provided that such requisitioner held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting, the requisitioner(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

股東權利

召開股東特別大會及於股東大會上提呈建議

本公司之組織章程細則要求股東於股東大會上提呈新決議案時，依循本公司之組織章程細則第72條。然而，股東務請依循本公司之組織章程細則第72條。根據本公司之組織章程細則第72條，股東大會須在兩名或以上本公司股東向本公司於香港之主要辦事處或（倘本公司並無主要辦事處）註冊辦事處送達書面要求之情況下召開，書面要求須列明大會目的，並由提出要求之人士簽署，惟提出要求之人士於遞交要求當日須持有有權於本公司股東大會投票之本公司繳足股本不少於十分一。股東大會亦可在一名屬認可結算所之本公司股東（或其代名人）向本公司於香港之主要辦事處或（倘本公司並無主要辦事處）註冊辦事處送達書面要求之情況下召開，書面要求須列明大會目的，並由提出要求之人士簽署，惟提出要求之人士於遞交要求當日須持有有權於本公司股東大會投票之本公司繳足股本不少於十分一。倘董事會未有於提交要求當日起計21日內正式召開大會，提出要求之人士或當中持有彼等總投票權過半之任何人士可自行以與董事會召開大會相同之方式（盡可能相近）召開股東大會，惟如此召開之大會不可遲於提交要求當日起計三個月後召開，而提出要求之人士因董事會未能完成有關要求而產生之所有合理開支，將由本公司向彼等作出補償。

Corporate Governance Report

企業管治報告

If a shareholder, who is entitled to attend and vote at the relevant general meeting, wishes to nominate a person (not being the nominating shareholder) to stand for election as a Director, he or she should give a notice to the secretary of the Company in writing of the intention to propose a person for election as a Director and notice in writing by that person of his or her willingness to be so elected, no earlier than the day after the dispatch of the notice of the relevant general meeting and no later than 7 days prior to the date appointed for the relevant general meeting.

Detailed procedures for shareholders to propose a person for election as a Director are available on the Company's website.

Procedures for directing Shareholders' enquiries to the Board

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

INVESTOR RELATIONS AND COMMUNICATIONS

The Company continues to pursue a proactive policy in promoting investor relations and communication by maintaining meetings with institutional shareholders, fund managers and analysts through different means including meetings, presentations and correspondence. In an effort to enhance communications with shareholders and investors, the Company maintains a website (www.rentiantech.com) to disseminate information relating to the latest business developments and all Company announcements. The Company regards the Annual General Meeting (the "AGM") as an important event as it provides direct communication between the Board and its shareholders. All shareholders of the Company are given at least a minimum of 20 clear business days notice of the date and venue of the AGM at which time the Directors and committee members are available to answer questions on the business. The Company supports the CG Code's principle to encourage shareholder participation. The Board, according to the Listing Rules, will conduct voting at the forthcoming AGM by poll. The results of the Company voting will be announced on the Stock Exchange's website and the Company's website.

During the year, there was no significant change in the Company's constitutional documents.

倘有權出席相關股東大會並於會上投票之股東有意提名任何人士（並非作出提名之股東）參選董事，應向本公司秘書發出書面意向通知，表示建議該名人士參選董事，而該名人士亦應向本公司秘書發出書面通知，表明願意參選。有關通知須於相關股東大會通告寄發翌日至相關股東大會指定舉行日期前七日期間送交本公司秘書。

股東建議人士參選董事之詳細程序可於本公司網站查閱。

股東向董事會作出查詢之程序

股東可將向本公司作出之書面查詢送交本公司之香港主要營業地點，註明收件人為公司秘書。

投資者關係及溝通

本公司繼續採取主動促進投資者關係和溝通之政策，與機構股東、基金經理及分析師會面，形式包括會議、簡報及書信。為加強與股東及投資者之溝通，本公司已設立一個網站 (www.rentiantech.com)，方便發放有關最新業務發展之資料及本公司所有公佈。本公司將股東週年大會（「股東週年大會」）視為重要活動，因股東週年大會可讓董事會與其股東直接溝通。本公司全體股東於股東週年大會舉行前至少有最短20個完整營業日獲通知大會舉行日期及地點，而董事及委員會成員屆時會於會上回應有關業務之提問。本公司支持企業管治守則鼓勵股東參與之原則。董事會將根據上市規則，於即將舉行之股東週年大會上以投票表決方式進行投票。本公司之投票結果將於聯交所網站及本公司網站公佈。

年內，本公司之憲章文件並無重大變動。



Environmental, Social and Governance Report

環境、社會及管治報告

ABOUT THIS ESG REPORT

Overview

This Environmental, Social and Governance (ESG) Report (the “ESG Report”) of the Group for the year ended 31 December 2016 covers environmental and social subject areas in accordance with the requirements of Environmental, Social and Governance Reporting Guide stated in Appendix 27 to the Listing Rules. Corporate governance is addressed separately in the Corporate Governance Report.

Scope of the ESG Report

The ESG Report endeavours to present a balanced representation of the Group’s environmental and social performance and covers the entire operations of all entities in the Group.

The content of the ESG Report is defined through a process to determine ESG management approach, strategy, priorities and objectives relating to the Group’s operations, to describe our management, measurement and monitoring system employed to implement ESG strategy, and to disclose our key policies, compliance with relevant laws and regulations, and our performance.

Approved by the Board

The Board has overall responsibility for the Group’s ESG strategy and reporting. The Board is responsible for evaluating and determining the Group’s ESG-related risks, and ensuring that appropriate and effective ESG risk management and internal control systems are in place. The ESG Report was approved by the Board on 28 March 2017.

關於本ESG報告

概覽

本環境、社會及管治 (ESG) 報告 (「ESG 報告」) 按照上市規則附錄二十七所列環境、社會及管治報告指引之規定提供本集團於截至二零一六年十二月三十一日止年度在環境及社會方面之資料。企業管治於企業管治報告另行處理。

ESG報告之範圍

ESG報告旨在均衡申述本集團在環境及社會方面之表現，範圍涵蓋本集團旗下所有實體全部業務。

於界定ESG報告之範圍時，本集團已釐定其有關營運之ESG管理方針、策略、重要性及目標，並討論用以執行ESG策略之管理、計量及監察系統，以及披露本集團之主要政策、相關法律及法規之合規情況以及表現。

董事會批准

董事會對本集團之ESG策略及匯報承擔整體責任。董事會負責評估及釐定本集團有關ESG之風險，並確保本集團設立合適及有效之ESG風險管理及內部監控系統。本ESG報告於二零一七年三月二十八日獲董事會批准。

Environmental, Social and Governance Report

環境、社會及管治報告

ENVIRONMENTAL AND SOCIAL SUBJECT AREAS OF THE GROUP

About the Group

The Group is principally engaged in (i) the provision of integrated smart Internet-of-things solutions to enterprise customers; (ii) Human-machine Interactive Devices business; (iii) securities investment; and (iv) money lending business. The Group mainly operates in Mainland China and Hong Kong. Particulars of the Group's principal entities are set out in note 14 to the consolidated financial statements for the year ended 31 December 2016.

Strategies

Environmental and social responsibilities are viewed as the Group's core commitment to environment, internal workplace, and external community, and an integral part of the Group's practice to create value for stakeholders. Our strategy is to fulfil the Group's environmental and social responsibilities through achieving environmental and social objectives during daily operations.

Objectives

We integrate environmental and social considerations into the Group's business objectives to achieve:

Environmental objectives:

- Add environmentally-friendly elements to our daily research, development, manufacturing, sales, and service activities;
- Continuously improve waste management;
- Use energy and resources efficiently; and
- Reduce greenhouse gas emissions

本集團之主要環境及社會範疇

關於本集團

本集團主要從事(i)向企業客戶提供整合智能物聯網解決方案；(ii)人機互動商業終端業務；(iii)證券投資；及(iv)貸款業務。本集團主要於中國及香港經營。本集團旗下主要實體之詳情載於截至二零一六年十二月三十一日止年度之綜合財務報表附註14。

策略

環境及社會責任被視為本集團對環境、內部工作環境及社會各界之主要承擔，亦為本集團為持份者創造價值之常規的其中重要一環。本集團之策略為透過於日常運作中達成環境及社會目標，從而履行其環境及社會責任。

目標

本集團之業務目標結合環境及社會因素，從而：

環境目標：

- 在日常研究、開發、生產、銷售及服務活動中增添環保元素；
- 不斷改善廢物處理；
- 高效使用能源及資源；及
- 減少溫室氣體排放



Environmental, Social and Governance Report

環境、社會及管治報告

Social objectives:

- Respect rights of employees and promote an equal opportunity workplace;
- Commit to occupational safety and health, and provide a safe and healthy workplace;
- Promote community participation; and
- Commit to ethical business practices, and build integrity within the workplace

Approach

Monitored by the Board, the Group is executing its environmental and social strategy and achieving its related objectives through a series of actions and commitments:

- Embed environmental and social objectives into business processes including decision making process;
- Formulate and document environmental and social policies for management and staff members to follow;
- Comply with environmental and social laws and regulations;
- Report our performance on a balanced picture;
- Ensure appropriate and effective ESG risk management and internal control systems are in place; and
- Practise corporate citizenship in things we do

社會目標：

- 尊重僱員權益，於工作環境提倡平等機會；
- 確保職業安全及健康，提供安全而健康之工作環境；
- 宣揚服務社會；及
- 恪守商業道德操守，在工作環境培養誠信

方針

在董事會監督下，本集團透過一系列行動及承擔，推行環境及社會策略，達成相關目標：

- 在決策等業務過程中結合環境及社會目標；
- 制定及列明環境及社會政策，供管理層及員工遵守；
- 遵守環境及社會法律及法規；
- 公正地匯報表現；
- 確保設有適當而有效之ESG風險管理及內部監控系統；及
- 在活動中奉行企業公民責任

Environmental, Social and Governance Report

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Environmental and social management system comprises:

- The direction from the board to fulfil the ESG responsibilities;
- Day-to-day execution of environmental and social strategy and achieving its objectives by senior management;
- Performance and achievements done by employees in accordance with the Group's environmental and social policies;
- Compliance with environmental and social laws and regulations; and
- Review and monitoring of ESG risk management and internal control systems by the Board

Measures for the achievement of environmental and social objectives are:

- Environmental policies;
- Social policies;
- Checklists for the compliance with applicable environmental and social laws and regulations; and
- Requiring documentation for the performance and achievements of environmental and social related activities or matters

The implementation of environmental and social strategies, management of environmental activities, and measurement of achieving environmental and social objectives are monitored by dedicated managerial staff members and finally by the Board for its overall ESG responsibility.

環境及社會管理系統包括：

- 董事會領導履行ESG責任；
- 高級管理層負責環境及社會策略之日常執行，並達成有關目標；
- 僱員履行及恪守本集團之環境及社會政策；
- 遵守環境及社會法律及法規；及
- 董事會檢討並監察ESG風險管理及內部監控系統

達成環境及社會目標之措施包括：

- 環境政策；
- 社會政策；
- 遵守適用環境及社會法律及法規之清單；及
- 就履行及達成環境及社會相關活動或事務作出記錄之規定

董事會最終承擔ESG責任，並指定管理層成員監督施行環境及社會策略、管理環境活動並衡量環境及社會目標之達成情況。



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Stakeholder Engagement and Materiality

Stakeholder engagement is a key success factor in formulating our environmental and social strategy, defining our objectives, assessing materiality, and establishing policies. Our key stakeholders include customers, suppliers, employees and management. We have conducted a survey, discussed or communicated with stakeholders to understand their views and respond to their needs and expectations, evaluated and prioritised their inputs to improve our performance, and finally strived to provide value to our stakeholders, community and the public as a whole.

Based on the stakeholder engagement, we have identified issues with significant environmental and social impact and issues concerning stakeholders. The results of materiality assessment prioritised stakeholder inputs and made us focused on the material aspects for actions, achievements and reporting. Except key performance indicators which will be disclosed in our ESG report for the year ending 31 December 2017, we present below the relevant and required disclosure.

持份者參與及重要性

持份者的參與對制定環境及社會策略、界定目標、評估重要性及建立政策至關重要。本集團之主要持份者包括客戶、供應商、僱員及管理層。本集團已進行調查、與持份者討論或溝通，以瞭解彼等之見解，回應其需要及期望，評估及排列其對於改善本集團表現之意見，並致力為持份者、社區及普羅大眾創造價值。

基於持份者之參與，本集團已確認對環境及社會具重要影響以及與持份者有關之事宜。重要性評估之結果將持份者之意見排列次序，讓本集團集中處理重要層面，作出行動、執行及匯報。除關鍵績效指標將於截至二零一七年十二月三十一日止年度之ESG報告披露外，本集團於下文呈列相關及規定之披露事項。

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GENERAL DISCLOSURE

A. Environmental

The Group recognises the importance of a practice to protect the natural environment for the benefit of humans. We are committed to doing things we can to reduce the degrading of the biophysical environment.

Aspect A1: Emissions

Emissions refer to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

- Air and Greenhouse Gas Emissions

Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.

- Air and Greenhouse Gas Emissions from Production

The Group controls air emissions during the production process. Our subsidiary established policies to control air emissions by requiring employees to operate and maintain the production equipment properly to avoid excessive air and greenhouse emissions. Quality control department is responsible for inspection of air emissions on a regular basis. External environmental agency is engaged to measure the emissions if it is necessary. Excessive emissions are required to be addressed and remedied timely.

一般披露

A. 環境

本集團肯定保護自然環境對人類福祉之重要性。本集團矢志盡其所能減少影響生態環境。

層面A1：排放物

排放物指廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物之產生。

- 廢氣及溫室氣體排放

廢氣排放包括氮氧化物、硫氧化物及其他受國家法律及規例規管的污染物。溫室氣體包括二氧化碳、甲烷、氧化亞氮、氫氟碳化物、全氟化碳及六氟化硫。

- 生產廢氣及溫室氣體排放

本集團控制生產過程中之廢氣排放。附屬公司已制定政策控制廢氣排放，要求僱員妥善操作及保養生產設備，防止排放過量廢氣及溫室氣體。品質控制部門負責定期檢測廢氣排放。如有必要，本集團會委聘外界環保機構量度排放。本集團規定及時處理及糾正過量排放。



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– Air and Greenhouse Gas Emissions from Vehicles

The Group believes that green logistics brings benefits, which include reduction of transportation costs and reduction of energy consumption and pollution. As such, the Group requires that trucks used for long-distance transportation are loaded to the optimal capacity. In particular, the Group encourages optimising transportation routes, high loading rate and proper tire pressure to achieve efficiency.

The Group reminds employees to consider environmental impact in their commuting decisions to reduce air and greenhouse emissions. Employees are encouraged to take public transportation as often as possible and select fuel-efficient vehicles. While employees are driving, it is suggested to avoid unnecessary acceleration or deceleration, close windows when the vehicle is travelling at high speed, and only use air-conditioning when it is necessary.

The Group requires vehicles to use unleaded petrol and maintain the vehicles properly. Vehicles should undergo annual emissions testing and repair when it is necessary to improve air quality.

– Indirect Greenhouse Gas Emissions from Electricity Consumption

The Group requires workers to turn the machine on only when production preparation work has been done, and turn the machine off immediately at the end of production to reduce the indirect greenhouse gas emissions from electricity consumption.

– 汽車廢氣及溫室氣體排放

本集團深信綠色物流的裨益，包括減省運輸成本、節省能源及減少污染。因此，本集團要求長途運輸貨車乘載適量貨物。本集團尤其鼓勵採用最佳運輸路線、高運量及適當軟壓以提高效率。

本集團提醒僱員在通勤時考慮環境影響，減少廢氣及溫室氣體排放，例如鼓勵僱員盡可能利用公共交通系統，並選擇燃料效率高的交通工具。本集團鼓勵僱員駕駛時避免不必要加速或減速、在高速行駛下關窗及於必要時方使用空調。

本集團要求車輛使用無鉛汽油及通過適當保養。汽車應每年進行排氣測試，於必要時進行維修，改善排氣質素。

– 用電之間接溫室氣體排放

本集團要求工人只於完成生產準備工作後方開啟機器，並於生產完成時立即關掉機器，減少用電之間接溫室氣體排放。

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Installation of energy-efficient lighting has been planned. It is required for proper maintenance of electricity devices to avoid electricity leakage. Air-conditioning should be set at reasonable range. It is also required to disable the standby mode for all electrical appliances, including computers, photocopiers and printers before leaving the office.

- Indirect Greenhouse Gas Emissions from Business Travel by Employees

The Group recognises the severity of indirect greenhouse gas emissions from business travel by employees, and encourages employees to utilise teleconference instead of overseas meetings and choose railway for short-distance travels to reduce the number of air travel and ultimately reduce the carbon footprint of business travel.

- Discharges into Water and Land

The Group requires that discharges, if any, into waterways and land must comply with relevant laws and regulations.

- Generation of Hazardous Waste and Non-hazardous Waste

- Hazardous Waste

Hazardous wastes are those defined by national regulations. Hazardous wastes are required to be collected by recycling companies and labelled properly with sealed packaging.

本集團亦計劃安裝能源效益高的照明系統，並要求妥善保養電器，避免漏電。空調應設定於合理範圍。本集團亦規定於離開辦公室前關閉所有電器之備用模式，包括電腦、影印機及打印機。

- 僱員出外公幹之間接溫室氣體排放

本集團明白僱員出外公幹產生大量間接溫室氣體排放，並鼓勵僱員使用電話會議而非海外會議，短途行程使用鐵路，減少使用航空交通，盡可能減少出外公幹之碳足跡。

- 向水及土地的排污

本集團要求向水道及土地排放之污染物（如有）必須符合相關法律及法規。

- 有害及無害廢棄物之產生

- 有害廢棄物

有害廢棄物為受國家法例規管的廢棄物。本集團規定妥善標籤、以密封容器存放並由回收公司收集有害廢棄物。



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– Non-hazardous Waste

The Group promotes “reduce, reuse and recycle” to minimise waste and protect environment. Employees are encouraged to purchase supplies or equipment with an option to be upgraded and longer life-span, to install recycling bins to collect recyclables, and to have recyclers to collect recyclables.

– Paper Waste

In order to address indirect emissions relating to paper waste deposited at landfills, the Group encourages employees to apply computer technology such as email and storage devices to reduce paper consumption, avoid unnecessary printing or copying on paper, to print on both sides of a sheet of paper, to put recycling boxes near the photocopiers to collect single-sided paper for reuse and used double-sided paper for recycling, and to adjust documents and use space efficiency formats to optimise use of paper.

Aspect A2: Use of Resources

The Group recognises that efficient use of resources, including energy, water and other raw materials, in production, storage, transportation, buildings, electronic equipment, etc. is one of the important aspects to protect environment.

• Efficient Use of Energy

The Group established policies and procedures to reduce energy consumption in the facility, to assess the energy efficiency and utilisation of machineries as well as facilities, to increase the use of clean energy, if possible, to set targets to monitor energy consumption, and to ensure power is turned off when electrical appliances are not in use.

– 無害廢棄物

本集團提倡「減少、再用、回收」，減廢及保護環境。本集團鼓勵僱員購買可升級及壽命較長之供應品或設備，安裝回收桶收集可循環物料，並安排回收商收集可循環物料。

– 廢紙

為了處理與堆填廢紙有關之間接排放，本集團鼓勵僱員使用電郵及儲存裝置等電腦科技，減少用紙，避免打印或影印不必要文件，並採用雙面打印，於影印機附近設置回收桶，收集再用單面紙，回收雙面紙，並調整文件、使用空間效率高的格式以善用紙張。

層面A2：資源使用

本集團肯定於生產、儲存、運輸、樓宇、電子設備等有效使用資源（包括能源、水及其他原材料）對於保護環境至關重要。

• 有效使用能源

本集團已制定政策及程序減少設施能耗，評估能源效益及使用機器設備之情況，盡可能增加使用清潔能源，訂立目標監察能源消耗，並確保關掉不在使用中之電器。

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- Water Consumption

The Group requires employees to reduce water consumption. For example, employees are encouraged to fully empty any containers before washing, and to turn off water taps promptly.

- Efficient Use of Raw Material and Packaging Material

The Group endeavours to adopt the lifecycle assessment approach to consider the environmental impact of products throughout their lifecycle, covering raw material selection, acquisition, production, usage, disposal, and recycling. The Group encourages employees to use recycled or renewable material for packaging, and to design the packaging to be returnable, reusable, and renewable.

Aspect A3: The Environment and Natural Resources

The Group is committed to reducing the production and operation impacts on environment and natural resources. Policies are established to consider the actual impacts on environment and natural resources and to reduce such impacts. As a result, our major subsidiary has obtained various energy-saving product certificates and environmental-labelling product certificates.

To raise the awareness of impacts on the environment and natural resources, certain training on environment protection is conducted. For example, human resource department of our operating subsidiaries organised training on environmental-labelling product certification and established an environmental impact assessment method to assess the occurrence and impact of actual issues resulting from production and operation, and to establish control procedures to mitigate such impact.

- 用水

本集團要求僱員減少用水。例如，本集團鼓勵僱員於清潔前清除容器積水，並迅速關閉水龍頭。

- 有效使用原材料及包裝物料

本集團利用生命週期評估法，考慮產品於其生命週期中對環境之影響，涵蓋原材料選擇、收購、生產、使用、處置及回收。本集團鼓勵僱員在包裝上使用回收或可循環物料，並設計可收回、可再用及可循環之包裝。

層面A3：環境及天然資源

本集團致力減少生產及營運對環境及天然資源之影響，已制定政策考慮對環境及天然資源之實際影響及如何減輕影響。因此，主要附屬公司已取得多項節能產品認證及環保標籤產品認證。

為了提升對影響環境及天然資源之意識，本集團已進行若干環保培訓。舉例而言，營運附屬公司之人力資源部已安排有關環保標籤產品認證之培訓，並已制定環境影響評估方法，評估生產及經營所產生之實際問題及影響，並建立監控程序減輕有關影響。



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B. Social

The Group recognises that fulfilling social responsibilities is our duty as a corporate citizen. We endeavour to establish harmonious relationship with our employees, customers, suppliers, and the community at large. We care about the well-being and development of employees, ensure high standard of product responsibility, enhance transparent relationship with customers and suppliers, and contribute to our community development.

Employment and Labour Practices

Aspect B1: Employment

The Group has established employment policies, including compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

- Compensation and Dismissal

The Group offers competitive remuneration to attract and retain talented staff. Remuneration packages are reviewed periodically to ensure consistency with employment market. Laws and regulations on minimum wage and statutory social benefits are required to be followed. Dismissal is required to comply with employment laws and regulations, and to follow the internal policies and procedures, including policy on prevention of dismissal purely on employees' gender, marital status, pregnancy, disability, age or family status.

In order to retain talent, in 2016, our human resource department conducted an employee turnover analysis to identify the key reasons of turnover and find solutions to improve the employee turnover rate.

B. 社會

本集團明白履行社會責任是作為企業公民的職責。本集團銳意與僱員、客戶、供應商及社區建立和諧關係。本集團關心僱員身心健康及發展，保持高產品責任標準，提升客戶及供應商關係之透明度，並為社區發展作出貢獻。

僱傭及勞工常規

層面B1：僱傭

本集團已制定有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利之政策。

- 薪酬及解僱

本集團提供具競爭力之薪酬以吸引及挽留優秀員工，定期檢討薪酬待遇，確保與僱傭市場一致，要求遵守有關最低工資及法定社會福利之法律及法規，並按照僱傭法律及法規以及內部政策及程序解僱員工，包括防止純粹因僱員性別、婚姻狀況、懷孕、殘疾、年齡或家庭狀況解僱員工之政策。

為了挽留人才，人力資源部於二零一六年進行僱員流失率分析，確定主要流失理由及尋求改善僱員流失率之方案。

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- Recruitment and Promotion

The Group attracts talent through flexible, fair and transparent recruitment strategy. Our recruitment process includes application for recruitment, description of position, collection of job applications, interview, selection, approval, and job offering. Promotion is based on performance and suitability. Promotion process includes recommendation of candidates, evaluation, approval, and confirmation of promotion.

- Working Hours, Rest Periods, Benefits and Welfare

Employees' working hours, rest periods, benefits and welfare, including social security benefits and retirement pension plans, are required to be in compliance with employment or labour laws and regulations.

- Equal Opportunities, Diversity and Anti-discrimination

The Group endeavours to provide a fair workplace for employees and follow the principles of equality and non-discrimination. Recruitment, remuneration, promotion, and benefits are required to be handled based on objective assessment, equal opportunity and non-discrimination regardless of gender, race, employment type, age, geographical region, or other measure of diversity.

- 招聘及晉升

本集團以靈活、公平及透明之招聘策略吸引人才。招聘程序包括申請招聘、描述職位、收集應徵申請、面試、甄選、批准及聘用。晉升取決於表現及是否稱職。晉升程序包括推薦人選、評估、批准及確定晉升。

- 工作時數、假期、待遇及福利

僱員之工作時數、假期、待遇及福利（包括社會保障福利及退休金計劃）須符合僱傭或勞工法律及法規。

- 平等機會、多元化及反歧視

本集團努力為僱員提供公平之工作環境，恪守公平及反歧視原則。招聘、薪酬、晉升及福利必須建基於客觀評估、平等機會及不涉歧視，包括性別、種族、職位類別、年齡、地區或其他多元性指標。



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Aspect B2: Health and Safety

The Group is committed to maintaining a healthy and safe workplace for employees, and to preventing workplace injuries and illnesses.

- Providing a Safe Working Environment

The Group requires entities to establish and document policies and procedures on safety for employees to follow, set targets for the safety of employees, monitor the safety performance against the targets periodically, and report any safety incidents to management. For example, our major subsidiary has established written procedures for emergency response, including procedures for fire extinguishing, police emergency call service, ambulance service, and rescue procedures.

- Protecting Employees from Occupational Hazards

One of the success factors for protecting employees from occupational hazards is to train employees to protect themselves from psychological and physical hazards. The Group requires such training to be delivered to employees, especially those who operate equipment and tools.

In 2016, fire prevention and safety training and a fire drill are conducted to improve employees' response to fire incidents.

- Work-life Balance

The Group organises leisure and sports activities outside of workplace, including 2016 Christmas dinner in Hong Kong to promote work-life balance for employees.

層面B2：健康與安全

本集團致力為僱員提供健康及安全的工作環境及保障僱員避免職業性危害。

- 提供安全工作環境

本集團要求各實體制定及列明僱員應遵守之安全政策及程序，訂立僱員安全目標、定期對照安全表現及目標，並向管理層匯報安全事故。例如，主要附屬公司已制定書面意外處理程序，包括火警、報警、召援及急救程序。

- 保障僱員避免職業性危害

保障僱員避免職業性危害之其中一項成功要素為訓練僱員保護自己免受心理及身體傷害。本集團規定為僱員（尤其是設備及工具操作員）提供有關培訓。

二零一六年曾進行防火安全培訓及火警演習，提升僱員對火災之應變能力。

- 作息平衡

本集團舉辦工餘消閒及體育活動，包括香港的二零一六年聖誕晚宴，以鼓勵僱員作息平衡。

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Aspect B3: Development and Training

The Group is committed to providing adequate training to our employees to improve their knowledge and skills for discharging duties at work. Training includes vocational training courses provided internally or externally and paid by the Group.

- Employee Development

The Group requires employees to attend internal and external training courses, including new employee orientation and employee continuing education to improve employees' knowledge and skills for their job positions. The costs of qualified training courses are borne by the Group.

- Training Activities

The Group recorded attendance for fresh graduates on research and development training, and recorded attendance for a new employee orientation training.

During the year, various training classes were organised for our staff with an average of 6.5 hours per attendee.

Aspect B4: Labour Standards

The Group is committed to avoiding child and forced labour in the workplace.

- Preventing Child and Forced Labour

The Group prohibits child labour and requires human resource department and user departments to work together to prevent or identify child labour, and to ensure child labour is not in our workforce.

The Group is committed to protecting human rights, to prohibiting forced labours, and to creating a workplace with respect, fairness, and free will for our employees.

層面B3：發展及培訓

本集團致力為僱員提供足夠培訓，提升僱員履行工作職責的知識及技能。該等培訓包括內外部職業培訓課程，費用由本集團支付。

- 僱員發展

本集團要求僱員出席內外部培訓課程，包括新員工入職、僱員持續教育，提升僱員履行工作職責的知識及技能。合資格培訓課程費用由本集團承擔。

- 培訓活動

本集團記錄應屆畢業生出席研發培訓之情況，並記錄新員工出席入職培訓之情況。

年內曾為員工舉辦不同培訓班，每名出席員工的平均出席時數為6.5小時。

層面B4：勞工準則

本集團銳意於工作場所防止使用童工或強制勞工。

- 防止童工或強制勞工

本集團禁止使用童工，並規定人力資源部及招工部門合作防止或識別童工，並確保本集團工作場所並無童工。

本集團致力保障人權，禁止強制勞工，為僱員締造互相尊重、公平與自願的工作環境。



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Operating Practices

Aspect B5: Supply Chain Management

Supply chain management is one of the important areas of our business, which includes managing environmental and social risks of the supply chain. The Group requires suppliers to provide products and services for us with up-to-standard quality, health and safety to ensure compliance with environmental laws and regulations, and to ensure compliance with labour standards. The contracting for purchase of products and services is required to be based solely upon specification, quality, service, delivery, price, and tendering.

The Group requires impartial selection of suppliers and service providers, maximisation of competition in tendering process, approval of contract terms, compliance with laws and regulations, prevention and detection of bribery or fraud in the tendering and procurement process, and achievement of efficiency and cost saving in procurement.

Supply chain management policies and procedures are established, including assessment, selection, approval, procurement, and performance evaluation. Performance evaluation is based on quality, service, cost, and delivery.

營運慣例

層面B5：供應鏈管理

供應鏈管理是本集團業務其中一個重要範疇，須要管理供應鏈之環境及社會風險。本集團要求供應商向本集團提供產品及服務之最新質量、健康及安全標準，確保符合環境及勞工法律及法規。訂約採購產品及服務必須純粹建基於規格、品質、服務、交貨、定價及招標。

本集團規定挑選供應商及服務供應商時必須公正，發揮招標程序的競爭性，審批合約條款，遵守法律及法規，防止及偵測招標及採購程序中的賄賂或欺詐行為，同時提升採購效率及減省成本。

現已制定供應鏈管理政策及程序，涵蓋評審、挑選、批准、採購及表現評估。表現評估建基於品質、服務、成本及交貨質量。

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Aspect B6: Product Responsibility

Product responsibility refers to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.

- Health and Safety

The Group is fully responsible for our products and services, including health and safety relating to our products. We ensure health and safety relating to our products from the following areas: product design to ensure health and safety, selection of raw materials with health and safety consideration, quality control during the manufacturing processes, health and safety check for finished products, proper delivery and after-sale services.

- Advertising

The Group understands our customers' rights and is committed to providing accurate product and service information for customers in connection with their purchase or consumption decision. The Group requires careful review of advertising material to protect customers' interest.

- Labelling

The Group requires that labelling is accurate, legitimate, clear, and not misleading, and intellectual property rights are protected.

層面B6：產品責任

產品責任涉及所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法。

- 健康與安全

本集團對其產品及服務負全責，包括產品健康與安全。本集團在以下範疇確保產品健康與安全：產品設計確保健康與安全、根據健康與安全因素選擇原材料、生產過程的品質控制、製成品健康與安全檢測、妥善運送及售後服務。

- 廣告

本集團瞭解客戶權益，矢志為客戶提供準確產品及服務資料，供其於購買或使用時參考。本集團要求仔細審查廣告材料，保障客戶權益。

- 標籤

本集團要求標籤準確、合法、清晰及無誤導成份，並保障知識產權。



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- Privacy Matters

The Group is committed to protecting customer data and privacy information and keeping business information confidential. Training to employees in this regard and proper information system security are required.

- Methods of Redress

Although we ensure the quality of our products and services, at the same time, the Group requires that products or services with quality, safety, or health issues should be returned or compensated in accordance with terms of sales or service contracts. Return, recall, or compensation of products and services is required to be offered to all customers who are affected with consistent treatment and procedures.

Aspect B7: Anti-corruption

The Group established anti-corruption policies to prohibit employees from receiving any advantages offered by customers, suppliers, colleagues, or other parties, while they are performing employee duties, and prohibit any activities involving conflicts of interest, bribery, extortion, fraud, and money laundering. The Group encourages employees, customers, suppliers, or other parties to report incidents relating to any conflicts of interest, bribery, extortion, fraud and money laundering.

In 2016, our major subsidiary conducted anti-corruption training to employees to alert the potential risk and promote ethical and moral behaviour.

- 私隱事宜

本集團致力保障客戶數據及私隱資料，並對商業機密保密。本集團規定提供此方面之僱員培訓及恰當資訊系統保障。

- 補救方法

儘管本集團確保產品及服務品質，本集團同時要求按照銷售或服務合約條款退還或補償存在質量、安全或健康問題的產品或服務。本集團規定以一致的方式及程序向所有受影響客戶進行產品及服務退還、召回或賠償。

層面B7：反貪污

本集團已制定反貪污政策禁止僱員於履行其職務時收受客戶、供應商、同事或其他人士提供的利益，並禁止任何涉及利益衝突、賄賂、勒索、欺詐及洗黑錢的活動。本集團鼓勵僱員、客戶、供應商或其他人士舉報涉及利益衝突、賄賂、勒索、欺詐及洗黑錢的活動。

於二零一六年，主要附屬公司為僱員進行反貪污培訓，警示潛在風險，提倡倫理道德習慣。

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Community

Aspect B8: Community Investment

The Group is committed to contributing to the communities in which we operate, including community engagement to understand the needs of communities, and to ensure the Group's activities take into consideration of the communities' interest.

- **Labour Needs**
The Group strives to enlarge the business operation so that we can hire more workers to utilise communities' available labour resources.
- **Community Activities**
The Group encourages employees to participate in community activities, such as community health initiatives, sports, cultural activities, volunteer work, education and blood donation. In 2016, the Group donated over HK\$100,000 to local charities.
- **Environmental Protection**
All employees of the Group are encouraged to participate in environmental protection activities and raise the environmental awareness of people in the communities.

Regulatory Compliance

The Group was not aware of any non-compliance with laws and regulations that has a significant impact on the Group relating to emissions, employment, health and safety, labour standards, product responsibility and anti-corruption during the year.

社區

層面B8：社區投資

本集團矢志貢獻經營所在社區，包括社區參與，以瞭解社區需要，確保本集團的活動計及社區利益。

- **勞工需求**
本集團致力擴充業務營運，僱用更多工人，利用社區勞工資源。
- **社區活動**
本集團鼓勵參與社區活動，如社區健康行動、體育、文化活動、志願工作、教育及捐血。於二零一六年，本集團向本地慈善團體捐款不少於100,000港元。
- **環保**
本集團鼓勵全體僱員參與環保活動，提升社區各界環保意識。

監管合規

於本年度內，本集團並無發現在排放物、僱傭、健康與安全、勞工準則、產品責任及反貪污方面對本集團有重大影響的違法違規情況。



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**To the shareholders of
Rentian Technology Holdings Limited**
(incorporated in the Cayman Islands with limited liability)

致仁天科技控股有限公司
(於開曼群島註冊成立之有限公司)
全體股東

Opinion

We have audited the consolidated financial statements of Rentian Technology Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 89 to 242, which comprise the consolidated statement of financial position as at 31 December 2016, and 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 the notes to the consolidated financial statements, including a summary of significant accounting policies.

意見

吾等已審核列載於第89至242頁仁天科技控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表。綜合財務報表包括二零一六年十二月三十一日之綜合財務狀況表、以及截至該日止年度之綜合全面收入報表、綜合股東權益變動表及綜合現金流量表連同綜合財務報表附註(包括主要會計政策概要)。

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2016, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

吾等認為，綜合財務報表已根據香港會計師公會頒佈之香港財務報告準則真實而公平地顯示 貴集團於二零一六年十二月三十一日之財務狀況以及於截至該日止年度之財務表現及現金流量，並已遵照香港公司條例之披露規定妥為編製。

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Basis for Opinion

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

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.

意見基準

吾等按照香港會計師公會頒佈之香港審計準則進行審核。吾等於該等準則下之責任在本報告「核數師就審核綜合財務報表之責任」一節進一步闡述。按照香港會計師公會之「專業會計師道德守則」（「守則」），吾等獨立於貴集團，並已按照守則履行其他道德責任。吾等相信，吾等已取得充分而適當之審核憑證，可為吾等之意見提供基礎。

關鍵審核事宜

關鍵審核事宜為根據吾等之專業判斷，對吾等審核本期間綜合財務報表最為重要之事宜。此等事宜乃於吾等審核綜合財務報表及就此出具意見時一併處理，吾等不會就此等事宜分別提供意見。



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Key audit matters identified in our audit are summarised as follows: 吾等於審核時識別之關鍵審核事宜概述如下：

Key Audit Matter 關鍵審核事宜

How our audit addressed the Key Audit Matter 吾等於審核時處理關鍵審核事宜之方法

Recoverability of intangible assets and goodwill arising from acquisitions

Refer to notes 12 and 13 to the consolidated financial statements

收購產生之無形資產及商譽之可收回性

參閱綜合財務報表附註12及13

As a result of the acquisitions of businesses in recent years, the Group, among others recognised certain intangible assets and goodwill.

由於近年收購業務，故 貴集團確認（其中包括）若干無形資產及商譽。

The aggregate carrying amounts of the Group's intangible assets and goodwill amounted to HK\$142,839,000 and HK\$1,194,558,000 as at 31 December 2016 respectively. 於二零一六年十二月三十一日， 貴集團無形資產及商譽之帳面總額分別為142,839,000港元及1,194,558,000港元。

The carrying amounts of intangible assets and goodwill are significant to the consolidated financial statements. The recoverability assessment of the intangible assets and goodwill was performed by the management at the relevant cash generating units ("CGUs") which involved significant judgements and estimates about the future results of the businesses.

無形資產及商譽之帳面金額對綜合財務報表有重大影響。管理層對無形資產及商譽之可收回性之評估在相關現金產生單位層面進行，當中涉及有關業務未來業績之重大判斷及估計。

Our procedures, among others, included:
吾等之程序包括：

- Assessing the competency and results of the work of independent professional valuers that were appointed by the management and assisted the management to prepare the value in use calculations;
- 評估由管理層委任以協助管理層編製使用價值計算方法之獨立專業估值師之能力及工作結果；
- Evaluating and challenging the composition of the Group's future cash flow forecasts in each CGU, and the process by which they were drawn up, including testing the underlying value in use calculations and comparing them to the latest approved budgets;
- 評價及質疑 貴集團各現金產生單位內未來現金流預測的組成部分以及制定有關預測的過程，包括測試相關使用價值計算方法以及將之與最新批准預算作比較；
- Challenging the reasonableness of key assumptions based on our knowledge of the business and industry; and
- 基於吾等對業務及行業的認知質疑主要假設是否合理；及
- Challenging the management on the adequacy of sensitivity calculations.
- 就敏感性計算方法是否足夠質疑管理層。

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Key Audit Matter 關鍵審核事宜

How our audit addressed the Key Audit Matter 吾等於審核時處理關鍵審核事宜之方法

Acquisition of Next Concept International Investment Limited ("Next Concept") and its subsidiaries ("Next Concept Group")

Refer to note 34 to the consolidated financial statements

收購進念國際投資有限公司(「進念」)及其附屬公司
(「進念集團」)

參閱綜合財務報表附註34

During the year, the Group acquired 51% equity interests in Next Concept Group, in which, among others, customer relationships of HK\$124,703,000 and goodwill of HK\$902,225,000 were recognised.

年內，貴集團收購進念集團51%股本權益，其中確認客戶關係124,703,000港元及商譽902,225,000港元。

The accounting for the acquisition required the identification and valuation of the assets acquired and liabilities assumed, which involved significant judgements and assumptions.

將收購入帳時須識別所收購資產及所承擔負債及就此進行估值，當中涉及重大判斷及假設。

Our procedures, among others, included:
吾等之程序包括：

- Assessing the competency and results of the work of independent professional valuers that were appointed by the management and assisted management to value significant intangible assets acquired in the acquisition;
- 評估由管理層委任以協助管理層就於收購事項收購之重大無形資產進行估值之獨立專業估值師之能力及工作結果；
- Assessing the valuation methodology;
- 評估估值方法；
- Reviewing the identification of the assets acquired and liabilities assumed;
- 檢討識別所收購資產及所承擔負債之方法；
- Challenging the reasonableness of key assumptions based on our knowledge and understanding of the business and market; and
- 基於吾等對業務及市場的認知及了解質疑主要假設是否合理；及
- Considering the adequacy of the Group's disclosure in respect of the acquisition.
- 考慮 貴集團有關收購事項的披露是否足夠。



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Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the Company's 2016 annual report but does not include 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 Directors and Those Charged with Governance for the Consolidated Financial Statements

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事就其他資料負責。其他資料包括 貴公司二零一六年年報所載的資料，惟不包括綜合財務報表及吾等就此發出之核數師報告。

吾等對綜合財務報表之意見並不涵蓋其他資料，吾等亦不就其他資料發表任何形式之鑒證結論。

結合吾等對綜合財務報表的審核，吾等之責任為閱覽上述的其他資料，而在此過程中，吾等會考慮其他資料是否與綜合財務報表或吾等在審核過程中了解之情況嚴重不符，或是否似乎存在重大錯誤陳述。基於吾等已進行之工作，如吾等認為其他資料存在重大錯誤陳述，則吾等須報告有關事實。就此而言，吾等並無任何報告。

董事及管治人員就綜合財務報表之責任

貴公司董事負責根據由香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定，編製可真實而公平地反映狀況之綜合財務報表，並對董事釐定就編製並無重大錯誤陳述（無論因欺詐或錯誤）之綜合財務報表而言屬必要之內部監控負責。

編製綜合財務報表時，董事負責評估 貴集團是否有能力繼續持續經營，披露（如適用）與持續經營相關事項，以及使用持續經營會計處理，除非擬將 貴集團清盤或終止經營 貴集團，或除此之外並無實質替代方案，則作別論。

管治人員負責監督 貴集團之財務申報程序。

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional skepticism 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.

核數師就審核綜合財務報表之責任

吾等之目標為合理確定綜合財務報表整體是否並無重大錯誤陳述（無論因欺詐或錯誤），並發出包含吾等意見之核數師報告。本報告僅向全體股東作出，除此以外不作其他用途。吾等概不就本報告之內容向任何其他人士承擔或負上責任。

合理確定屬高層次鑒證，但不能擔保根據香港審計準則進行之審核工作總能發現存有之重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘錯誤陳述個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出之經濟決定，即被視為重大。

作為根據香港審計準則進行審核工作一環，吾等運用專業判斷，在整個審核過程中抱持專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險，因應此等風險設計及執行審核程序，以及取得充足而適當之審核憑證以為吾等之意見提供基礎。由於欺詐可能涉及串謀、偽造、故意遺漏、誤導性陳述或凌駕內部監控，因此未能發現由此造成之重大錯誤陳述風險較未能發現因錯誤而導致之重大錯誤陳述風險為高。
- 了解與審核有關之內部監控，以設計恰當審核程序，惟並非旨在對 貴集團內部監控之成效發表意見。
- 評估董事所用會計政策是否合適，以及董事作出之會計估計及相關披露是否合理。



Independent Auditor's Report 獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基準是否恰當作出結論，並依照所得之審核憑證，決定是否存在與事件或情況有關之重大不明朗因素，而可能對 貴集團持續經營之能力構成重大疑慮。倘吾等認為存在重大不明朗因素，則須於核數師報告中促請注意綜合財務報表中相關披露資料，而倘有關披露資料不足，則須修改吾等之意見。吾等之結論建基於截至核數師報告日期為止所獲得之審核憑證。然而，未來事件或情況可能導致 貴集團無法繼續持續經營。
- 評估綜合財務報表（包括披露資料）之整體列報、架構及內容，以及綜合財務報表是否已公平地反映及列報相關交易及事件。
- 就 貴集團內各實體或業務活動之財務資料獲得充足審核憑證，以就綜合財務報表發表意見。吾等負責指導、監督及執行 貴集團之審核工作。吾等對審核意見承擔全部責任。

We communicate with those charged with governance 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.

吾等與管治人員溝通（其中包括）計劃審核範圍及時間安排以及重大審核發現，包括吾等在審核過程中識別出之內部監控重大缺失。

We also provide those charged with governance 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.

吾等亦向管治人員提交聲明，說明吾等已符合有關獨立性之相關道德要求，並與彼等溝通所有可能合理地被認為會影響吾等獨立性之關係及其他事宜，以及（如適用）相關防範措施。

Independent Auditor's Report

獨立核數師報告

From the matters communicated with those charged with governance, 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.

從與管治人員溝通之事宜中，吾等決定對審核本期綜合財務報表最為重要之事宜，因而構成關鍵審核事宜。吾等於吾等之核數師報告中說明該等事宜，除非法律或規例禁止公開披露有關事宜，或在極其罕見之情況下，若合理預期在吾等報告中指出某事宜所造成之負面後果將會超過其產生之公眾利益，吾等不會在此等情況下在報告中指出該事宜。

Mazars CPA Limited

Certified Public Accountants
Hong Kong, 28 March 2017

瑪澤會計師事務所有限公司

執業會計師
香港，二零一七年三月二十八日

The engagement director on the audit resulting in this independent auditor's report is:

出具本獨立核數師報告的審核項目董事為：

Chan Hiu Fun

Practising Certificate number: P05709

陳曉奮

執業證書編號：P05709



Consolidated Statement of Comprehensive Income

綜合全面收入報表

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

| | | Note | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|---------------------------|-------|----------------------------------|----------------------------------|
| | | 附註 | | |
| Revenue | 收益 | 3(a) | 1,203,580 | 904,096 |
| Cost of sales | 銷售成本 | | (739,321) | (550,404) |
| Gross profit | 毛利 | | 464,259 | 353,692 |
| Other income | 其他收入 | 3(b) | 40,154 | 23,650 |
| Selling and distribution expenses | 銷售及分銷開支 | | (68,414) | (79,319) |
| General and administrative expenses | 一般及行政開支 | | (314,305) | (171,415) |
| Other operating expenses | 其他經營開支 | | – | (49) |
| Changes in fair value of financial assets at fair value through profit or loss | 於損益帳按公平值處理之 財務資產之公平值變動 | | 264,436 | (77,666) |
| Profit from operation | 經營溢利 | | 386,130 | 48,893 |
| Finance costs | 融資成本 | 5(a) | (109,685) | (37,732) |
| Gain on bargain purchase on acquisition of associates | 收購聯營公司之 議價購買收益 | | – | 8,740 |
| Share of result of associates | 應佔聯營公司之業績 | 15 | 18,960 | 48,059 |
| Impairment of available-for-sale financial assets | 可供出售財務資產減值 | 16(a) | (41,114) | – |
| Loss on disposal of available-for-sale financial assets | 出售可供出售財務資產之 虧損 | 16(d) | (414) | – |
| Changes in fair value of contingent consideration payables | 應付或然代價之 公平值變動 | 28 | (743) | – |
| Profit before taxation | 除稅前溢利 | 5 | 253,134 | 67,960 |
| Taxation | 稅項 | 8 | (22,120) | (6,956) |
| Profit for the year | 年內溢利 | | 231,014 | 61,004 |

Consolidated Statement of Comprehensive Income

綜合全面收入報表

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

| | 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 |
|---|------------|----------------------------------|----------------------------------|
| Other comprehensive loss: | | | |
| <i>Items that are or may be reclassified to profit or loss:</i> | | | |
| Changes in fair value of available-for-sale financial assets | | – | (41,114) |
| Reclassification to profit or loss upon impairment of available-for-sale financial assets | 16(a) | 41,114 | – |
| Exchange differences arising from translation of foreign operations | | (43,061) | (22,302) |
| Share of other comprehensive loss of associates | 15 | (8,660) | (5,387) |
| Other comprehensive loss for the year | | (10,607) | (68,803) |
| Total comprehensive income (loss) for the year | | 220,407 | (7,799) |
| Profit attributable to: | | | |
| Owners of the Company | | 154,446 | 38,258 |
| Non-controlling interests | | 76,568 | 22,746 |
| | | 231,014 | 61,004 |
| Total comprehensive income (loss) attributable to: | | | |
| Owners of the Company | | 152,731 | (25,458) |
| Non-controlling interests | | 67,676 | 17,659 |
| | | 220,407 | (7,799) |
| | | HK cents | HK cents |
| | | 港仙 | 港仙 |
| Basic earnings per share | 10 | 1.59 | 0.52 |
| Diluted earnings per share | 10 | 1.56 | 0.52 |



Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2016 於二零一六年十二月三十一日

| | | 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 |
|---|------------------|------------|----------------------------------|----------------------------------|
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 11 | 48,484 | 32,916 |
| Intangible assets | 無形資產 | 12 | 142,839 | 33,144 |
| Goodwill | 商譽 | 13 | 1,194,558 | 266,592 |
| Interests in associates | 於聯營公司之權益 | 15 | 103,444 | 93,144 |
| Available-for-sale financial assets | 可供出售財務資產 | 16 | 357,606 | 493,020 |
| Pledged bank deposits | 已質押銀行存款 | 21 | 360 | 1,634 |
| Deferred tax assets | 遞延稅項資產 | 25 | 549 | 317 |
| Contingent consideration receivables | 應收或然代價 | 34(a) | 452 | – |
| | | | 1,848,292 | 920,767 |
| Current assets | 流動資產 | | | |
| Available-for-sale financial assets | 可供出售財務資產 | 16 | – | 83,559 |
| Inventories | 存貨 | 17 | 110,596 | 101,325 |
| Financial assets at fair value through profit or loss | 於損益帳按公平值處理之財務資產 | 18 | 2,527,073 | 1,707,758 |
| Loan receivables | 應收貸款 | 19 | 62,427 | 30,748 |
| Trade and other receivables | 貿易及其他應收款項 | 20 | 440,733 | 393,334 |
| Income tax receivable | 應收所得稅 | | 5,171 | – |
| Pledged bank deposits | 已質押銀行存款 | 21 | 2,594 | 2,214 |
| Bank balances and cash | 銀行結存及現金 | 22 | 439,726 | 228,247 |
| | | | 3,588,320 | 2,547,185 |
| Current liabilities | 流動負債 | | | |
| Trade and other payables | 貿易及其他應付款項 | 23 | 313,128 | 288,765 |
| Income tax payable | 應付所得稅 | | 4,753 | 6,072 |
| Interest-bearing borrowings | 計息借貸 | 24 | 41,549 | 374,019 |
| Promissory notes | 承兌票據 | 26 | 563,846 | 55,000 |
| | | | 923,276 | 723,856 |
| Net current assets | 流動資產淨值 | | 2,665,044 | 1,823,329 |
| Total assets less current liabilities | 資產總值減流動負債 | | 4,513,336 | 2,744,096 |

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2016 於二零一六年十二月三十一日

| | | Note | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--|--------------|------|----------------------------------|----------------------------------|
| | | 附註 | | |
| Non-current liabilities | 非流動負債 | | | |
| Interest-bearing borrowings | 計息借貸 | 24 | 433 | 582 |
| Deferred tax liabilities | 遞延稅項負債 | 25 | 30,518 | 2,867 |
| Promissory notes | 承兌票據 | 26 | 434,203 | 476,337 |
| Contingent consideration payables | 應付或然代價 | 28 | 15,540 | – |
| Convertible bonds | 可換股債券 | 29 | 599,150 | – |
| | | | 1,079,844 | 479,786 |
| NET ASSETS | 資產淨值 | | 3,433,492 | 2,264,310 |
| Capital and reserves | 股本及儲備 | | | |
| Share capital | 股本 | 30 | 10,148 | 8,136 |
| Reserves | 儲備 | | 3,191,255 | 2,106,864 |
| Equity attributable to owners of the Company | 本公司擁有人應佔股權 | | 3,201,403 | 2,115,000 |
| Non-controlling interests | 非控股權益 | | 232,089 | 149,310 |
| TOTAL EQUITY | 股權總值 | | 3,433,492 | 2,264,310 |

Approved and authorised for issue by the Board of Directors on 28 March 2017 and signed on its behalf by

經由以下人士代表董事會於二零一七年三月二十八日簽署批准及授權刊發

Yang Xiaoying
楊曉櫻
Director
董事

Choi Chi Fai
蔡志輝
Director
董事



Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

| | | Attributable to the owners of the Company 本公司擁有人應佔 | | | | | | | | | | | | | |
|---|---------------------|---|----------------------------------|--|--------------------------------------|--|---|---|--|----------------------------------|----------------------------------|-------------------------|-----------------------|---------------------------|-------------------------|
| | | Share capital | Share premium | Share-based payment reserve | Capital reserve | Capital redemption reserve | Available-for-sale financial assets revaluation reserve | Convertible bonds equity reserve | Foreign currency translation reserve | Other reserve | Statutory reserve | Retained profits | Sub-total | Non-controlling interests | Total equity |
| | | 股本 HK\$'000 千港元 | 股份溢價 HK\$'000 千港元 (附註a) | 以股份 支付之 款項儲備 HK\$'000 千港元 (附註b) | 資本 儲備 HK\$'000 千港元 (附註c) | 資本 贖回儲備 HK\$'000 千港元 (附註d) | 可供出售 財務資產 重估儲備 HK\$'000 千港元 (附註e) | 可換股 債券權益 儲備 HK\$'000 千港元 (附註f) | 外幣換算 儲備 HK\$'000 千港元 (附註g) | 其他儲備 HK\$'000 千港元 (附註h) | 法定儲備 HK\$'000 千港元 (附註i) | 保留溢利 HK\$'000 千港元 | 小計 HK\$'000 千港元 | 非控股權益 HK\$'000 千港元 | 股權總值 HK\$'000 千港元 |
| At 1 January 2015 | 於二零一五年一月一日 | 724 | 1,649,267 | - | 10,482 | 1,173 | - | - | (244) | - | - | 164,592 | 1,825,994 | 72,727 | 1,898,721 |
| Comprehensive income | 全面收入 | | | | | | | | | | | | | | |
| Profit for the year | 年內溢利 | - | - | - | - | - | - | - | - | - | - | 38,258 | 38,258 | 22,746 | 61,004 |
| Other comprehensive loss for the year | 年內其他全面虧損 | | | | | | | | | | | | | | |
| Changes in fair value of available-for-sale financial assets | 可供出售財務資產之公平值變動 | - | - | - | - | (41,114) | - | - | - | - | - | - | (41,114) | - | (41,114) |
| Exchange differences arising from translation of foreign operations | 換算海外業務所產生之匯兌差額 | - | - | - | - | - | - | (17,215) | - | - | - | (17,215) | (5,087) | (22,302) | |
| Share of other comprehensive loss of associates | 應佔聯營公司之其他全面虧損 | - | - | - | - | - | - | (5,387) | - | - | - | (5,387) | - | (5,387) | |
| Other comprehensive loss for the year | 年內其他全面虧損 | - | - | - | - | (41,114) | - | (22,602) | - | - | - | (63,716) | (5,087) | (68,803) | |
| Total comprehensive (loss) income for the year | 年內全面(虧損)收入總額 | - | - | - | - | (41,114) | - | (22,602) | - | - | 38,258 | (25,458) | 17,659 | (7,799) | |
| Transfer | 轉撥 | - | - | - | - | - | - | - | - | 350 | (350) | - | - | - | |
| Transactions with owners | 與擁有人進行之交易 | | | | | | | | | | | | | | |
| Contributions and distributions | 出資及分派 | | | | | | | | | | | | | | |
| Issue of bonus shares | 發行紅股 | 6,512 | (6,512) | - | - | - | - | - | - | - | - | - | - | - | |
| Issue of new shares, net of expenses | 發行新股(已扣除開支) | 900 | 281,614 | - | - | - | - | - | - | - | - | 282,514 | - | 282,514 | |
| Equity-settled share-based payments | 權益結算以股份支付之款項 | - | - | 31,950 | - | - | - | - | - | - | - | 31,950 | - | 31,950 | |
| | | 7,412 | 275,102 | 31,950 | - | - | - | - | - | - | - | 314,464 | - | 314,464 | |
| Changes in ownership interests | 擁有權益變動 | | | | | | | | | | | | | | |
| Non-controlling interests arising from acquisition of subsidiaries | 收購附屬公司所產生之非控股權益 | - | - | - | - | - | - | - | - | - | - | - | - | 58,924 | 58,924 |
| Total transactions with owners | 與擁有人進行之交易總額 | 7,412 | 275,102 | 31,950 | - | - | - | - | - | - | - | 314,464 | 58,924 | 373,388 | |
| At 31 December 2015 | 於二零一五年十二月三十一日 | 8,136 | 1,924,369 | 31,950 | 10,482 | 1,173 | (41,114) | - | (22,846) | - | 350 | 202,500 | 2,115,000 | 149,310 | 2,264,310 |

Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

| | | Attributable to the owners of the Company 本公司擁有人應佔 | | | | | | | | | | | | | |
|---|------------------------------|---|---------------|-----------------------------|-----------------|----------------------------|---|----------------------------------|--------------------------------------|---------------|-------------------|------------------|-----------|---------------------------|--------------|
| | | Share capital | Share premium | Share-based payment reserve | Capital reserve | Capital redemption reserve | Available-for-sale financial assets revaluation reserve | Convertible bonds equity reserve | Foreign currency translation reserve | Other reserve | Statutory reserve | Retained profits | Sub-total | Non-controlling interests | Total equity |
| | | 股本 | 股份溢價 | 以股份支付之款項儲備 | 資本儲備 | 贖回儲備 | 可供出售財務資產重估儲備 | 債券權益儲備 | 外幣換算儲備 | 其他儲備 | 法定儲備 | 保留溢利 | 小計 | 非控股權益 | 股權總值 |
| | | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 | HKS'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | (Note a) | (Note a) | (Note b) | (Note c) | (Note d) | (Note e) | (Note f) | (Note g) | (Note h) | (Note i) | | | | |
| | | (附註a) | (附註a) | (附註b) | (附註c) | (附註d) | (附註e) | (附註f) | (附註g) | (附註h) | (附註i) | | | | |
| At 1 January 2016 | 於二零一六年一月一日 | 8,136 | 1,924,369 | 31,950 | 10,482 | 1,173 | (41,114) | - | (22,846) | - | 350 | 202,500 | 2,115,000 | 149,310 | 2,264,310 |
| Comprehensive income | 全面收入 | | | | | | | | | | | | | | |
| Profit for the year | 年內溢利 | - | - | - | - | - | - | - | - | - | - | 154,446 | 154,446 | 76,568 | 231,014 |
| Other comprehensive income (loss) for the year | 年內其他全面收入(虧損) | | | | | | | | | | | | | | |
| Reclassification to profit or loss upon impairment of available-for-sale financial assets (note 16(a)) | 可供出售財務資產減值時重新分類至損益帳(附註16(a)) | - | - | - | - | - | 41,114 | - | - | - | - | - | 41,114 | - | 41,114 |
| Exchange differences arising from translation of foreign operations | 換算海外業務所產生之匯兌差額 | - | - | - | - | - | - | - | (34,169) | - | - | - | (34,169) | (8,892) | (43,061) |
| Share of other comprehensive loss of associates | 應佔聯營公司之其他全面虧損 | - | - | - | - | - | - | - | (8,660) | - | - | - | (8,660) | - | (8,660) |
| Other comprehensive income (loss) for the year | 年內其他全面收入(虧損) | - | - | - | - | - | 41,114 | - | (42,829) | - | - | - | (1,715) | (8,892) | (10,607) |
| Total comprehensive income (loss) for the year | 年內全面收入(虧損)總額 | - | - | - | - | - | 41,114 | - | (42,829) | - | - | 154,446 | 152,731 | 67,676 | 220,407 |
| Transfer | 轉撥 | - | - | - | - | - | - | - | - | - | 2,240 | (2,240) | - | - | - |
| Transactions with owners | 與擁有人進行之交易 | | | | | | | | | | | | | | |
| Contributions and distributions | 出資及分派 | | | | | | | | | | | | | | |
| Issue of new shares, net of expenses (note 30(a)) | 發行新股(已扣除開支)(附註30(a)) | 500 | 204,168 | - | - | - | - | - | - | - | - | - | 204,668 | - | 204,668 |
| Issue of new shares on acquisition of subsidiaries (note 34) | 收購附屬公司時發行新股份(附註34) | 1,512 | 664,220 | - | - | - | - | - | - | - | - | - | 665,732 | - | 665,732 |
| Dividends paid to non-controlling shareholders | 向非控股股東派付之股息 | - | - | - | - | - | - | - | - | - | - | - | - | (5,785) | (5,785) |
| Recognition of equity component of convertible bonds (note 29) | 確認可換股債券之權益部分(附註29) | - | - | - | - | - | - | 22,079 | - | - | - | - | 22,079 | - | 22,079 |
| Equity-settled share-based payments | 權益結算以股份支付之款項 | - | - | 67,155 | - | - | - | - | - | - | - | - | 67,155 | - | 67,155 |
| Share options forfeited during the year | 年內沒收之購股權 | - | - | (4,540) | - | - | - | - | - | - | - | - | (4,540) | - | (4,540) |
| | | 2,012 | 868,388 | 62,615 | - | - | - | 22,079 | - | - | - | - | 955,094 | (5,785) | 949,309 |
| Changes in ownership interests | 擁有權益變動 | | | | | | | | | | | | | | |
| Non-controlling interests arising from acquisition of subsidiaries (note 34) | 收購附屬公司所產生之非控股權益(附註34) | - | - | - | - | - | - | - | - | - | - | - | - | 79,241 | 79,241 |
| Acquisition of additional interest in non-wholly owned subsidiaries without change in control (note 35) | 收購非全資附屬公司額外權益(並無改變控制權)(附註35) | - | - | - | - | - | - | - | - | (21,422) | - | - | (21,422) | (58,353) | (79,775) |
| | | - | - | - | - | - | - | - | - | (21,422) | - | - | (21,422) | 20,888 | (534) |
| Total transactions with owners | 與擁有人進行之交易總額 | 2,012 | 868,388 | 62,615 | - | - | - | 22,079 | - | (21,422) | - | - | 933,672 | 15,103 | 948,775 |
| At 31 December 2016 | 於二零一六年十二月三十一日 | 10,148 | 2,792,757 | 94,565 | 10,482 | 1,173 | - | 22,079 | (65,675) | (21,422) | 2,590 | 354,706 | 3,201,403 | 232,089 | 3,433,492 |



Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

Notes:

- (a) Share premium represents the excess of the net proceeds or consideration from issuance of the Company's shares over their par value.
- (b) The share-based payment reserve comprises the fair value at the grant date of unexercised share options granted to and other share-based payment transactions with employees of the Group and is dealt with in accordance with the accounting policy as set out in note 2 to the consolidated financial statements.
- (c) The capital reserve represents the remaining credit balance pursuant to the Group's capital reorganisation that took place in prior years.
- (d) The capital redemption reserve has been set up in accordance with the provisions of the Companies Law of the Cayman Islands on repurchases and cancellations of the Company's shares.
- (e) The available-for-sale financial assets revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for the changes of fair value in available-for-sale financial assets as set out in note 2 to the consolidated financial statements.
- (f) The convertible bonds equity reserve represents the equity component (conversion right) of the convertible bonds issued and is dealt with in accordance with the accounting policies as set out in note 2 to the consolidated financial statements.
- (g) The foreign currency translation reserve has been set up and is dealt with in accordance with the accounting policies adopted for foreign currency translation as set out in note 2 to the consolidated financial statements.
- (h) The other reserve has been set up to deal with the changes in ownership interests in subsidiaries that do not result in a loss of control. The difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised in equity.
- (i) In accordance with the relevant laws and regulations in the People's Republic of China (the "PRC"), it is required to appropriate 10% of the annual statutory net profits of the PRC subsidiaries (as reported in the respective statutory financial statements of the PRC subsidiaries prepared in accordance with the PRC accounting regulations), after offsetting any prior years' losses as determined under the PRC accounting standards, to the statutory surplus reserve fund before distributing the net profit. If the accumulated statutory reserve reaches 50% of the registered capital of the respective PRC subsidiaries, the subsidiary is not required to make any further appropriation.

附註：

- (a) 股份溢價指發行本公司股份之所得款項淨額或代價超出其面值之部分。
- (b) 以股份支付之款項儲備包括已授予本集團僱員但尚未行使之購股權於授出日期之公平值及與本集團僱員進行之其他以股份支付之交易，乃根據綜合財務報表附註2所載之會計政策處理。
- (c) 資本儲備指根據本集團於過往年度進行股本重組之餘下貸方結餘。
- (d) 資本贖回儲備已根據開曼群島公司法之條文成立，用於購回及註銷本公司股份。
- (e) 可供出售財務資產重估儲備已成立並根據綜合財務報表附註2所載就可供出售財務資產公平值變動所採納之會計政策處理。
- (f) 可換股債券權益儲備指已發行可換股債券之權益部分（轉換權），並根據綜合財務報表附註2所載會計政策處理。
- (g) 外幣換算儲備已成立並根據綜合財務報表附註2所載就外幣換算所採納之會計政策處理。
- (h) 其他儲備已成立以處理並無導致失去控制權之附屬公司擁有權益變動。非控股權益調整金額與已付或已收代價公平值之間的差額乃於權益內確認。
- (i) 根據中華人民共和國（「中國」）相關法律及法規，中國附屬公司在根據中國會計準則對銷過往年度任何虧損後及於分派純利前，須將其每年法定純利（按根據中國會計法規編製之中國附屬公司相關法定財務報表所呈報）之10%轉撥至法定盈餘公積金。倘累計法定儲備達有關中國附屬公司註冊資本之50%，則該附屬公司或毋須再作任何轉撥。

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

| | Note | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|-------|----------------------------------|----------------------------------|
| | 附註 | | |
| OPERATING ACTIVITIES | | | |
| Cash used in operations | 32 | (387,555) | (345,407) |
| Income tax paid | | (53,628) | (863) |
| Net cash used in operating activities | | (441,183) | (346,270) |
| INVESTING ACTIVITIES | | | |
| Interest income received from financial institutions | | 3,104 | 2,967 |
| Proceeds from disposal of available-for-sale financial assets | | 123,559 | – |
| Purchase of available-for-sale financial assets | | – | (422,229) |
| Acquisition of an associate | | – | (83,016) |
| Dividends received from associates | | – | 78,800 |
| Decrease (Increase) in pledged bank deposits | | 645 | (214) |
| Proceeds from disposal of property, plant and equipment | | 2,573 | – |
| Purchase of property, plant and equipment | | (31,098) | (9,995) |
| Net cash inflow (outflow) on acquisition of subsidiaries | 34 | 21,159 | (150,125) |
| Net cash from (used in) investing activities | | 119,942 | (583,812) |
| FINANCING ACTIVITIES | | | |
| Dividends paid to non-controlling shareholders | | (5,785) | – |
| New bank borrowings raised | | 5,359 | 23,874 |
| New margin loan raised | | 36,041 | 350,000 |
| Repayment of bank borrowings | | (23,874) | (86,570) |
| Repayment of margin loan | | (350,000) | – |
| Repayment of other borrowings | | – | (25,276) |
| Payment for acquisition of non-controlling interests | 35 | (79,775) | – |
| Proceeds from issue of new shares, net of expenses | 30(a) | 204,668 | 282,514 |
| Proceeds from issue of convertible bonds, net of expenses | | 614,255 | – |
| Proceeds from issue of promissory notes | 29 | 200,000 | 455,000 |
| Repayment of obligations under finance leases | 26 | (145) | (36) |
| Interest expenses paid | | (52,830) | (20,617) |
| Net cash from financing activities | | 547,914 | 978,889 |



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

| | Note | 2016 | 2015 |
|--|-------|-----------------|----------|
| | 附註 | 二零一六年 | 二零一五年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Net increase in cash and cash equivalents | | 226,673 | 48,807 |
| Cash and cash equivalents at beginning of year | | 228,247 | 189,363 |
| Effect on exchange rate changes on cash and cash equivalents | | (15,194) | (9,923) |
| Cash and cash equivalents at end of year, represented by bank balances and cash | | 439,726 | 228,247 |
| Major non-cash transactions | | | |
| Dividends received from an associate in shares recorded under financial assets at fair value through profit or loss | | | |
| | 15(b) | – | 16,524 |
| Disposal of available-for-sale financial assets for listed securities recorded under financial assets at fair value through profit or loss | | | |
| | 16(d) | 95,000 | – |
| Waiver of promissory notes for the settlement of derivative contracts | | | |
| | 18(d) | (57,200) | – |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. CORPORATION INFORMATION

Rentian Technology Holdings Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The functional currency of the Company and its subsidiaries (collectively referred to as the "Group") is Hong Kong dollars ("HK\$") except for those subsidiaries established in the People's Republic of China (the "PRC"), Renminbi ("RMB") is the functional currency.

The address of the registered office, principal place of business activities and particulars of the Company are set out in the "Corporation Information" section of the annual report for 2016.

2. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

Except accounting policies in respect of contingent consideration arising from business combination and convertible bonds that were newly applicable to the Group in the current year, these consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2015 consolidated financial statements. The adoption of the new/revised HKFRSs that are relevant to the Group and effective from the current year had no significant effects on the results and financial position of the Group for the current and prior years. A summary of the principal accounting policies adopted by the Group is set out below.

1. 公司資料

仁天科技控股有限公司（「本公司」）在開曼群島註冊成立為獲豁免有限公司，其股份於香港聯合交易所有限公司（「聯交所」）主板上市。

本公司及其附屬公司（統稱「本集團」）之功能貨幣為港元，惟在中華人民共和國（「中國」）成立之附屬公司之功能貨幣為人民幣。

本公司註冊辦事處地址、主要營業地點及詳情載於二零一六年年報「公司資料」一節。

2. 主要會計政策

編製基準

本綜合財務報表乃根據香港財務報告準則（香港財務報告準則為一統稱，包括香港會計師公會頒佈之所有適用香港財務報告準則、香港會計準則及詮釋）、香港公認會計原則及香港公司條例之披露規定編製。本綜合財務報表亦符合聯交所證券上市規則（「上市規則」）之適用披露條文。

除於本年度首次適用於本集團有關業務合併產生之或然代價及可換股債券之會計政策外，本綜合財務報表之編製基準與二零一五年綜合財務報表所採納之會計政策貫徹一致。採納與本集團有關並由本年度起生效之新訂／經修訂香港財務報告準則對本集團之本年度及過往年度之業績及財務狀況並無任何重大影響。本集團所採納之主要會計政策概要載列如下。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Adoption of new/revised HKFRSs

The Group has applied, for the first time, the following new/revised HKFRSs issued by the HKCPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 January 2016:

| | |
|------------------------------|--|
| Amendments to HKAS 1 | Disclosure Initiative |
| Amendments to HKAS 27 (2011) | Equity Method in Separate Financial Statements |
| Annual Improvements Project | 2012-2014 Cycle |

Amendments to HKAS 1: Disclosure Initiative

The amendments include changes in the following five areas: (1) materiality; (2) disaggregation and subtotals; (3) structure of notes; (4) disclosure of accounting policies; (5) presentation of items of other comprehensive income arising from investments accounted for using equity method. It is considered that these amendments are clarifying amendments that do not directly affect an entity's accounting policies or accounting estimates.

The adoption of the amendments did not have any significant impact on the consolidated financial statements.

Amendments to HKAS 27 (2011): Equity Method in Separate Financial Statements

The amendments allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.

The adoption of the amendments did not have any significant impact on the consolidated financial statements.

2. 主要會計政策 (續)

採納新訂／經修訂香港財務報告準則

本集團已首次採納以下由香港會計師公會頒佈、與本集團於二零一六年一月一日開始之年度期間之財務報表有關且就此生效之新訂／經修訂香港財務報告準則：

| | |
|------------------------|---------------|
| 香港會計準則第1號之修訂 | 披露計劃 |
| 香港會計準則第27號 (二零一一年) 之修訂 | 獨立財務報表之權益法 |
| 年度改進項目 | 二零一二年至二零一四年週期 |

香港會計準則第1號之修訂：披露計劃

該等修訂涵蓋以下五個範疇之更改：(1) 重要性；(2) 細分及小計；(3) 附註架構；(4) 會計政策之披露方式；(5) 使用權益法入帳之投資所產生之其他全面收益項目之呈列方式。該等修訂被視為釐清性修訂，不會直接影響實體之會計政策或會計估計。

採納該等修訂對綜合財務報表並無任何重大影響。

香港會計準則第27號 (二零一一年) 之修訂：獨立財務報表之權益法

該等修訂批准實體於其獨立財務報表內使用權益法將於附屬公司、合營企業及聯營公司之投資入帳。

採納該等修訂對綜合財務報表並無任何重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Adoption of new/revised HKFRSs (Continued)

Annual Improvements Project – 2012-2014 Cycle

1) HKFRS 7 Financial Instruments: Disclosures

Servicing contracts

These amendments clarify what kind of servicing contracts may constitute continuing involvements for the purposes of applying the disclosure requirements for transferred financial assets that are derecognised in their entirety.

The adoption of the amendment did not have any significant impact on the consolidated financial statements.

2) HKAS 19 Employee Benefits: Discount Rate – Regional Market Issue

The amendment clarifies that the depth of the market for high quality corporate bonds used to determine the discount rate for post-employment benefit obligations should be assessed at a currency level and not at country level.

The adoption of the amendment did not have any significant impact on the consolidated financial statements.

Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost, except for contingent consideration receivables/payables, financial assets at fair value through profit or loss and certain available-for-sale financial assets, which are measured at fair value as explained in the accounting policies set out below.

2. 主要會計政策 (續)

採納新訂／經修訂香港財務報告準則 (續)

年度改進項目 – 二零一二年至二零一四年週期

1) 香港財務報告準則第7號財務工具：披露

服務合約

該等修訂釐清就應用有關全面終止確認的已轉讓財務資產之披露規定而言，何種服務合約可構成持續參與。

採納該等修訂對綜合財務報表並無任何重大影響。

2) 香港會計準則第19號僱員福利：貼現率－地區市場發行

該修訂釐清，用於釐定離職後福利責任貼現率之優質企業債券市場深度應在貨幣層面而非國家層面評估。

採納該修訂對綜合財務報表並無任何重大影響。

計量基準

編製本綜合財務報表所採用之計量基準為歷史成本，惟如下文載列之會計政策所述，應收／應付或然代價、於損益帳按公平值處理之財務資產及若干可供出售財務資產乃以公平值計量。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries as at 31 December each year. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balance, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. 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.

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by HKFRSs.

2. 主要會計政策 (續)

綜合基準

綜合財務報表包括本公司及其所有附屬公司截至每年十二月三十一日為止之財務報表。附屬公司之財務報表乃於與本公司相同之報告年度使用與本公司貫徹一致之會計政策編製。

集團內公司間之所有結餘、交易、收支及集團內公司間交易所產生盈虧會全數對銷。附屬公司之業績由本集團取得控制權當日起至有關控制權終止當日止綜合計算。

非控股權益乃於綜合全面收入報表及綜合財務狀況表之股權中與本公司擁有人分開呈列。於被收購公司之非控股權益為現時擁有權權益，賦予持有人權利於被收購公司清盤時按比例攤分被收購公司之資產淨值，初步按公平值或按現時擁有權工具所佔被收購公司可識別資產淨值已確認金額之比例計量。計量基準會因應逐項收購選擇。除非香港財務報告準則規定採納另一計量基準，否則其他類型非控股權益初步按公平值計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Contingent consideration arising from business combination

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

Allocation of total comprehensive income

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

Changes in ownership interest

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

2. 主要會計政策 (續)

綜合基準 (續)

業務合併產生之或然代價

將由收購方轉讓之任何或然代價按收購日期之公平值確認。其後對代價之調整於調整源自於計量期(最長為收購日期起計12個月)內所取得有關於收購日期之公平值之新資料時,方於商譽確認。不符合作為計量期間調整之或然代價公平值變動之其後會計處理取決於或然代價如何分類。分類為權益之或然代價不會於其後報告日期重新計量,而其後結算於權益內入帳。分類為資產或負債之或然代價乃在其後報告日期重新計量,而相應盈虧於損益帳中確認。

分配全面收入總額

損益及其他全面收入各組成部分會歸屬於本公司擁有人及非控股權益。全面收入總額會歸屬於本公司擁有人及非控股權益,即使此舉會導致非控股權益之結餘出現虧絀。

擁有權權益變動

倘本集團於附屬公司之擁有權權益出現變動,但並無導致本集團失去對該附屬公司之控制權,則入帳列作股權交易。本集團之控股與非控股權益之帳面金額均予以調整,以反映彼等於附屬公司之相關權益之變動。非控股權益之調整款額與已付或已收代價之公平值兩者間之任何差額,均直接於股權確認並歸屬於本公司擁有人。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Changes in ownership interest (Continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the holding company had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statement of financial position which is presented within these notes, investments in subsidiaries are stated at cost less impairment losses. The carrying amount of the investment is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

2. 主要會計政策 (續)

綜合基準 (續)

擁有權權益變動 (續)

倘本集團失去對附屬公司之控制權，則出售損益按(i)已收代價之公平值及於失去控制權當日所釐定任何保留權益之公平值之總額與(ii)該附屬公司之資產(包括商譽)及負債以及任何非控股權益於失去控制權當日之帳面金額兩者間之差額計算。先前就已出售附屬公司於其他全面收入確認之款額，按控股公司直接出售相關資產或負債所須使用之相同基準入帳。在前附屬公司保留之任何投資及該前附屬公司所結欠或應收之任何金額，會由失去控制權當日起入帳列作財務資產、聯營公司、合營公司或其他項目(如適用)。

附屬公司

附屬公司指受本集團控制之實體。倘本集團就參與實體業務所得可變動回報承擔風險或享有權利，並能透過其於該實體之權力影響該等回報，則本集團為控制該實體。如有事實及情況顯示一項或多項控制權要素出現變化，則本集團會重新評估其是否控制接受投資公司。

於附註內呈列之本公司財務狀況表中，於附屬公司之投資乃按成本減去減值虧損入帳。投資之帳面金額如高於可收回金額，按個別基準扣減至其可收回金額。本公司按已收及應收股息基準將附屬公司之業績入帳。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

The Group's investments in associates are accounted for under the equity method of accounting. Under the equity method, the investment is initially recorded at cost and adjusted thereafter for the post-acquisition changes in the Group's share of the investee's net assets and any impairment loss relating to the investment. Except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee, the Group discontinues recognising its share of further losses when the Group's share of losses of the investee equals or exceeds the carrying amount of its interest in the investee, which includes any long term interests that, in substance, form part of the Group's net investment in the investee.

Goodwill arising on an acquisition of an associate is measured as the excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the acquired associate. Such goodwill is included in interests in associates. On the other hand, any excess of the Group's share of its net fair value of identifiable assets and liabilities over the cost of investment is recognised immediately in profit or loss as an income.

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

2. 主要會計政策 (續)

聯營公司

聯營公司指本集團對其擁有重大影響力之實體。重大影響力指參與接受投資公司財務及營運政策決定但並非控制或共同控制有關政策之權力。

本集團於聯營公司之投資以權益會計法入帳。根據權益會計法，有關投資初步按成本入帳，其後就本集團應佔接受投資公司資產淨值之收購後變動及與該投資相關之任何減值虧損作出調整。倘本集團應佔接受投資公司之虧損相等於或超過其於該接受投資公司之權益（包括任何實質上構成本集團於該接受投資公司之淨投資一部分之長期權益）之帳面金額，則本集團不再確認其應佔之進一步虧損，惟本集團已產生法定或推定責任，或已代表該接受投資公司付款，則作別論。

收購聯營公司產生之商譽按投資成本超出本集團應佔所收購聯營公司之可識別資產及負債公平淨值之差額計量。有關商譽計入於聯營公司之權益內。另一方面，本集團應佔其可識別資產及負債公平淨值超出投資成本之任何差額即時於損益帳確認為收入。

本集團與其聯營公司之間進行交易所產生之未變現盈虧會予以對銷，惟以本集團於該等接受投資公司之權益為限；而倘未變現虧損提供證據顯示所轉讓資產出現減值，則有關虧損會即時於損益帳確認。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Goodwill

Goodwill arising on an acquisition of a business is measured at the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previously held equity interest in the acquiree over the acquisition date amounts of the identifiable assets acquired and the liabilities assumed of the acquired business.

Goodwill on acquisition of business is recognised as a separate asset and is carried at cost less accumulated impairment losses, which is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment test and determination of gain or loss on disposal, goodwill is allocated to cash-generating units. An impairment loss on goodwill is not reversed.

On the other hand, any excess of the acquisition date amounts of identifiable assets acquired and the liabilities assumed of the acquired business over the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree, if any, after reassessment, is recognised immediately in profit or loss as an income from bargain purchase.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and 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. Repairs and maintenance are charged to profit or loss during the year in which they are incurred.

2. 主要會計政策 (續)

商譽

收購業務產生之商譽乃按所轉撥之代價、於被收購公司之任何非控股權益金額及於被收購公司之先前所持股本權益之公平值超出所收購業務之已購入可識別資產及所承擔負債之收購當日金額之差額計量。

收購業務之商譽乃確認為一項獨立資產，按成本減累計減值虧損列帳，並每年作減值測試，或於有事件發生或情況有變而顯示帳面值可能減值時進行較頻密之減值測試。就減值測試及釐定出售盈虧而言，商譽被分配至現金產生單位。商譽之減值虧損不予撥回。

另一方面，重新評估後所收購業務之已購入可識別資產及所承擔負債之收購當日金額超出所轉撥代價、於被收購公司之任何非控股權益金額及收購公司先前於被收購公司所持權益之公平值總額之任何差額（如有），隨即於損益帳確認為一項議價購買收入。

物業、廠房及設備

物業、廠房及設備按成本減累計折舊及減值虧損列帳。物業、廠房及設備項目之成本包括其購買價及令資產達致其營運狀況及運送至其運作地點作擬定用途之任何直接應佔費用。維修及保養開支於產生當年在損益帳中扣除。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual values over their estimated useful life. Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis and depreciated separately. The principal annual rates used for this purpose are as follows:

| | |
|----------------------------------|---------|
| Leasehold improvement | 20%–50% |
| Moulds | 10%–30% |
| Plant and machinery | 9% |
| Furniture, fixture and equipment | 18%–50% |
| Motor vehicles | 18%–33% |

Assets held under finance leases are depreciated over the shorter of their expected useful lives or the terms of the leases.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year in which the item is derecognised.

Intangible assets

Trademarks

Trademarks acquired in a business combination are recognised at fair value at the acquisition date. Trademarks that have an indefinite useful life are tested annually for impairment or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired and carried at cost less accumulated impairment losses.

2. 主要會計政策 (續)

物業、廠房及設備 (續)

折舊乃按直線法計算，以於各物業、廠房及設備項目之估計可用年期將該等物業、廠房及設備項目之成本撇銷至其餘值。倘物業、廠房及設備項目各部分具有不同可用年期，則項目成本按合理基準分配及分開折舊。就此使用之主要年率如下：

| | |
|----------|---------|
| 租賃物業裝修 | 20%–50% |
| 模具 | 10%–30% |
| 廠房及機器 | 9% |
| 傢具、裝置及設備 | 18%–50% |
| 汽車 | 18%–33% |

根據融資租賃持有之資產按其預計可用年期或租期之較短期間折舊。

物業、廠房及設備項目於出售時或預期持續使用該資產不會產生未來經濟利益時終止確認。終止確認資產所產生之任何盈虧（按出售所得款項淨額與項目帳面金額之差額計算）計入項目終止確認年度之損益帳。

無形資產

商標

在業務合併中購入之商標按收購日期之公平值確認。無限定可用年期之商標每年作減值測試，或於有事件發生或情況有變而顯示帳面金額可能減值時進行較頻密之減值測試，並按成本減累計減值虧損列帳。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Intangible assets (Continued)

Customer relationships and computer software copyright

The customer relationships and computer software copyright acquired in a business combination are recognised at fair value at the acquisition date. Amortisation is provided on the straight-line basis over their estimated useful lives of 5 years.

Research and development costs

Research costs are expensed as incurred. Costs incurred on development activities, which involve the application of research findings to a plan or design for the production of new or substantially improved products and processes, are capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete the development.

Financial instruments

Recognition and derecognition

Financial assets and financial liabilities, except for unlisted available-for-sale financial assets, are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

Unlisted available-for-sale financial assets are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a settlement date basis.

2. 主要會計政策 (續)

無形資產 (續)

客戶關係及電腦軟件版權

在業務合併中購入之客戶關係及電腦軟件版權按收購日期之公平值確認。攤銷於其5年之估計可用年內以直線法撥備。

研究及開發成本

研究成本於產生時確認為開支。開發活動成本(涉及將研究結果應用於生產全新產品或大幅改進產品及工序之計劃或設計)在產品或工序在技術及商業上可行,且本集團具有足夠資源完成開發時資本化。

財務工具

確認及終止確認

當且僅當本集團成為該等工具之合約條文之一方時,財務資產及財務負債(非上市可供出售財務資產除外)方會確認,而於確認時乃以交易日期為基準。

當且僅當本集團成為該等工具之合約條文之一方時,非上市可供出售財務資產方會確認,而於確認時乃以結算日期為基準。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Recognition and derecognition (Continued)

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) the Group transfers substantially all the risks and rewards of ownership of the financial asset, or (b) the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and measurement

Financial assets or financial liabilities are initially recognised at their fair value plus, in the case of financial assets or financial liabilities not carried at fair value through profit or loss, transaction costs that are direct attributable to the acquisition or issue of the financial assets or financial liabilities.

2. 主要會計政策 (續)

財務工具 (續)

確認及終止確認 (續)

當且僅當(i)本集團於財務資產未來現金流量之合約權利屆滿，或(ii)本集團轉讓該財務資產，同時(a)轉移該項財務資產擁有權之絕大部分風險及回報，或(b)本集團既無轉移亦無保留該項財務資產擁有權之絕大部分風險及回報，且並無保留該項財務資產之控制權時，方會終止確認財務資產。

倘本集團保留被轉移財務資產擁有權之絕大部分風險及回報，則本集團繼續確認該項財務資產，同時就所收所得款項確認抵押借貸。

倘本集團既無轉移亦無保留已轉移財務資產擁有權之絕大部分風險及回報，並繼續控制該項財務資產，則本集團按其持續參與程度確認該項財務資產，並就可能須支付之金額確認相關負債。

當且僅當財務負債消除時(即相關合約列明之義務被免除、取消或屆滿時)，財務負債方會終止確認。

分類及計量

財務資產或財務負債初步按公平值另加(如並非於損益帳按公平值列帳)收購或發行財務資產或財務負債直接應佔之交易成本確認。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Classification and measurement (Continued)

1) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition as at fair value through profit or loss, and financial assets resulting from a contingent consideration arrangement in a business combination to which HKFRS 3 applies. They are carried at fair value, with any resultant gain and loss recognised in profit or loss.

Financial assets are classified as held for trading if they are (i) acquired or incurred principally for the purpose of selling or repurchasing in the near future; (ii) part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or (iii) derivatives that are not financial guarantee contracts or not designated and effective hedging instruments.

Financial assets are designated at initial recognition as at fair value through profit or loss only if (i) the designation eliminate or significantly reduce the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on a different basis; or (ii) they are part of a group of financial assets and/or financial liabilities that are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) they contain embedded derivatives that would need to be separately recorded.

2. 主要會計政策 (續)

財務工具 (續)

分類及計量 (續)

1) 於損益帳按公平值處理之財務資產

於損益帳按公平值處理之財務資產包括持作買賣之財務資產、於初步確認時指定於損益帳按公平值處理之財務資產及業務合併中或然代價安排產生之財務資產(香港財務報告準則第3號適用),以公平值列帳,所產生之任何盈虧於損益帳確認。

倘財務資產(i)主要為於短期內出售或購回而購入或產生;(ii)由本集團集中管理且有跡象顯示近期出現實際短期獲利之已識別財務工具組合之一部分;或(iii)並非財務擔保合約亦非指定為有效對沖工具之衍生工具,則分類為持作買賣財務資產。

財務資產僅會於下列情況下於初步確認時指定為於損益帳按公平值處理:(i)該項指定消除或大幅減少因按不同基準計量資產或負債或確認盈虧而導致處理方法不一之情況;或(ii)該等財務資產或財務負債屬受管理且根據明文風險管理策略按公平值基準評估表現之一組財務資產及/或財務負債之一部分;或(iii)該等財務資產或財務負債包含須分開記錄之嵌入式衍生工具。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Classification and measurement (Continued)

- 1) Financial assets at fair value through profit or loss (Continued)

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial asset at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

- 2) Loans and receivables

Loans and receivables including loan receivables, trade and other receivables, pledged bank deposits and bank balances and cash are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading. They are measured at amortised cost using the effective interest method, except where receivables are interest-free loans and without any fixed repayment term or the effect of discounting would be insignificant. In such case, the receivables are stated at cost less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition over the period to maturity. Gains and losses arising from derecognition, impairment or through the amortisation process are recognised in profit or loss.

2. 主要會計政策 (續)

財務工具 (續)

分類及計量 (續)

- 1) 於損益帳按公平值處理之財務資產 (續)

倘一份合約包含一項或多項嵌入式衍生工具，則整份混合合約或會指定為於損益帳按公平值處理之財務資產，惟倘嵌入式衍生工具不能大幅改變現金流量或明顯不得將嵌入式衍生工具分開則除外。

- 2) 貸款及應收款項

貸款及應收款項包括應收貸款、貿易及其他應收款項、已質押銀行存款以及銀行結存及現金，為有固定或可釐定付款額而並無活躍市場報價且非持作買賣之非衍生財務資產。此等貸款及應收款項以實際利率法按攤銷成本計量，惟倘應收款項為無固定還款期或貼現影響不大之免息貸款，則按成本減去減值虧損列帳。攤銷成本於到期前各期間經計及收購時之任何折讓或溢價後計算。終止確認、減值或透過攤銷過程所產生之盈虧於損益帳確認。



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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Classification and measurement (Continued)

3) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated at this category or not classified in any of the other categories of financial assets. They are measured at fair value with changes in value recognised as a separate component of equity until the assets are sold, collected or otherwise disposed of, or until the assets are determined to be impaired, at which time the cumulative gain or loss previously reported in other comprehensive income shall be reclassified to profit or loss as a reclassification adjustment.

Available-for-sale financial assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are stated at cost less impairment loss.

4) Financial liabilities

The Group's financial liabilities include contingent consideration payables, trade and other payables, interest-bearing borrowings, promissory notes and convertible bonds. All financial liabilities except for derivatives and contingent consideration payables are recognised initially at their fair value and subsequently measured at amortised cost, using effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

2. 主要會計政策 (續)

財務工具 (續)

分類及計量 (續)

3) 可供出售財務資產

可供出售財務資產為指定為此類別或不予分類為其他財務資產類別之非衍生財務資產，按公平值計量，而價值變動確認為股權獨立部分，直至資產被出售、收集或以其他方式處置為止，或直至資產被釐定為已減值為止，屆時，之前於其他全面收入中呈報之累計收益或虧損將重新分類至損益帳，列作重新分類調整。

並無活躍市場報價且公平值不能可靠地計量之可供出售財務資產按成本減去減值虧損列帳。

4) 財務負債

本集團之財務負債包括應付或然代價、貿易及其他應付款項、計息借貸、承兌票據及可換股債券。所有財務負債（衍生工具及應付或然代價除外）初步按公平值確認，其後以實際利率法按攤銷成本計量，惟倘貼現影響並不重大，則按成本列帳。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets

At the end of each reporting period, the Group assesses whether there is objective evidence that financial assets, other than those at fair value through profit or loss, are impaired. The impairment loss of financial assets carried at amortised cost is measured as the difference between the assets' carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate. Such impairment loss is reversed in subsequent periods through profit or loss when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

When an available-for-sale financial asset is impaired, a cumulative loss comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and current fair value, less any previously recognised impairment loss in profit or loss, is reclassified from equity to profit or loss as a reclassification adjustment. Impairment losses recognised in profit or loss in respect of available-for-sale equity instrument are not reversed through profit or loss. Any subsequent increase in fair value of available-for-sale equity instrument after recognition of impairment loss is recognised in equity. Reversal of impairment loss of available-for-sale debt instruments are reversed through profit or loss, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

2. 主要會計政策 (續)

財務工具 (續)

財務資產減值

本集團會於各報告期結束日評估是否有客觀證據顯示財務資產(於損益帳按公平值處理者除外)出現減值。按攤銷成本列帳之財務資產之減值虧損按資產帳面金額與按財務資產原實際利率貼現之估計未來現金流量現值之差額計量。倘資產之可收回金額增加,而是項增加能夠客觀地與確認減值後發生之事件有關,則於往後期間透過損益帳撥回有關減值虧損,惟該項資產於撥回減值當日之帳面金額不得超過原先並無確認減值時之攤銷成本。

可供出售財務資產出現減值時,其收購成本(已扣除任何本金還款及攤銷)與當前公平值之差額減去任何先前於損益帳確認之減值虧損所得之累計虧損,將由權益重新分類至損益帳,列作重新分類調整。就可供出售股本工具於損益帳確認之減值虧損不得於損益帳撥回。可供出售股本工具於確認減值虧損後之任何公平值增加於股權確認。倘可供出售債務工具公平值增加之客觀因素與於損益帳確認減值虧損後發生之事件有關,則該工具之減值虧損會於損益帳撥回。



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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets (Continued)

For an available-for-sale financial asset that is carried at cost, the amount of impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss shall not be reversed.

Convertible bond

The component of the convertible bond that exhibits characteristics of a liability is recognised as a liability in the consolidated statement of financial position, net of issue costs.

On the issue of the convertible bond, the fair value of the liability component is determined using a market rate for a similar bond that does not have a conversion option; and this amount is carried as a long-term liability on the amortised cost basis until extinguished on conversion or redemption. The early redemption option components are measure at fair value at the issue date. In subsequent period, the early redemption option component is measure at fair value with changes in fair value recognised in profit or loss.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in the convertible bond equity reserve within shareholders' equity, net of issue costs. The value of the conversion option carried in equity is not changed in subsequent years. When the conversion option is exercised, the balance of the convertible bond equity reserve is transferred to share capital or other appropriate reserve. When the conversion option remains unexercised at the expiry date, the balance remained in the convertible bond equity reserve is transferred to retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

2. 主要會計政策 (續)

財務工具 (續)

財務資產減值 (續)

至於按成本列帳之可供出售財務資產，減值虧損之金額按財務資產之帳面金額與按類似財務資產現有市場回報率貼現之估計未來現金流量現值之差額計量。有關減值虧損不予撥回。

可換股債券

可換股債券具負債特徵之部分於綜合財務狀況表內確認為負債，當中扣除發行成本。

於發行可換股債券時，負債部分之公平值採用不帶換股權之類似債券之市場利率釐定，而此金額按攤銷成本基準列為長期負債，直至於轉換或贖回時被消除為止。提早贖回權部分按發行當日之公平值計量。於往後期間，提早贖回權部分按公平值計量，公平值變動會於損益帳確認。

所得款項結餘分配至已確認並計入股東權益內可換股債券權益儲備之換股權，當中扣除發行成本。於權益列帳之轉換權之價值於其後年度不變。倘換股權獲行使，可換股債券權益儲備之結餘轉撥至股本或其他適當儲備。倘換股權於到期日仍未行使，可換股債券權益儲備之結餘轉撥至保留溢利。換股權獲轉換或到期時不會於損益帳中確認任何收益或虧損。

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Convertible bond (Continued)

Issue costs are apportioned between the liability and equity components of the convertible bond based on the allocation of proceeds to the liability and equity components when the instruments are first recognised. Transaction costs that relate to the issue of the convertible bond are allocated to the liability and equity components in proportion to the allocation of proceeds.

Cash equivalents

For the purpose of the consolidated statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value, net of bank overdrafts.

Revenue recognition

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

Sales of products are recognised on transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and the title is passed.

Service income is recognised when services are rendered.

Realised gain or loss on financial assets at fair value through profit or loss is recognised on a trade date basis whilst unrealised gain or loss on financial assets at fair value through profit or loss is recognised to restate to their fair value at end of reporting period.

Interest income from financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2. 主要會計政策 (續)

可換股債券 (續)

發行成本乃根據首次確認可換股債券之負債及權益部分時所得款項分配至該等工具之比例，分配至可換股債券之負債及權益部分。發行可換股債券相關之交易費用按所得款項分配比例分配至負債及權益部分。

現金等價物

就綜合現金流量表而言，現金等價物指可隨時轉換為可知數額現金而所承受之價值變動風險不大之短期高流動性投資項目，並經扣除銀行透支。

收益確認

收益乃於經濟利益極有可能將會流入本集團且收益及成本（如適用）能可靠地計量時按下列基準確認。

銷售產品於轉移擁有權之風險及回報時確認，一般與貨品交付客戶及所有權轉交時同時發生。

服務收入於提供服務時確認。

於損益帳按公平值處理之財務資產之已變現收益或虧損按交易日基準確認，而於損益帳按公平值處理之財務資產之未變現收益或虧損則以重列其於報告期結束日之公平值之方式確認。

財務資產之利息收入參考未償還本金及適用實際利率按時間基準計算。



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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in HK\$, which is the Company's functional and presentation currency, and rounded to the nearest thousands unless stated otherwise.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses resulting from the retranslation of non-monetary items carried at fair value are recognised in profit or loss except for those arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the gains or losses are also recognised directly in equity.

The results and financial position of all the group entities that have a functional currency different from the presentation currency ("foreign operations") are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented and, where applicable, goodwill and fair value adjustments on the carrying amounts of assets and liabilities arising on an acquisition of a foreign operation which are to be treated as assets and liabilities of that foreign operation, are translated at the closing rate at end of reporting period;

2. 主要會計政策 (續)

收益確認 (續)

投資股息收入乃於本集團之收款權利確立時確認。

外幣換算

本集團各實體之財務報表內所列項目依照各實體營運所在之主要經濟環境所用貨幣(「功能貨幣」)計量。綜合財務報表以本公司之功能及呈列貨幣港元呈列，及除另有指明外，均已四捨五入至最接近之千位。

外幣交易採用交易當日之匯率換算為功能貨幣。因結算該等交易及按年結日匯率換算以外幣計值之貨幣資產及負債而產生之外匯收益及虧損於損益帳中確認。因重新換算以公平值列帳之非貨幣項目而產生之外匯收益及虧損於損益帳中確認，惟倘有關收益及虧損乃因重新換算直接於股權確認收益及虧損之非貨幣項目而產生，則同樣直接於股權確認。

功能貨幣有別於呈列貨幣之各集團實體(「海外業務」)之業績及財務狀況，乃按以下方式換算為呈列貨幣：

- 於各財務狀況表呈列之資產及負債，以及(如適用)就收購海外業務產生之資產及負債(被視為該海外業務之資產及負債)帳面金額作出之商譽及公平值調整，按報告期結束日之收市匯率換算；

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Foreign currency translation (Continued)

- Income and expenses for each statement of comprehensive income are translated at average exchange rate;
- All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity;
- On the disposal of a foreign operation, which includes the disposal of the Group's entire interest in a foreign operation, a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate that includes a foreign operation of which the retained interest is no longer equity-accounted for, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised;
- On the partial disposal of the Group's interest in a subsidiary that includes a foreign operation which does not result in the Group losing control over the subsidiary, the proportionate share of the cumulative amount of the exchange differences recognised in the separate component of equity is re-attributed to the non-controlling interests in that foreign operation and are not recognised in profit or loss;
- On all other partial disposals, which includes partial disposal of associates that do not result in the Group losing significant influence, the proportionate share of the cumulative amount of exchange differences recognised in the separate component of equity is reclassified to profit or loss.

2. 主要會計政策 (續)

外幣換算 (續)

- 各全面收入報表之收入及開支按平均匯率換算；
- 所有因上述換算而產生之匯兌差額及因構成本集團於海外業務之淨投資一部分之貨幣項目而產生之匯兌差額，確認為股權之獨立部分；
- 出售海外業務（包括出售本集團於海外業務之全部權益，涉及喪失包含海外業務附屬公司之控制權之出售事項，或部分出售於包含海外業務之聯營公司之權益，而不再以權益會計法處理當中之保留權益）時，涉及該海外業務而於其他全面收入中確認並於股權獨立部分中累計之匯兌差額累計金額於確認出售盈虧時由股權重新分類至損益帳；
- 部分出售本集團包含海外業務之附屬公司之權益，而本集團不會因此喪失對該附屬公司之控制權時，於股權獨立部分確認之按比例應佔匯兌差額之累計金額部分重新歸入該海外業務之非控股權益，且不會於損益帳確認；及
- 至於所有其他部分出售（包括部分出售聯營公司，而本集團不會因此喪失重大影響力），於股權獨立部分確認之按比例應佔匯兌差額之累計金額部分重新分類至損益帳。



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綜合財務報表附註

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period of the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Impairment of other assets

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether there is any indication that its property, plant and equipment, intangible assets, interests in associates and interests in subsidiaries may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs of disposal and value in use. In addition, the Group tests its intangible assets that have indefinite useful lives and intangible assets that are not yet available for use for impairment by estimating their recoverable amount on an annual basis and whenever there is an indication that those assets may be impaired. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

2. 主要會計政策 (續)

存貨

存貨乃按成本及可變現淨值兩者中之較低者列帳。成本包括全部購買成本及(如適用)使存貨達致目前地點及狀況產生之其他成本。成本按加權平均成本法計算。可變現淨值指日常業務過程中之估計售價減估計銷售所需成本。

存貨一經出售，其帳面金額於相關收益之確認期間確認為開支。存貨撇減至可變現淨值之任何金額及所有存貨虧損均於撇減或虧損之發生期間確認為開支。倘存貨之任何撇減出現任何逆轉，則逆轉金額於逆轉發生期間確認為原確認作開支之存貨扣減。

其他資產之減值

於各報告期結束日，本集團審閱內部及外部所得資料，以評估是否有跡象顯示其物業、廠房及設備、無形資產、於聯營公司之權益及於附屬公司之權益可能出現減值，或先前確認之減值虧損是否不再存在或可能有所減少。倘有任何該等跡象存在，則根據其公平值減出售成本及使用價值(以較高者為準)估計該項資產之可收回金額。此外，本集團每年藉估計其可收回金額，對具有不限定可用年期之無形資產及目前不可使用之無形資產進行減值測試，並於有跡象顯示該等資產或會減值時作減值測試。倘無法估計個別資產之可收回金額，本集團則估計可獨立產生現金流量之最小資產組別(即現金產生單位)之可收回金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Impairment of other assets (Continued)

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as expense in profit or loss immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income in profit or loss immediately.

Borrowing costs

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are 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. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

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 over the years necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account/recognised as a deduction from the carrying amount of the relevant asset and is released to profit or loss over the expected useful life of the relevant asset on a systematic basis.

2. 主要會計政策 (續)

其他資產之減值 (續)

倘資產或現金產生單位之可收回金額估計低於其帳面金額，則資產或現金產生單位之帳面金額會減至其可收回金額。減值虧損即時於損益帳確認為開支。

撥回之減值虧損以假設在過往年度並無確認減值虧損之情況下釐定之資產或現金產生單位之帳面金額為限。撥回之減值虧損即時於損益帳確認為收入。

借貸成本

收購、建造或生產合資格資產（即需要一段頗長時間始能達至其擬定用途或出售之資產）之直接應佔借貸成本，在扣除特定借貸之任何暫時性投資之投資收入後，均資本化作該等資產成本之一部分。於該等資產大致上可作其擬定用途或出售時，該等借貸成本將會停止資本化。所有其他借貸成本均於產生期間確認為開支。

政府補助

當有合理保證將會收取政府補助及將符合所有附帶條件，有關補助將按公平值確認。補助如涉及開支項目，將按有系統基準於需配合補助之年度確認為收入，以抵銷擬用作補償之成本。倘補助涉及資產，則將公平值計入遞延收入帳戶／確認為有關資產帳面金額之扣減，並於有關資產之預期可用年期按有系統基準撥入損益帳。



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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the Group at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as finance lease obligation. Finance charges, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to profit or loss over the term of the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

Lease incentives are recognised in profit or loss as an integral part of the net consideration agreed for the use of leased asset.

Employee benefits

Short term employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

2. 主要會計政策 (續)

租賃

凡租賃條款將擁有權之絕大部分風險及回報轉移予承租人之租賃，皆分類為融資租賃。所有其他租賃則分類為經營租賃。

根據融資租賃持有之資產按租賃資產之公平值或最低租賃付款現值之較低者確認為本集團資產。結欠出租人之相應負債計入綜合財務狀況表作為融資租賃債務。融資費用指租賃承擔總額與已收購資產公平值之差額，於相關租賃期內自損益帳扣除，以反映各會計期間債務餘額之固定定期費率

根據經營租賃應付之租金於相關租賃期內以直線法自損益帳扣除。

租賃優惠於損益帳確認為使用租賃資產所協定之淨代價之一部分。

僱員福利

短期僱員福利

薪金、年度花紅、有薪年假、界定供款退休計劃供款及非貨幣福利之成本於僱員提供相關服務之年度累計。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Employee benefits (Continued)

Defined contribution plans

The Group, other than overseas and PRC subsidiaries, operates Mandatory Provident Fund (“MPF”) schemes to provide retirement benefits for its full time permanent employees in Hong Kong. The obligations for contributions to retirement benefit schemes are recognised as expenses in profit or loss as incurred. The assets of the schemes are held separately from those of the Group with independent trustees.

Pursuant to the law and regulations of the PRC, contributions to the defined contribution retirement schemes for the Group’s PRC staff are made to the relevant government authorities in the PRC, which are calculated on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. These contributions are recognised as expenses in profit or loss as incurred.

Long service payment

The Group’s net obligation in respect of long service payment under the Hong Kong Employment Ordinance is the amount of expected future benefit that employees have earned in return for their services in the current and prior periods. The obligation is calculated using the projected unit credit method and discounted to its present value and after deducting the fair value of any related assets, including retirement scheme benefit. Re-measurements are recognised in profit or loss in the year in which they arise.

2. 主要會計政策 (續)

僱員福利 (續)

界定供款計劃

本集團(海外(包括中國)附屬公司除外)營辦強制性公積金(「強積金」)計劃,為其香港全職永久僱員提供退休福利。向退休福利計劃供款之責任於產生時在損益帳確認為開支。計劃資產由獨立受託人持有,與本集團之資產分開。

根據中國之法律及法規,本集團為其中國員工制定之界定供款退休計劃之供款會交予中國有關政府機構,供款需按中國規定以適用薪資成本之若干百分比計算。該等供款於產生時在損益帳確認為開支。

長期服務金

本集團根據香港僱傭條例有關長期服務金之責任淨額為僱員於本期間及過往期間提供服務所賺取之預期未來福利金額。有關責任乃以預期單位貸記法計算,並貼現至其現值,再扣除任何相關資產(包括退休計劃福利)之公平值。重新計量於產生年度在損益帳確認。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Employee benefits (Continued)

Other long-term employee benefits: Contingent payments under profit guarantee arrangements

The Group's obligation in respect of contingent payments is the amount of expected future benefit that employees have earned in return for their services in the current and prior periods under the profit guarantee arrangements. The obligation is calculated using the projected unit credit method and discounted to its present value. The measurement takes into account various factors including the expectation of attaining the earning targets. Re-measurements are recognised in profit or loss in the year in which they arise.

Share-based payment transactions

Equity-settled transactions

The Group's employees, including directors, receive remuneration in the form of share-based payment transactions, whereby the employees rendered services in exchange for shares or rights over shares. The cost of such transactions with employees is measured by reference to the fair value of the equity instruments at the grant date. The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a reserve within equity. The fair value is determined using the binomial model, taking into account any market conditions and non-vesting conditions.

2. 主要會計政策 (續)

僱員福利 (續)

其他長期僱員福利：溢利保證安排下之或然付款

本集團之或然付款責任為僱員根據溢利保證安排於本期間及過往期間提供服務所賺取之預期未來福利金額。有關責任使用預期單位貸記法計算，並貼現至其現值。有關計量計及多項因素，包括達至盈利目標之預期。重新計量於產生年度在損益帳確認。

以股份付款之交易

以股權結算之交易

本集團僱員（包括董事）提供服務以換取股份或有關股份之權利時，即以股份付款之交易方式收取薪酬。與僱員進行該等交易之成本乃參考股本工具於授出日期之公平值計量。向僱員授出之購股權之公平值確認為僱員成本，而股權內之儲備會相應增加。公平值乃使用二項式模型釐定，當中已考慮任何市場條件及非歸屬條件。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Share-based payment transactions (Continued)

Equity-settled transactions (Continued)

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the vesting conditions are to be fulfilled, ending on the date on which the entitlement of relevant employees to the award is no longer conditional on the satisfaction of any non-market vesting conditions ("vesting date"). During the vesting period, the number of share options that is expected to vest ultimately is reviewed. Any adjustment to the cumulative fair value recognised in prior periods is charged/credited to profit or loss for the year of the review, with a corresponding adjustment to the reserve within equity.

When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained profits.

Taxation

The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at end of reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, any deferred tax arising from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

2. 主要會計政策 (續)

以股份付款之交易 (續)

以股權結算之交易 (續)

以股權結算之交易之成本連同股權之相應增加於達成歸屬條件之期間確認，直至有關僱員不再須達成任何非市場歸屬條件而可享有有關獎勵之日（「歸屬日期」）為止。本公司於歸屬期內審閱預期最終歸屬之購股權數目。已於過往期間確認之累計公平值之任何調整於審閱年度於損益帳扣除／計入，並於股權內對儲備作出相應之調整。

倘購股權於歸屬日期後被沒收或於到期日仍未獲行使，之前於購股權儲備確認之金額將轉撥至保留溢利。

稅項

即期所得稅支出乃按就無須課稅或不得抵扣項目調整之年內業績計算，並使用於報告期結束日已實行或大致上已實行之稅率計算。

遞延稅項乃使用負債法，就資產與負債之稅基與該等資產及負債於綜合財務報表內之帳面金額於報告期結束日之所有暫時差額作出撥備。然而，倘遞延稅項因初步確認商譽而產生，或因業務合併以外之交易之其他資產或負債而產生，而進行交易時對會計溢利或應課稅溢利或虧損均無影響，則不予確認。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investment in subsidiaries and associates, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Related parties

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

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

2. 主要會計政策 (續)

稅項 (續)

遞延稅項資產及負債乃按照於報告期結束日已實行或大致上實行之稅率及稅務法律，按照預期將於收回資產或償還負債之期間適用之稅率計量。

遞延稅項資產乃在極可能有未來應課稅溢利以動用以抵扣暫時差額、稅項虧損及稅項抵免時確認。

遞延稅項按於附屬公司及聯營公司之投資所產生之暫時差額作出撥備，惟本集團可控制暫時差額之撥回時間，以及暫時差額不大可能於可見未來撥回之情況除外。

關連人士

關連人士為與本集團有關連之人士或實體。

- (a) 任何人士或其近親如符合以下情況，即與本集團有所關連：
- (i) 擁有本集團之控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團控股公司之主要管理人員。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Related parties (Continued)

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

2. 主要會計政策 (續)

關連人士 (續)

- (b) 任何實體如符合以下任何條件，即與本集團有所關連：
- (i) 該實體與本集團屬同一集團之成員公司（意即控股公司、附屬公司及同系附屬公司各自互有關連）。
 - (ii) 一個實體為另一實體之聯營公司或合營公司（或另一實體為當中成員之集團之成員之聯營公司或合營公司）。
 - (iii) 兩個實體均為同一第三方之合營公司。
 - (iv) 一個實體為第三方實體之合營公司，而另一實體為該第三方之聯營公司。
 - (v) 該實體為一離職後福利計劃，而其受益人為本集團或與其有關連之實體之僱員。倘本集團本身為該計劃，則發起之僱主亦與本集團有所關連。
 - (vi) 該實體受(a)項列明之人士控制或共同控制。
 - (vii) (a)(i)項列明之人士對該實體有重大影響力或為該實體（或其控股公司）之主要管理人員。
 - (viii) 該實體或該實體所屬集團之任何成員公司為本集團或本集團控股公司提供主要管理人員服務。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Related parties (Continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

Segment reporting

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

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

2. 主要會計政策 (續)

關連人士 (續)

任何人士之近親為可能預期於與該實體之交易中影響該名人士或受該名人士影響之家族成員，包括：

- (a) 該名人士之子女及配偶或同居伴侶；
- (b) 該名人士之配偶或同居伴侶之子女；及
- (c) 該名人士或其配偶或同居伴侶之受養人。

於關連人士之定義中，聯營公司包括該聯營公司之附屬公司，而合營公司包括該合營公司之附屬公司。

分類報告

經營分類及於綜合財務報表申報之各分類項目金額均按定期提供予本集團最高層行政管理人員之財務資料劃分，以於本集團各業務及地區之間分配資源及評估其表現。

個別重大經營分類於進行財務報告時不會合併計算，惟倘若若干分類具有類似經濟特性，以及產品及服務性質、生產程序性質、客戶種類或類型、分銷產品或提供服務之方法以及監管環境性質相類似時則作別論。並非個別重大之經營分類在上述大部分條件共通時可予合併。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

Estimates and assumptions concerning the future and judgements are made by the management in the preparation of the consolidated financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

(i) *Estimation uncertainty*

Allowance for doubtful debts

The provisioning policy for doubtful debts of the Group is based on the evaluation by management of the collectability of the loan receivables, trade and other receivables. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including assessing the current creditworthiness and the past collection history of each debtor. If the financial conditions of these debtors were to deteriorate, resulting in an impairment of their ability to make payments, allowance will be required.

2. 主要會計政策 (續)

關鍵會計估計及判斷

管理層於編製綜合財務報表時會作出關於未來之估計及假設以及判斷。有關估計、假設及判斷會影響本集團會計政策之應用情況、資產、負債、收入及開支之申報金額以及所披露之資料，並持續根據經驗及相關因素（包括在各種情況下相信對未來事件作出之合理預期）評估。於適用時，會計估計之修訂會於作出修訂之期間及未來期間（如有關修訂同時影響未來期間）確認。

(i) *估計不確定因素*

呆帳撥備

本集團之呆帳撥備政策乃管理層根據能否收回應收貸款、貿易及其他應收款項作出評估。於評估該等應收款項之最終變現能力時，須從多方面作出判斷，包括評估各名債務人之現時信譽及過往收帳記錄。倘該等債務人之財務狀況惡化，令其還款能力受損，將須作出撥備。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements (Continued)

(i) Estimation uncertainty (Continued)

Allowance for inventories

The Group's management reviews the condition of inventories at the end of each reporting period, and makes allowance for inventories that are identified as obsolete, slow-moving or no longer recoverable or suitable for use in production. The Group carries out the inventory review on a product-by-product basis and makes allowances by reference to the latest market prices and current market conditions.

Impairment of available-for-sale financial assets

The Group classifies certain assets as available-for-sale and recognises movements of their fair values in equity. A significant or prolonged decline in fair value below cost is considered to be objective evidence of impairment. In making this judgement, the historical data on market volatility as well as the price of the specific investment are taken into account. The Group also takes into account financial information regarding the issuers/investees.

Impairment of investments and receivables

The Group assesses annually if investment in subsidiaries and associates has suffered any impairment in accordance with HKAS 36 and follows the guidance of HKAS 39 in determining whether amounts due from these entities are impaired. Details of the approach are stated in the respective accounting policies. The assessment requires an estimation of future cash flows, including expected dividends, from the assets and the selection of appropriate discount rates. Future changes in financial performance and position of these entities would affect the estimation of impairment loss and cause the adjustments of their carrying amounts.

2. 主要會計政策 (續)

關鍵會計估計及判斷 (續)

(i) 估計不確定因素 (續)

存貨撥備

本集團之管理層於各報告期結束日檢討存貨情況，就確認為過時、滯銷或不可能回收或不適合用於生產之存貨作出撥備。本集團就各項產品逐一檢討存貨，並根據市場價格及現行市況作出撥備。

可供出售財務資產減值

本集團將若干資產分類為可供出售，並於權益確認該等資產公平值之變動。公平值大幅或長期低於成本被視為減值之客觀證據。於作出有關判斷時會計及市場波動之歷史數據及特定投資之價格。本集團亦會考慮有關發行人／被投資公司之財務資料。

投資及應收款項減值

本集團根據香港會計準則第36號每年評估於附屬公司及聯營公司之投資有否出現減值，並依循香港會計準則第39號之指引釐定應收此等實體之款項有否出現減值。有關方法詳載於相關之會計政策。評估時須估計資產之未來現金流量（包括預期股息）及挑選適當之貼現率。倘此等實體之財務表現及狀況日後有變，會影響對減值虧損之估計，因而須對帳面金額作出調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements (Continued)

(i) Estimation uncertainty (Continued)

Impairment of goodwill and intangible assets with indefinite useful life

The Group determines whether goodwill and intangible assets with indefinite useful life are impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill and intangible assets with indefinite useful life are allocated. Estimating the value in use requires the Group to make an estimate of the expected cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Details of the estimates used to calculate the recoverable amounts of goodwill and intangible assets with indefinite useful life are given in notes 13 and 12 to the consolidated financial statements respectively.

Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business, where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impair the income tax and deferred tax provision in the year in which such determination is made.

2. 主要會計政策 (續)

關鍵會計估計及判斷 (續)

(i) 估計不確定因素 (續)

商譽及具有不限定可用年期之無形資產減值

本集團至少每年一次釐定商譽及具有不限定可用年期之無形資產有否減值。釐定商譽有否減值需估計獲分配商譽及具有不限定可用年期之無形資產之現金產生單位之使用價值。本集團估計使用價值時，需估計該現金產生單位預期產生之現金流量，並選出適當之貼現率計算該等現金流量之現值。

有關用於計算具有不限定可用年期之商譽及無形資產可收回金額之估算詳情分別載於綜合財務報表附註13及12。

所得稅

本集團須繳納若干司法權區之所得稅。釐定所得稅撥備需運用重大估算。在日常業務過程中有多項交易及計算方式會導致未能確定最終稅項。倘該等事宜最終所計出之稅項與最初錄得之金額有別，則有關差額將影響釐定稅項年度之所得稅及遞延稅項撥備。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements (Continued)

(i) Estimation uncertainty (Continued)

Deferred tax liabilities

Deferred tax liabilities have not been provided for the withholding tax that would be payable on the undistributed earnings of certain entities of the Group in the PRC as those earnings are not expected to be distributable in the foreseeable future. Details of deferred tax liabilities are disclosed in note 25 to the consolidated financial statements.

Useful lives and impairment of property, plant and equipment

The Group's management reviews the residual value, useful lives and depreciation method of property, plant and equipment at the end of each reporting period, through careful consideration with regards to expected usage, wear-and-tear and potential technical obsolescence to usage of the assets.

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the Group's management has to assess whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence. If any such indication exists, the recoverable amounts of the asset would be determined by reference to value in use and fair value less costs of disposal. Value in use is determined using the discounted cash flow method. Owing to inherent risk associated with estimations in the timing and magnitude of the future cash flows and fair value less costs of disposal, the estimated recoverable amount of the asset may be different from its actual recoverable amount and profit or loss could be affected by accuracy of the estimations.

2. 主要會計政策 (續)

關鍵會計估計及判斷 (續)

(i) 估計不確定因素 (續)

遞延稅項負債

鑑於本集團若干中國實體之未分派盈利預期不會於可見將來可予分派，本集團並未就該等盈利應付之預扣稅作出遞延稅項撥備。有關遞延稅項負債之詳情於綜合財務報表附註25披露。

物業、廠房及設備之可用年期及減值

本集團管理層於各報告期結束日審慎考慮對資產之預計用量、損耗及技術過時之潛在性，以檢討物業、廠房及設備之殘值、可用年期及折舊方法。

在釐定資產是否出現減值或過往導致減值之事件是否不再存在時，本集團管理層須評估有否出現可能影響資產價值之事件或該影響資產價值之事件是否並不存在。倘有任何該等跡象存在，則會參考使用價值及公平值減出售成本釐定資產之可收回金額。使用價值乃採用貼現現金流量法釐定。鑑於估計未來現金流量及公平值減出售成本之時間及數額涉及固有風險，資產之估計可收回金額或會與實際可收回金額有所不同，而有關估計之準確度可能對損益帳造成影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements (Continued)

(i) Estimation uncertainty (Continued)

Estimated useful life of customer relationships and computer software copyrights

The Group determines the estimated useful life and related amortisation charge for customer relationships and computer software copyrights classified as intangible assets with reference to the estimated period that the Group intends to derive future economic benefits from the use of customer relationships and computer software copyrights. The Group will assess annually and revise the useful life of customer relationships and computer software copyrights to reflect the actual economic benefits derived from the customer relationships and computer software copyrights.

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The directors have determined the appropriate valuation techniques and inputs for fair value measurements.

2. 主要會計政策 (續)

關鍵會計估計及判斷 (續)

(i) 估計不確定因素 (續)

客戶關係及電腦軟件版權之估計可用年期

本集團參照本集團擬透過利用分類為無形資產之客戶關係及電腦軟件版權產生未來經濟利益之估計期間釐定客戶關係及電腦軟件版權之估計可用年期及相關攤銷開支。本集團將每年評估及修訂客戶關係及電腦軟件版權之可用年期，以反映從客戶關係及電腦軟件版權產生之實際經濟利益。

公平值計量及估值過程

為進行財務匯報，本集團部分資產及負債乃按公平值計量。董事已決定合適之估值技術及公平值計量輸入項目。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements (Continued)

(i) Estimation uncertainty (Continued)

Fair value measurements and valuation processes
(Continued)

In estimating the fair value of the Group's certain available-for-sale financial assets, financial assets at fair value through profit or loss, promissory notes, contingent consideration payables, convertible bonds, share options granted, other employee benefits and contingent consideration receivables, the Group uses market-observable data to the extent it is available. The management of the Group will exercise their judgements based on their experience to establish and determine the appropriate valuation techniques and inputs to the valuation model. Where there is a material change in the fair value of the assets/liabilities, the causes of the fluctuations will be reported to the board of directors of the Company. Notes 16, 18, 26, 28, 29, 31 and 34(a) to the consolidated financial statements provide detailed information about the valuation techniques, inputs and key assumptions used in the determination of those assets and liabilities.

(ii) Judgement

Contingent payments under profit guarantee arrangements

In determining whether contingent payments to selling shareholders who remain as employees under profit guarantee arrangements in business combinations are separate transactions or part of the business combinations, the Group's management considers various factors to determine the nature of the arrangements such as the terms of continuing employment (e.g. duration and level of remuneration), the number of shares owned by the selling shareholders and the formula for determining contingent consideration.

2. 主要會計政策 (續)

關鍵會計估計及判斷 (續)

(i) 估計不確定因素 (續)

公平值計量及估值過程 (續)

於估計本集團若干可供出售財務資產、於損益帳按公平值處理之財務資產、承兌票據、應付或然代價、可換股債券、已授出購股權、其他僱員福利及應收或然代價之公平值時，本集團會利用市場可觀察數據（以可獲得者為限）。本集團之管理層將按經驗行使判斷，以制訂及釐定合適之估值技術及估值模型輸入項目。倘資產／負債公平值出現重大變動，則會向本公司董事會匯報造成有關波動之原因。綜合財務報表附註16、18、26、28、29、31及34(a)提供關於釐定該等資產及負債時所用估值技術、輸入項目及主要假設之詳細資料。

(ii) 判斷

溢利保證安排下之或然付款

於釐定在業務合併之溢利保證安排下向留任為僱員之售股股東之或然付款為獨立交易或業務合併之一部分時，本集團管理層會考慮多項因素以釐定安排性質，包括持續聘用之條款（如持續聘用時間及薪酬水平）、售股股東之持股數目及釐定或然代價之公式等。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Future changes in HKFRSs

At the date of authorisation of these consolidated financial statements, the HKICPA has issued the following new/revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

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

¹ Effective for annual periods beginning on or after 1 January 2017

² Effective for annual periods beginning on or after 1 January 2017 or 2018 where applicable

³ Effective for annual periods beginning on or after 1 January 2018

⁴ Effective for annual periods beginning on or after 1 January 2019

⁵ The effective date of the amendments which was originally intended to be effective for annual periods beginning on or after 1 January 2016 has been deferred/removed

2. 主要會計政策 (續)

香港財務報告準則之未來變動

於授權刊發本綜合財務報表當日，香港會計師公會已頒佈以下新訂／經修訂香港財務報告準則，該等準則於本年度尚未生效，而本集團亦未有提早採納。

| | |
|---------------------------------------|---|
| 香港會計準則第7號之修訂 | <i>披露計劃</i> ¹ |
| 香港會計準則第12號之修訂 | <i>就未變現虧損確認遞延稅項資產</i> ¹ |
| 香港財務報告準則之年度改進項目 | <i>二零一四年至二零一六年週期</i> ² |
| 香港財務報告準則第2號之修訂 | <i>以股份支付之交易之分類及計量</i> ³ |
| 香港財務報告準則第15號 | <i>來自客戶合約之收益</i> ³ |
| 香港財務報告準則第9號 (二零一四年) | <i>財務工具</i> ³ |
| 香港財務報告準則第4號之修訂 | <i>按香港財務報告準則第4號「保險合約」應用香港財務報告準則第9號「財務工具」</i> ³ |
| 香港財務報告準則第16號 | <i>租賃</i> ⁴ |
| 香港財務報告準則第10號及香港會計準則第28號 (二零一一年)之修訂 | <i>投資者與其聯營公司或合營公司間之資產出售或注資</i> ⁵ |

¹ 於二零一七年一月一日或之後開始之年度期間生效

² 於二零一七年或二零一八年(如適用)一月一日或之後開始之年度期間生效

³ 於二零一八年一月一日或之後開始之年度期間生效

⁴ 於二零一九年一月一日或之後開始之年度期間生效

⁵ 原擬於二零一六年一月一日或之後開始之年度期間生效之修訂生效日期已予推遲／刪除



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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Future changes in HKFRSs (Continued)

The Group is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far the Group has identified some aspects of the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. As the Group has not completed its assessment, further impacts may be identified in due course and will be taken into consideration when determining whether to adopt any of these new requirements before their effective date and which transitional approach to take, where there are alternative approaches allowed under the new standards.

HKFRS 15: Revenue from Contracts with Customers

HKFRS 15 aims at providing a more robust framework for addressing revenue issues; improving comparability; and providing more useful information.

The core principle of HKFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services, by applying the following 5 steps:

- (a) Identify the contract(s) with a customer;
- (b) Identify the performance obligations in the contract(s);
- (c) Determine the transaction price, the amount of consideration in a contract to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer;

2. 主要會計政策 (續)

香港財務報告準則之未來變動 (續)

本集團現正評估該等修訂於初步應用之期間之預期影響。本集團迄今已識別新準則若干方面可能會對綜合財務報表造成重大影響。預期影響之進一步詳情於下文討論。由於本集團尚未完成評估，故可能會於適當時候識別其他影響，並於新規定允許使用替代安排之情況下，會於決定是否在任何該等新規定之生效日期前採納該等規定及採取何種過渡安排時考慮有關影響。

香港財務報告準則第15號：來自客戶合約之收益

香港財務報告準則第15號旨在為處理收益事宜提供更健全之框架、加強可比較程度及提供更有用的資料。

香港財務報告準則第15號之主要原則為實體應確認收益，以說明實體透過應用下列五個步驟，按反映交換所承諾商品或服務預期所得代價之金額向客戶轉讓該等商品或服務：

- (a) 識別與客戶訂立之合約；
- (b) 識別合約之履約責任；
- (c) 釐定交易價格（即一份合約中實體為交換向客戶轉讓所承諾商品或服務預期所得代價之金額）；

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

HKFRS 15: Revenue from Contracts with Customers

(Continued)

- (d) Allocate the transaction price to the performance obligations in the contract(s); and
- (e) Recognise revenue when (or as) the entity satisfies a performance obligation.

HKFRS 15 also includes a cohesive set of disclosure requirements that would result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

At this stage, the Group is not able to estimate the impact of HKFRS 15 on the Group's consolidated financial statements. The Group will make more detailed assessments of the impact over the next twelve months. HKFRS 15 is mandatory for financial years commencing on or after 1 January 2018. At this stage, the Group does not intend to adopt the standard before its effective date.

HKFRS 16: Leases

HKFRS 16 significantly changes, among others, the lessee accounting by replacing the dual-model under HKAS 17 with a single model which requires a lessee to recognise right-of-use assets and lease liabilities for the rights and obligations created by all leases with a term of more than 12 months, unless the underlying asset is of low value. For lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. HKFRS 16 also requires enhanced disclosures to be provided by lessees and lessors.

2. 主要會計政策 (續)

香港財務報告準則第15號：來自客戶合約之收益 (續)

- (d) 分配交易價格至合約中之履約責任；及
- (e) 於實體達成各履約責任時（或期間）確認收益。

香港財務報告準則第15號亦包括一套緊密相關之披露要求，實體因而須為財務報表使用者提供關於其客戶合約所產生之收益及現金流之性質、金額、時間及不確定性等全面資訊。

本集團於現階段無法估計香港財務報告準則第15號對本集團綜合財務報表之影響。本集團將更詳細地評估未來十二個月之影響。香港財務報告準則第15號於二零一八年一月一日或之後開始之財政年度強制生效。本集團於現階段不擬於準則生效日期前採納該準則。

香港財務報告準則第16號：租賃

香港財務報告準則第16號大幅更改（其中包括）對承租人之會計方法，以單一模型取代香港會計準則第17號下之雙重模型。該單一模型規定除非相關資產為低價值資產，否則承租人須就因年期超過12個月之所有租賃而產生之權利及責任確認使用權資產及租賃負債。出租人會計方法方面，香港財務報告準則第16號大致秉承香港會計準則第17號之出租人會計規定。因此，出租人繼續將租賃分類為經營租賃或融資租賃，並以不同方式將該兩類租賃入帳。香港財務報告準則第16號亦規定承租人及出租人提供更詳盡披露資料。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

HKFRS 16: Leases (Continued)

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for properties, plant and equipment which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the consolidated statement of comprehensive income over the period of the lease. As disclosed in note 37, at 31 December 2016 the Group's future minimum lease payments under non-cancellable operating leases amounted to HK\$14,623,000 for properties, which is payable between 1 and 3 years after the reporting date. Some of these amounts may therefore need to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The Group will need to perform a more detailed analysis to determine the amounts of new assets and liabilities arising from operating lease commitments on adoption of HKFRS 16, after taking into account the applicability of the practical expedient and adjusting for any leases entered into or terminated between now and the adoption of HKFRS 16 and the effects of discounting.

HKFRS 16 is mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

2. 主要會計政策 (續)

香港財務報告準則第16號：租賃 (續)

香港財務報告準則第16號將主要影響本集團作為承租人就物業、廠房及設備租賃(現時分類為經營租賃)之會計方法。預期應用新會計模型將導致資產及負債同時增加，並影響租期內於綜合全面收入報表確認開支的時間。誠如附註37所披露，於二零一六年十二月三十一日，本集團於不可撤銷經營租賃下有關物業之未來最低租賃付款為14,623,000港元，須於報告日期後一至三年內支付。因此，一經採納香港財務報告準則第16號，若干該等款項可能須確認為租賃負債並附以相應的使用權資產。經計及實際權宜方法之應用性，並就現時與採納香港財務報告準則第16號之間訂立或終止之任何租賃及貼現影響作出調整後，本集團將需進行更為詳細的分析以釐定於採納香港財務報告準則第16號時經營租賃承擔所產生新資產及負債的金額。

香港財務報告準則第16號於二零一九年一月一日或之後開始之財政年度強制生效。本集團於現階段不擬於準則生效日期前採納該準則。

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綜合財務報表附註

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

3. REVENUE AND OTHER INCOME

An analysis of the Group's revenue and other income by category:

3. 收益及其他收入

本集團收益及其他收入按分類之分析：

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|----------------------------|----------------------------------|----------------------------------|
| (a) Revenue | (a) 收益 | | |
| Sales of products | 銷售產品 | 845,684 | 664,124 |
| Service income | 服務收入 | 323,557 | 146,593 |
| Dividend income from listed securities | 上市證券之股息收入 | 13 | 265 |
| Net realised gain on disposal of financial assets at fair value through profit or loss* | 出售於損益帳按公平值處理之財務資產之已變現收益淨額* | 25,626 | 91,087 |
| Interest income from loan receivables | 應收貸款之利息收入 | 8,700 | 2,027 |
| | | 1,203,580 | 904,096 |

* Represented the proceeds from the sale of investments at fair value through profit or loss of HK\$546,522,000 (2015: HK\$371,161,000) less relevant costs and carrying value of the investments sold of HK\$520,896,000 (2015: HK\$280,074,000).

* 指出售於損益帳按公平值處理之財務資產之所得款項546,522,000港元(二零一五年: 371,161,000港元)減相關成本及已出售投資之帳面值520,896,000港元(二零一五年: 280,074,000港元)。



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綜合財務報表附註

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

3. REVENUE AND OTHER INCOME (Continued)

3. 收益及其他收入 (續)

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|-----------------|----------------------------------|----------------------------------|
| (b) Other income | (b) 其他收入 | | |
| Amortisation of deferred day-one gain (note 26) | 遞延首日收益攤銷 (附註26) | 23,035 | 8,263 |
| Exchange gain, net | 匯兌收益淨額 | 1,606 | 2,735 |
| Government grant | 政府補助 | 8,736 | 7,634 |
| Interest income from financial institutions | 來自財務機構之利息收入 | 3,104 | 2,967 |
| Reversal of allowance for doubtful debts on trade receivables | 撥回貿易應收款項呆帳撥備 | – | 953 |
| Others | 其他 | 3,673 | 1,098 |
| | | 40,154 | 23,650 |

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綜合財務報表附註

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

4. SEGMENTAL INFORMATION

The following is an analysis of the Group's revenue and results by operating segment, based on information provided to the chief operating decision maker (the "CODM") who is the board of directors of the Company, for the purpose of allocating resources to segments and assessing their performance. This is also the basis upon which the Group is arranged and organised.

In 2015, there were two reportable and operating segments, namely (i) securities and other investment ("Investing"); and (ii) internet-of-things ("IoT") and related business.

During the current year, the IoT and related business continues to grow and remains as the largest segment of the Group. To better reflect current and future business development and organisation of the Group, as well as resources allocation, the CODM further divide the IoT and related business into (i) integrated smart internet-of-things solutions ("IoT solution"); and (ii) human-machine interactive devices ("HMID") business, based on the nature of the products sold and services provided, which are currently the basis used for the purpose of assessing the business performance, allocating resources and managing business operations. There is no change to the organisation of the Investing segment.

Therefore, there are three reportable and operating segments in current year as follows:

- (a) HMID
- (b) IoT solution
- (c) Investing

Consequently, the comparative segment information for the year ended 31 December 2015 has been represented in order to conform with the presentation adopted in current year. The changes in the segment information do not have any impact on the Group's consolidated financial statements.

4. 分類資料

下文是基於為將資源分配至各分類及評估該等分類之表現而向主要營運決策人（即本公司董事會）提供的資料，按經營分類對本集團收益及業績進行之分析。此亦為本集團安排及組織之基礎。

於二零一五年，本集團有兩個可報告及經營分類，即(i)證券及其他投資（「投資」）；及(ii)物聯網及相關業務。

於本年度，物聯網及相關業務繼續增長，仍然為本集團最大分類。為更清晰地反映本集團現時及未來業務發展與組織架構以及資源分配，主要營運決策人按照所出售產品及所提供服務之性質，進一步將物聯網及相關業務分拆為(i)整合智能物聯網解決方案（「物聯網解決方案」）；及(ii)人機互動商業終端（「人機互動」）業務。分拆所據基準乃現時用於評估業務表現、分配資源及管理業務營運之基準。投資分類之組織架構並無變動。

因此，本集團於本年度有以下三個可報告及經營分類：

- (a) 人機互動
- (b) 物聯網解決方案
- (c) 投資

因此，截至二零一五年十二月三十一日止年度之比較分類資料已重列，以符合於本年度採用之呈列方式。分類資料之變動對本集團之綜合財務報表並無任何影響。



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綜合財務報表附註

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

4. SEGMENTAL INFORMATION (Continued)

By business segments

An analysis of the Group's revenue and results by reportable segment is set out below:

4. 分類資料 (續)

按業務分類

本集團收益及業績按可報告分類之分析載列如下：

| | | Year ended 31 December 2016 | | | | |
|--|---------------------------|-----------------------------|----------------|---------------|------------------|--|
| | | 截至二零一六年十二月三十一日止年度 | | | | |
| | HMID | IoT solution | Investing | Unallocated | Total | |
| | 人機互動 | IoT solution 物聯網 解決方案 | 投資 | 未經分配 | 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 | |
| Revenue | 收益 | | | | | |
| Sales of products | 銷售產品 | 480,346 | 365,338 | - | 845,684 | |
| Service income | 服務收入 | 177,426 | 146,131 | - | 323,557 | |
| Net realised gain on disposal of financial assets at fair value through profit or loss | 出售於損益帳按公平值處理之財務資產之已變現收益淨額 | - | - | 25,626 | 25,626 | |
| Dividend income from listed securities | 上市證券之股息收入 | - | - | 13 | 13 | |
| Interest income from loan receivables | 應收貸款之利息收入 | - | - | 8,700 | 8,700 | |
| Total revenue | 總收益 | 657,772 | 511,469 | 25,639 | 1,203,580 | |
| Operating results | 經營業績 | | | | | |
| Segment results | 分類業績 | 77,218 | 157,410 | 200,825 | 362,819 | |
| Finance costs | 融資成本 | | | | (109,685) | |
| Profits before taxation | 除稅前溢利 | | | | 253,134 | |
| Other information | 其他資料 | | | | | |
| Segment assets | 分類資產 | 704,833 | 1,656,793 | 2,954,175 | 5,436,612 | |
| Segment liabilities | 分類負債 | (214,503) | (431,160) | (999,306) | (2,003,120) | |

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綜合財務報表附註

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

4. SEGMENTAL INFORMATION (Continued)

By business segments (Continued)

4. 分類資料 (續)

按業務分類 (續)

| | | Year ended 31 December 2016 截至二零一六年十二月三十一日止年度 | | | | |
|---|-----------------------|--|---------------------|-----------|-------------|----------|
| | | HMID | IoT solution 物聯網 | Investing | Unallocated | Total |
| | | 人機互動 | 解決方案 | 投資 | 未經分配 | 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 |
| Additions to property, plant and equipment and intangible assets | 添置物業、廠房及設備以及無形資產 | | | | | |
| - Additions | - 添置 | 15,395 | 15,635 | - | 68 | 31,098 |
| - Additions - Acquisition of subsidiaries | - 添置 - 收購附屬公司 | - | 130,017 | - | - | 130,017 |
| Allowance for doubtful debts on trade receivables | 貿易應收款項呆帳撥備 | (736) | (61) | - | - | (797) |
| (Reversal of allowance) allowance for doubtful debts on other receivables | 其他應收款項呆帳 (撥備撥回) 撥備 | 501 | (51) | - | - | 450 |
| Allowance for write down of inventories | 撇減存貨撥備 | (2,587) | (153) | - | - | (2,740) |
| Loss on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損 | (134) | - | - | - | (134) |
| Loss on disposal of available-for-sale financial assets | 出售可供出售財務資產之虧損 | - | - | (414) | - | (414) |
| Changes in fair value of contingent consideration payables | 應付或然代價之公平值變動 | - | (743) | - | - | (743) |
| Change in fair value of financial assets at fair value through profit or loss | 於損益帳按公平值處理之財務資產之公平值變動 | - | - | 264,436 | - | 264,436 |
| Depreciation and amortisation | 折舊及攤銷 | (8,263) | (20,561) | - | (447) | (29,271) |
| Impairment loss on available-for-sale financial assets | 可供出售財務資產之減值虧損 | - | - | (41,114) | - | (41,114) |
| Share of result of associates | 應佔聯營公司之業績 | - | 18,960 | - | - | 18,960 |
| Share-based payment in respect of share options | 有關購股權之以股份支付之款項 | - | - | - | (52,192) | (52,192) |
| Share-based payment in respect of profit guarantee | 有關溢利保證之以股份支付之款項 | - | (10,423) | - | - | (10,423) |
| Long-term employee benefits in respect of profit guarantee | 有關溢利保證之長期僱員福利 | - | (19,060) | - | - | (19,060) |
| Research and development costs | 研究及開發成本 | (11,176) | (14,678) | - | - | (25,854) |



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綜合財務報表附註

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

4. SEGMENTAL INFORMATION (Continued)

By business segments (Continued)

4. 分類資料 (續)

按業務分類 (續)

| | | Year ended 31 December 2015 (Represented) 截至二零一五年十二月三十一日止年度 (經重列) | | | | |
|--|---------------------------|--|---------------------|-----------------|---------------------|-----------------|
| | | HMID | IoT solution 物聯網 | Investing 投資 | Unallocated 未經分配 | Total 總計 |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Revenue | 收益 | | | | | |
| Sales of products | 銷售產品 | 602,640 | 61,484 | - | - | 664,124 |
| Service income | 服務收入 | 146,593 | - | - | - | 146,593 |
| Net realised gain on disposal of financial assets at fair value through profit or loss | 出售於損益帳按公平值處理之財務資產之已變現收益淨額 | - | - | 91,087 | - | 91,087 |
| Dividend income from listed securities | 上市證券之股息收入 | - | - | 265 | - | 265 |
| Interest income from loan receivables | 應收貸款之利息收入 | - | - | - | 2,027 | 2,027 |
| Total revenue | 總收益 | 749,233 | 61,484 | 91,352 | 2,027 | 904,096 |
| Operating results | 經營業績 | | | | | |
| Segment results | 分類業績 | 85,785 | 26,124 | 38,273 | (44,490) | 105,692 |
| Finance costs | 融資成本 | | | | | (37,732) |
| Profits before taxation | 除稅前溢利 | | | | | 67,960 |
| Other information | 其他資料 | | | | | |
| Segment assets | 分類資產 | 719,834 | 442,831 | 2,222,372 | 82,915 | 3,467,952 |
| Segment liabilities | 分類負債 | (272,189) | (33,585) | (407,383) | (490,485) | (1,203,642) |

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綜合財務報表附註

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

4. SEGMENTAL INFORMATION (Continued)

By business segments (Continued)

4. 分類資料 (續)

按業務分類 (續)

| | | Year ended 31 December 2015 (Represented) 截至二零一五年十二月三十一日止年度 (經重列) | | | | Total |
|---|-----------------------|--|-------------------------|-----------------------|-------------------------|-----------------------|
| | | HMID | IoT solution 物聯網 | Investing 投資 | Unallocated 未經分配 | Total |
| | | 人機互動 HK\$'000 千港元 | 解決方案 HK\$'000 千港元 | 投資 HK\$'000 千港元 | 未經分配 HK\$'000 千港元 | 總計 HK\$'000 千港元 |
| Additions to property, plant and equipment and intangible assets | 添置物業、廠房及設備以及無形資產 | | | | | |
| - Additions | - 添置 | 8,391 | 1,530 | - | 837 | 10,758 |
| - Additions - Acquisition of subsidiaries | - 添置 - 收購附屬公司 | - | 4,819 | - | - | 4,819 |
| Reversal of allowance for doubtful debts on trade receivables | 貿易應收款項呆帳撥備撥回 | 953 | - | - | - | 953 |
| Allowance for doubtful debts on other receivables | 其他應收款項呆帳撥備 | (761) | - | - | - | (761) |
| Loss on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損 | (460) | (30) | - | - | (490) |
| Change in fair value of financial assets at fair value through profit or loss | 於損益帳按公平值處理之財務資產之公平值變動 | - | - | (77,666) | - | (77,666) |
| Depreciation | 折舊 | (8,444) | (301) | - | (257) | (9,002) |
| Gain on bargain purchase on acquisition of an associate | 收購一間聯營公司之議價購買收益 | - | 8,740 | - | - | 8,740 |
| Share of result of associates | 應佔聯營公司之業績 | - | 6,775 | 41,284 | - | 48,059 |
| Share-based payment in respect of share options | 有關購股權之以股份支付之款項 | - | - | - | (29,344) | (29,344) |
| Share-based payment in respect of profit guarantee | 有關溢利保證之以股份支付之款項 | - | (2,606) | - | - | (2,606) |
| Long-term employee benefits in respect of profit guarantee | 有關溢利保證之長期僱員福利 | - | (7,910) | - | - | (7,910) |
| Research and development costs | 研究及開發成本 | (7,582) | (2,927) | - | - | (10,509) |

For the purpose of monitoring segment performance and allocating resources between segments, all assets are allocated to reportable segment other than unallocated assets.

就監察分類表現及於各分類間分配資源而言，所有資產均獲分配至可報告分類，惟未經分配資產除外。



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綜合財務報表附註

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

4. SEGMENTAL INFORMATION (Continued)

Geographical information

The Group operates in two principal geographical areas: Hong Kong (country of domicile) and the PRC.

The following table sets out information about geographical location of (i) the Group's revenue from external customers; and (ii) the Group's property, plant and equipment. The geographical location of customers is based on the location at which the services are provided or the goods are delivered. The geographical location of property, plant and equipment is based on the physical location of the assets.

4. 分類資料 (續)

地區資料

本集團主要於兩個地理位置營運：香港（註冊地點）及中國。

下表載列有關(i)本集團來自外部客戶之收益；及(ii)本集團物業、廠房及設備地理位置之資料。客戶之地理位置以提供服務或交付貨品之位置為基礎。物業、廠房及設備之地理位置以資產本身所在地為基礎。

| | | Revenue from external customers 來自外部客戶之收益 | | Property, plant and equipment 物業、廠房及設備 | |
|-----------|----|--|----------------------------------|---|----------------------------------|
| | | 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 |
| The PRC | 香港 | 980,900 | 807,079 | 47,736 | 31,792 |
| Hong Kong | 中國 | 196,775 | 93,379 | 748 | 1,124 |
| Overseas | 海外 | 25,905 | 3,638 | — | — |
| | | 1,203,580 | 904,096 | 48,484 | 32,916 |

Information about major customers

Revenue of HK\$146,131,000 was derived from a single customer of the IoT solution operating segment that contributed 10% or more of the Group's revenue for the year ended 31 December 2016. No single customer individually contributed 10% or more of the Group's revenue for the year ended 31 December 2015.

有關主要客戶之資料

146,131,000港元之收益來自物聯網解決方案經營分類之單一客戶，彼為本集團截至二零一六年十二月三十一日止年度之收益貢獻10%或以上。並無單一客戶個別為本集團截至二零一五年十二月三十一日止年度之收益貢獻10%或以上。

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

5. PROFIT BEFORE TAXATION

Profit before taxation is stated after charging (crediting):

5. 除稅前溢利

除稅前溢利經扣除(計入)下列各項後列帳：

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|-----------------|----------------------------------|----------------------------------|
| (a) Finance costs | (a) 融資成本 | | |
| Interest on convertible bonds (note 29) | 可換股債券利息(附註29) | 17,505 | - |
| Interest on interest-bearing borrowings | 計息借貸利息 | 20,822 | 16,612 |
| Interest on promissory notes (note 26) | 承兌票據利息(附註26) | 71,339 | 21,115 |
| Finance charges on obligations under finance leases | 融資租賃債務之融資費用 | 19 | 5 |
| Total borrowing costs | 總借貸成本 | 109,685 | 37,732 |



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

5. PROFIT BEFORE TAXATION (Continued)

5. 除稅前溢利 (續)

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|----------------------------------|----------------------------------|----------------------------------|
| (b) Other items | (b) 其他項目 | | |
| Amortisation of intangible assets | 無形資產攤銷 | 17,061 | – |
| Allowance (Reversal of allowance) for doubtful debts on trade receivables | 貿易應收款項呆帳撥備 (撥備撥回) | 797 | (953) |
| (Reversal of allowance) Allowance for doubtful debts on other receivables | 其他應收款項呆帳 (撥備撥回)撥備 | (450) | 761 |
| Allowance for write down of inventories | 撇減存貨撥備 | 2,740 | – |
| Auditor's remuneration | 核數師酬金 | | |
| – Audit-related assurance services | – 核數相關鑒證服務 | 1,714 | 1,100 |
| – Other services | – 其他服務 | 552 | 725 |
| Cost of inventories (Note) | 存貨成本 (附註) | 618,981 | 447,953 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 12,210 | 9,002 |
| Loss on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損 | 134 | 490 |
| Operating lease charges on premises | 物業之經營租賃支出 | 16,886 | 15,214 |
| Research and development costs | 研究及開發成本 | 25,854 | 10,509 |
| Staff costs, including directors' remuneration: | 員工成本，包括董事酬金： | | |
| – Salaries and other allowances | – 薪金及其他津貼 | 112,124 | 109,163 |
| – Contributions to defined contribution plans (note 27) | – 界定供款計劃供款 (附註27) | 16,216 | 13,707 |
| – Share-based payment in respect of share options (note 31) | – 有關購股權之 以股份支付之款項 (附註31) | 52,192 | 29,344 |
| – Share-based payment in respect of profit guarantee (note 36) | – 有關溢利保證之 以股份支付之 款項 (附註36) | 10,423 | 2,606 |
| – Long-term employee benefits in respect of profit guarantee (note 36) | – 有關溢利保證之 長期僱員福利 (附註36) | 19,060 | 7,910 |

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5. PROFIT BEFORE TAXATION (Continued)

Note: Cost of inventories includes HK\$31,406,000 (2015: HK\$31,240,000) relating to staff costs, depreciation and operating lease charges, the amounts of which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

5. 除稅前溢利 (續)

附註：存貨成本包括與員工成本、折舊及經營租賃支出相關之31,406,000港元(二零一五年：31,240,000港元)，有關款項亦已按各開支類別計入上文個別披露之相關總金額內。

6. DIRECTORS' REMUNERATION

(a) Directors' emoluments

The emoluments paid or receivable in respect of a person's services as a director of the Company were as follows:

6. 董事薪酬

(a) 董事酬金

就以本公司董事身份提供服務之人士已付或應收之酬金如下：

| | | Year ended 31 December 2016 截至二零一六年十二月三十一日止年度 | | | | |
|---|---|--|---|--|--|--------------------------------|
| Name of directors | 董事姓名 | Fees 袍金 HK\$'000 千港元 | Basic salaries, allowance and other benefits 基本薪金、 津貼及 其他福利 HK\$'000 千港元 | Retirement benefit scheme contributions 退休福利 計劃供款 HK\$'000 千港元 | Equity-settled share-based payment 權益結算 以股份 支付之款項 HK\$'000 千港元 (Note (i)) (附註(i)) | Total 總計 HK\$'000 千港元 |
| Executive directors | | 執行董事 | | | | |
| Ms. Yang Xiaoying | 楊曉櫻女士 | - | 1,510 | 18 | 3,330 | 4,858 |
| Mr. Choi Chi Fai | 蔡志輝先生 | - | 600 | 18 | 6,898 | 7,516 |
| Mr. Tsang To | 曾濤先生 | - | 360 | 18 | 2,618 | 2,996 |
| Independent non-executive directors | | 獨立非執行董事 | | | | |
| Mr. Zhang Xiaoman | 張小滿先生 | 240 | - | - | - | 240 |
| Mr. Chin Hon Siang | 陳鴻先生 | 240 | - | - | - | 240 |
| Mr. Huang Xin (Appointed on 15 November 2016) | 黃欣先生(於二零一六年十一月十五日獲委任) | 31 | - | - | - | 31 |
| Mr. Pak William Eui Won (Resigned on 15 November 2016) | Pak William Eui Won先生 (於二零一六年十一月十五日辭任) | 105 | - | - | - | 105 |
| | | 616 | 2,470 | 54 | 12,846 | 15,986 |



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6. DIRECTORS' REMUNERATION (Continued)

(a) Directors' emoluments (Continued)

6. 董事薪酬 (續)

(a) 董事酬金 (續)

| | | Year ended 31 December 2015 截至二零一五年十二月三十一日止年度 | | | | |
|--|-----------------------------|--|--|---|--|----------|
| Name of directors | 董事姓名 | Fees | Basic salaries, allowance and other benefits | Retirement benefit scheme contributions | Equity-settled share-based payment | Total |
| | | 袍金 | 基本薪金、 津貼及 其他福利 | 退休福利 計劃供款 | 以股份 支付之款項 | 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 |
| | | | | | (Note (i)) (附註(i)) | |
| Executive directors 執行董事 | | | | | | |
| Ms. Yang Xiaoying | 楊曉櫻女士 | - | 1,311 | 18 | 2,502 | 3,831 |
| Mr. Tsang To | 曾濤先生 | - | 360 | 18 | 834 | 1,212 |
| Mr. Choi Chi Fai (Appointed on 4 March 2015) | 蔡志輝先生 (於二零一五年 三月四日獲委任) | - | 500 | 15 | 3,018 | 3,533 |
| Mr. Lo Yuen Wa, Peter (Resigned on 1 May 2015) | 老元華先生 (於二零一五年 五月一日辭任) | - | 336 | 6 | - | 342 |
| Ms. Lo Oi Kwok, Sheree (Retired on 29 June 2015) | 羅愛過女士 (於二零一五年 六月二十九日退任) | - | 210 | 9 | - | 219 |
| Ms. Ng Si Wai (Resigned on 11 September 2015) | 吳思慧女士 (於二零一五年 九月十一日辭任) | - | 251 | 13 | - | 264 |
| Independent non-executive directors 獨立非執行董事 | | | | | | |
| Mr. Pak William Eui Won | Pak William Eui Won先生 | 120 | - | - | - | 120 |
| Mr. Zhang Xiaoman (Appointed on 4 March 2015) | 張小滿先生 (於二零一五年 三月四日獲委任) | 200 | - | - | - | 200 |
| Mr. Chin Hon Siang (Appointed on 31 October 2015) | 陳鴻先先生 (於二零一五年 十月三十一日獲委任) | 52 | - | - | - | 52 |
| Ms. Lam Yan Fong, Flora (Resigned on 1 May 2015) | 林欣芳女士 (於二零一五年 五月一日辭任) | 39 | - | - | - | 39 |
| Mr. Chung Yuk Lun (Resigned on 31 October 2015) | 鍾育麟先生 (於二零一五年 十月三十一日辭任) | 100 | - | - | - | 100 |
| | | 511 | 2,968 | 79 | 6,354 | 9,912 |

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

6. DIRECTORS' REMUNERATION (Continued)

(a) Directors' emoluments (Continued)

Notes:

- (i) Equity-settled share-based payment represents share options granted to directors of the Company under a share option scheme adopted by the Company. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions.

Details of share options granted to directors of the Company and other employees, including the principal terms and number of options granted, are set out in note 31 to the consolidated financial statements.

No director waived any emoluments during the year ended 31 December 2016 (2015: HK\$Nil). No incentive payment or compensation for loss of office was paid or payable to any director for the year ended 31 December 2016 (2015: HK\$Nil).

(b) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at end of reporting period or at any time during the year ended 31 December 2016 (2015: HK\$Nil).

6. 董事薪酬 (續)

(a) 董事酬金 (續)

附註：

- (i) 權益結算以股份支付之款項指根據本公司所採納之購股權計劃授予本公司董事之購股權。該等購股權之價值乃按本集團有關以股份付款之交易之會計政策計量。

有關向本公司董事及其他僱員授予購股權之詳情(包括主要條款及授出購股權數目)載於綜合財務報表附註31。

於截至二零一六年十二月三十一日止年度，並無董事放棄任何酬金(二零一五年：零港元)。於截至二零一六年十二月三十一日止年度，本集團概無向任何董事支付或應付任何款項作為獎金或離職補償(二零一五年：零港元)。

(b) 董事於交易、安排或合約中之重大權益

概無本公司董事於本公司就其業務所訂立，並於報告期結束日或截至二零一六年十二月三十一日止年度內任何時間有效之重大交易、安排及合約中擁有直接或間接重大權益(二零一五年：零港元)。



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7. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Among the five individuals with the highest emoluments, two (2015: two) are executive directors whose emoluments are disclosed in note 6.

The emoluments paid to the remaining three (2015: three) individuals during the year were as follows:

7. 最高薪人士

五位最高薪人士中，有兩位（二零一五年：兩位）為執行董事，彼等之酬金已於附註6內披露。

年內已付其餘三位（二零一五年：三位）人士之酬金如下：

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|-------------|----------------------------------|----------------------------------|
| Basic salaries, share option and allowances | 基本薪金、購股權及津貼 | 13,604 | 8,305 |
| Retirement benefit scheme contributions | 退休福利計劃供款 | 18 | 18 |
| | | 13,622 | 8,323 |

The emoluments fell within the following bands:

酬金介乎以下範圍：

| | | Number of individuals 人數 | |
|-------------------------------|-------------------------|-----------------------------|---------------|
| | | 2016 二零一六年 | 2015 二零一五年 |
| HK\$2,500,001 – HK\$3,000,000 | 2,500,001港元至3,000,000港元 | – | 1 |
| HK\$3,000,001 – HK\$3,500,000 | 3,000,001港元至3,500,000港元 | 1 | 2 |
| HK\$4,000,001 – HK\$4,500,000 | 4,000,001港元至4,500,000港元 | 1 | – |
| HK\$6,000,001 – HK\$6,500,000 | 6,000,001港元至6,500,000港元 | 1 | – |
| | | 3 | 3 |

During the years ended 31 December 2016 and 2015, no emoluments were paid by the Group to the five highest paid individuals (including directors and other employees) as an inducement to join or upon joining the Group or as compensation for loss of office.

於截至二零一六年及二零一五年十二月三十一日止年度，本集團並無向五位最高薪人士（包括董事及其他僱員）支付酬金，作為鼓勵加盟或加盟本集團時之獎金或離職補償。

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8. TAXATION

Hong Kong Profits Tax has not been provided as the Group's entities either have no assessable profit or their assessable profits for the years ended 31 December 2016 and 2015 are wholly absorbed by unrelieved tax losses brought forward from previous years.

The applicable PRC Enterprise Income Tax ("EIT") for the PRC subsidiaries is at the statutory rate of 25% (2015: 25%) based on its taxable profit. However, six (2015: four) PRC subsidiaries of the Company have been officially designated by the local tax authority as "High and New Technology Enterprises". A reduced tax rate of 15% (2015: 15%) for the period of three years was granted as long as those PRC subsidiaries meet the high-tech enterprise qualification. One (2015: Nil) PRC subsidiary of the Company is subject to EIT at a rate of 25% based on its deemed profit (i.e. 10% of its revenue in accordance with the authorised taxation method).

8. 稅項

由於本集團之實體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應課稅溢利或應課稅溢利已被過往年度結轉之未抵銷稅項虧損全數抵銷，故並無計提香港利得稅撥備。

中國附屬公司之適用中國企業所得稅乃根據其應課稅溢利按25% (二零一五年：25%)之法定稅率計算。然而，本公司六間 (二零一五年：四間) 中國附屬公司獲地方稅務機關正式認定為「高新技術企業」。由於該等中國附屬公司符合高新技術企業資格，因而於三年期內享有15% (二零一五年：15%)之減免稅率。本公司一間 (二零一五年：無) 中國附屬公司按其視作溢利 (即按照認可計稅方法計算之收益之10%) 以25%之稅率繳納企業所得稅。

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|----------------------------------|--------------------|----------------------------------|----------------------------------|
| Current tax | 本期稅項 | | |
| PRC EIT | 中國企業所得稅 | | |
| Current year | 本年度 | 27,434 | 6,738 |
| Over provision in prior year | 過往年度超額撥備 | (785) | — |
| | | 26,649 | 6,738 |
| Deferred tax (note 25) | 遞延稅項 (附註25) | (4,529) | 218 |
| Tax expenses for the year | 年內稅項開支 | 22,120 | 6,956 |



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8. TAXATION (Continued)

Reconciliation of tax expenses

8. 稅項 (續)

稅項開支對帳

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|-------------------|----------------------------------|----------------------------------|
| Profit before taxation | 除稅前溢利 | 253,134 | 67,960 |
| Tax at rate applicable to the jurisdictions concerned | 按有關司法權區適用之稅率計算之稅項 | 35,156 | 9,720 |
| Non-deductible expenses | 不可扣稅開支 | 16,687 | 29,114 |
| Tax exempted revenue | 免稅收益 | (15,736) | (14,308) |
| Share of results of associates | 應佔聯營公司之業績 | (3,128) | (7,930) |
| Utilisation of previously unrecognised tax losses | 動用先前未確認之稅項虧損 | (25,588) | (12,254) |
| Unrecognised tax losses | 未確認之稅項虧損 | 15,393 | 2,834 |
| Over provision in prior year | 過往年度超額撥備 | (785) | - |
| Others | 其他 | 121 | (220) |
| Tax expenses for the year | 年內稅項開支 | 22,120 | 6,956 |

The weighted average applicable tax rate was 13.9% (2015: 14.3%), representing the weighted average of the rates of taxation prevailing in the territories in which the Group operates.

加權平均適用稅率為13.9% (二零一五年: 14.3%)，即本集團營運所在地區之當前加權平均稅率。

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9. DIVIDENDS

The directors of the Company do not recommend the payment of a dividend for the year (2015: HK\$Nil).

9. 股息

本公司董事不建議就本年度派發股息(二零一五年:零港元)。

10. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the following data:

10. 每股盈利

每股基本及攤薄盈利乃基於以下數據計算:

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|----------------------------------|
| Numerator | | | |
| Profit attributable to equity holders of the Company and used in computing basic and diluted earnings per share | 分子 用於計算每股基本及攤薄盈利之本公司股權持有人應佔溢利 | 154,446 | 38,258 |
| | | | |
| | | | |
| Denominator | | | |
| Weighted average number of ordinary shares in issue during the year and used in computing basic earnings per share | 用於計算每股基本盈利之年內已發行普通股加權平均數 | 9,701,221 | 7,364,610 |
| Effect of dilution – weighted average number of ordinary shares – Share options | 攤薄影響 – 普通股加權平均數 – 購股權 | 169,655 | – |
| Weighted average number of ordinary shares used in computing diluted earnings per share | 用於計算每股攤薄盈利之普通股加權平均數 | 9,870,876 | 7,364,610 |



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10. EARNINGS PER SHARE (Continued)

Notes:

- (a) The weighted average number of ordinary shares in issue during the year was adjusted to take into account the effects arising from the placing of shares and consideration shares in February 2016 and April 2016 respectively as set out in note 30 to the consolidated financial statements.
- (b) As at 31 December 2016, certain specific conditions of part of the share options were met and therefore that part of the share options outstanding were assumed to have exercised during the year, and included in the calculation of diluted earnings per share. As at 31 December 2015, none of the specific conditions of the share options was met and thus potential dilutive ordinary shares were not included in the calculation of diluted earnings per share.
- (c) The Company's potentially dilutive ordinary shares also comprise convertible bonds and consideration shares to be issued under the arrangement of profit guarantee which are subject to certain specific conditions and are treated as contingently issuable shares. As at 31 December 2016, no adjustment has been made in respect of the convertible bonds as their assumed conversion would have an anti-dilution effect. For consideration shares to be issued under the profit guarantee, contingently issuable shares are considered outstanding and where applicable, included in the calculation of diluted earnings per share as if the condition of the contingency is deemed to have been met, based on the information available, at the end of reporting period. As at 31 December 2016, conditions for 2015 and 2016 under the profit guarantee were met but no adjustment has been made as the consideration shares to be issued would have an anti-dilution effect. As at 31 December 2015, none of the specific conditions of profit guarantee were fully met, and thus the potentially dilutive ordinary shares are not included in the calculation of diluted earnings per share.

10. 每股盈利 (續)

附註:

- (a) 年內已發行普通股之加權平均數已作調整，以計及綜合財務報表附註30所載於二零一六年二月及二零一六年四月分別配售股份及代價股份所產生之影響。
- (b) 於二零一六年十二月三十一日，部分購股權之若干特定條件已達成，因此該部分之未獲行使購股權乃假定於年內獲行使，計算每股攤薄盈利時已將之包括在內。於二零一五年十二月三十一日，購股權之特定條件並未達成，故計算每股攤薄盈利時並無計入具潛在攤薄影響之普通股。
- (c) 本公司具潛在攤薄影響之普通股亦包括可換股債券及將根據溢利保證安排發行之代價股份（受若干特定條件規限，被視為或然須予發行股份）。於二零一六年十二月三十一日，由於假設轉換可換股債券將產生反攤薄影響，故並無就可換股債券作出調整。至於將根據溢利保證安排發行之代價股份，或然須予發行股份被視為已發行，並於報告期結束日依照可得資料（如適用）計入每股攤薄盈利之計算中，猶如或然事項之條件被視作已達成。於二零一六年十二月三十一日，二零一五年及二零一六年之溢利保證條件已達成，惟由於將予發行之代價股份具反攤薄影響，故未有作出調整。於二零一五年十二月三十一日，溢利保證之特定條件並無全面達成，故計算每股攤薄盈利時並無計入具潛在攤薄影響之普通股。

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綜合財務報表附註

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

11. PROPERTY, PLANT AND EQUIPMENT

11. 物業、廠房及設備

| | | Leasehold improvements 租賃物業裝修 HK\$'000 千港元 | Moulds 模具 HK\$'000 千港元 | Plant and machinery 廠房及機器 HK\$'000 千港元 | Furniture, fixtures and equipment 傢具、裝置及設備 HK\$'000 千港元 | Motor vehicles 汽車 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|--------------------|---|---------------------------------|---|--|---|--------------------------------|
| <i>Carrying amount</i> | <i>帳面金額</i> | | | | | | |
| At 1 January 2015 | 於二零一五年一月一日 | 6,599 | 9,077 | 4,552 | 7,748 | 565 | 28,541 |
| Additions – acquisition of subsidiaries | 添置 – 收購附屬公司 | 30 | 2,282 | 428 | 544 | 1,535 | 4,819 |
| Additions | 添置 | 2,146 | 2,300 | 131 | 4,973 | 1,208 | 10,758 |
| Disposals | 出售 | (281) | – | – | (195) | (14) | (490) |
| Depreciation | 折舊 | (2,309) | (3,125) | (918) | (2,315) | (335) | (9,002) |
| Exchange realignment | 匯兌調整 | (332) | (537) | (230) | (533) | (78) | (1,710) |
| At 31 December 2015 | 於二零一五年十二月三十一日 | 5,853 | 9,997 | 3,963 | 10,222 | 2,881 | 32,916 |
| At 31 December 2015 | 於二零一五年十二月三十一日 | | | | | | |
| Cost | 成本 | 8,779 | 13,875 | 5,097 | 12,932 | 3,267 | 43,950 |
| Accumulated depreciation | 累計折舊 | (2,926) | (3,878) | (1,134) | (2,710) | (386) | (11,034) |
| | | 5,853 | 9,997 | 3,963 | 10,222 | 2,881 | 32,916 |
| <i>Carrying amount</i> | <i>帳面金額</i> | | | | | | |
| At 1 January 2016 | 於二零一六年一月一日 | 5,853 | 9,997 | 3,963 | 10,222 | 2,881 | 32,916 |
| Additions – acquisition of subsidiaries (note 34) | 添置 – 收購附屬公司 (附註34) | – | – | – | 2,258 | 95 | 2,353 |
| Additions | 添置 | 3,791 | 12,022 | 7,362 | 7,773 | 150 | 31,098 |
| Disposals | 出售 | – | (90) | (2,276) | (231) | (110) | (2,707) |
| Depreciation | 折舊 | (2,714) | (3,712) | (1,022) | (3,793) | (969) | (12,210) |
| Exchange realignment | 匯兌調整 | (416) | (1,015) | (438) | (980) | (117) | (2,966) |
| At 31 December 2016 | 於二零一六年十二月三十一日 | 6,514 | 17,202 | 7,589 | 15,249 | 1,930 | 48,484 |
| At 31 December 2016 | 於二零一六年十二月三十一日 | | | | | | |
| Cost | 成本 | 11,863 | 24,376 | 9,626 | 21,414 | 3,231 | 70,510 |
| Accumulated depreciation | 累計折舊 | (5,349) | (7,174) | (2,037) | (6,165) | (1,301) | (22,026) |
| | | 6,514 | 17,202 | 7,589 | 15,249 | 1,930 | 48,484 |

The net book value of the Group's property, plant and equipment as at 31 December 2016 included an amount of HK\$477,000 (2015: HK\$706,000) in respect of assets held under finance leases (see note 24(d)).

於二零一六年十二月三十一日，本集團之物業、廠房及設備帳面淨值包括根據融資租賃（見附註24(d)）持有之資產金額477,000港元（二零一五年：706,000港元）。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

12. INTANGIBLE ASSETS

12. 無形資產

| | | Customer relationships 客戶關係 HK\$'000 千港元 | Computer software copyright 電腦軟件 版權 HK\$'000 千港元 | Trademarks 商標 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|-----------------------|---|--|-------------------------------------|--------------------------------|
| <i>Carrying amount</i> | <i>帳面金額</i> | | | | |
| At 1 January 2015 | 於二零一五年 一月一日 | - | - | 33,968 | 33,968 |
| Exchange realignment | 匯兌調整 | - | - | (824) | (824) |
| At 31 December 2015 | 於二零一五年 十二月三十一日 | - | - | 33,144 | 33,144 |
| At 31 December 2015 | 於二零一五年 十二月三十一日 | | | | |
| Cost | 成本 | - | - | 33,144 | 33,144 |
| Accumulated amortisation | 累計攤銷 | - | - | - | - |
| | | - | - | 33,144 | 33,144 |
| <i>Carrying amount</i> | <i>帳面金額</i> | | | | |
| At 1 January 2016 | 於二零一六年一月一日 | - | - | 33,144 | 33,144 |
| Additions – acquisition of subsidiaries (note 34) | 添置 – 收購附屬公司 (附註34) | 124,703 | 2,961 | - | 127,664 |
| Amortisation | 攤銷 | (16,627) | (434) | - | (17,061) |
| Exchange realignment | 匯兌調整 | - | - | (908) | (908) |
| At 31 December 2016 | 於二零一六年 十二月三十一日 | 108,076 | 2,527 | 32,236 | 142,839 |
| At 31 December 2016 | 於二零一六年 十二月三十一日 | | | | |
| Cost | 成本 | 124,703 | 2,961 | 32,236 | 159,900 |
| Accumulated amortisation | 累計攤銷 | (16,627) | (434) | - | (17,061) |
| | | 108,076 | 2,527 | 32,236 | 142,839 |

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綜合財務報表附註

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

12. INTANGIBLE ASSETS (Continued)

Customer relationships and computer software copyright were acquired as a result of the acquisition of Next Concept International Investment Limited (“Next Concept”) and its subsidiaries (collectively referred as “Next Concept Group”) in April 2016 as detailed in note 34(a) to the consolidated financial statements. Amortisation is provided on the straight-line basis over their estimated useful lives of 5 years. The carrying amounts of customer relationships and computer software copyright are measured at cost less accumulated amortisation and impairment losses.

Trademarks were acquired as a result of the acquisition of Smart Express Development Limited (“Smart Express”) and its subsidiaries (collectively referred as “Smart Express Group”) in September 2014. The trademarks acquired have been granted for period of 10 years by the relevant government and can be renewed at the expiry date of each trademark with insignificant cost. Coupled with the fact that previous trademarks acquired have been previously renewed for further 10 years with an option of renewal at the expiry date, the Group has determined that these assets have an indefinite useful life. Trademarks are therefore measured at cost less accumulated impairment losses.

As at 31 December 2016, trademark were tested for impairment (see note 13) and no impairment loss was charged for the year (2015: HK\$Nil).

12. 無形資產 (續)

客戶關係及電腦軟件版權乃因於二零一六年四月收購進念國際投資有限公司(「進念」)及其附屬公司(統稱「進念集團」)(詳載於綜合財務報表附註34(a))而購入。攤銷於其5年之估計可用年期內以直線法撥備。客戶關係及電腦軟件版權之帳面金額按成本減去累計攤銷及減值虧損計量。

商標乃因於二零一四年九月收購Smart Express Development Limited(「Smart Express」)及其附屬公司(統稱「Smart Express集團」)而購入。所收購之商標已獲有關政府批予10年期，並可於各商標到期當日以極低費用續期。有鑑於先前收購之商標已再續期10年，並附帶於各商標到期當日續期之選擇權，本集團認定該等資產具有不限定期可用年期。因此，商標按成本減累計減值虧損計量。

於二零一六年十二月三十一日，商標已進行減值測試(見附註13)，年內並無扣除減值虧損(二零一五年：零港元)。



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綜合財務報表附註

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

13. GOODWILL

13. 商譽

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--|-----------------|----------------------------------|----------------------------------|
| <i>Reconciliation of carrying amount</i> | | | |
| At beginning of reporting period | 帳面金額對帳 於報告期初 | 266,592 | 114,786 |
| Acquisition of subsidiaries (note 34) | 收購附屬公司(附註34) | 927,966 | 151,806 |
| At end of reporting period | 於報告期結束日 | 1,194,558 | 266,592 |
| At 31 December | 於十二月三十一日 | | |
| Cost | 成本 | 1,194,558 | 266,592 |
| Accumulated impairment losses | 累計減值虧損 | - | - |
| | | 1,194,558 | 266,592 |

Goodwill arose because the consideration paid for the acquisitions effectively included amounts in relation to the benefits originated from future market development and the assembled workforce of the acquired businesses. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes. Details of the acquisitions carried out during the year are set out in note 34 to the consolidated financial statements.

產生商譽之原因為就收購事項所支付之代價實際上包括源自未來市場發展及所收購業務集人力之利益金額。該等利益不會與商譽分開確認，因為該等利益並不符合可識別無形資產之確認標準。預期已確認之商譽不會用於扣除所得稅。有關年內所進行收購事項之詳情載於綜合財務報表附註34。

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綜合財務報表附註

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

13. GOODWILL (Continued)

The carrying amounts of trademarks with indefinite useful lives (see note 12) as at 31 December 2016 are attributable to the Group's cash-generating unit ("CGU") of Fujian Start Computer Equipment Company Limited* ("FSCE") and its subsidiaries (collectively referred as "FSCE Group").

All of the goodwill related to the operating segments of HMID and IoT solution. Goodwill is monitored by the management at each CGU within HMID and IoT solution segment.

The carrying amount of goodwill was allocated to the Group's CGUs identified as follows:

13. 商譽 (續)

具有不限定期限之商標 (見附註12) 於二零一六年十二月三十一日之帳面金額分配至本集團福建實達電腦設備有限公司 (「實達外設」) 及其附屬公司 (統稱「實達外設集團」) 之現金產生單位。

所有商譽乃關於人機互動及物聯網解決方案經營分類。管理層會按人機互動及物聯網解決方案分類之各個現金產生單位監察商譽。

商譽帳面金額分配至本集團所識別各現金產生單位如下：

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--|--|----------------------------------|----------------------------------|
| HMID business segment | 人機互動業務分類 | | |
| FSCE Group | 實達外設集團 | 114,786 | 114,786 |
| IoT solution business segment | 物聯網解決方案業務分類 | | |
| Shenzhen CNEOP Technology Company Limited* ("CNEOP") | 深圳市中光遠科技有限公司 (「中光遠科技」) | 49,845 | 49,845 |
| Shenzhen Hexicom Technologies Company Limited* ("Hexicom") | 深圳市海億康科技有限公司 (「海億康科技」) | 49,652 | 49,652 |
| Guangzhou Wealth-Depot Logistics Technology Company Limited* ("Wealth-Depot") | 廣州大庫工業設備有限公司 (「大庫工業」) | 52,309 | 52,309 |
| Next Concept Group (note 34) | 進念集團 (附註34) | 902,225 | - |
| Hangzhou Lepei Telecommunication Company Limited* ("Lepei") and its subsidiary ("Lepei Group") (note 34) | 杭州樂佩通信有限公司 (「樂佩通信」) 及其附屬公司 (「樂佩集團」) (附註34) | 25,741 | - |
| | | 1,194,558 | 266,592 |

* The official names are in Chinese and the English names are translated for identification purpose only.

* 官方名稱以中文為準，英文翻譯名稱僅供識別之用。



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綜合財務報表附註

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

13. GOODWILL (Continued)

The Group has engaged independent valuers, APAC Asset Valuation and Consulting Limited ("APAC"), to perform an appraisal of the value of the FSCE Group, CNEOP, Hexicom, Wealth-Depot and Lepei Group and Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("JLL") to perform an appraisal of the value of Next Concept Group as at 31 December 2016. The recoverable amounts of trademark and goodwill have been determined on the basis of value in use ("VIU") calculations.

The recoverable amounts for the HMID business segment's CGUs were determined based on value-in-use calculations using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections is 17% (2015: 20%) and cash flows beyond the five-year are extrapolated using a growth rate of 3% (2015: 3%).

The recoverable amounts for the IoT solution business segment's CGUs were determined based on value-in-use calculations, using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections is ranging from 19% to 28% (2015: 19% to 21%) and cash flows beyond the five-year are extrapolated using a growth rate of 3% (2015: 3%).

The key assumptions for the Group have been determined by the Group's management based on past performance and its expectations for the industry development. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

13. 商譽 (續)

本集團已委聘獨立估值師亞太資產評估及顧問有限公司(「亞太」)評估實達外設集團、中光遠科技、海億康科技、大庫工業及樂佩集團於二零一六年十二月三十一日之價值，並委聘獨立估值師仲量聯行企業評估及諮詢有限公司(「仲量聯行」)評估進念集團於二零一六年十二月三十一日之價值。商標及商譽之可收回金額按使用價值計算法釐定。

人機互動業務分類現金產生單位之可收回金額以高級管理層所批准涵蓋5年期之財政預算使用現金流量預測進行使用價值計算法釐定。現金流量預測所用貼現率為17% (二零一五年：20%)，而5年期後之現金流量乃使用3% (二零一五年：3%)之增長率推算。

物聯網解決方案業務分類現金產生單位之可收回金額以高級管理層所批准涵蓋5年期之財政預算使用現金流量預測進行使用價值計算法釐定。現金流量預測所用貼現率介乎19%至28% (二零一五年：19%至21%)，而5年期後之現金流量乃使用3% (二零一五年：3%)之增長率推算。

本集團之主要假設由本集團管理層按過去表現及對行業發展之預期釐定。所用貼現率為稅前並能反映相關分類之特定風險。

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13. GOODWILL (Continued)

The recoverable amounts of the CGUs of HMID and IoT solution business segments are determined to be higher than the carrying amount of the CGUs. Accordingly, the management considers that trademark and goodwill attributable to the CGUs are not impaired.

The management of the Group is also of the opinion that any reasonably possible change in the key assumptions would not cause the CGUs carrying amount to exceed their recoverable amount.

14. SUBSIDIARIES

Details of the principal subsidiaries at end of reporting period are as follows:

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ Type of legal entity 註冊成立地點/ 法律實體類別 | Particulars of issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊資本詳情 | Percentage of equity interests held by the Company 本公司 所持股本權益百分比 | | Principal activities 主要業務 |
|--|--|--|--|-------------------------------------|---|
| | | | Directly 直接 | Indirectly 間接 | |
| Gauteng Focus Limited | British Virgin Islands/ Limited liability company 英屬處女群島/有限公司 | - | 100% | - | Investment holding 投資控股 |
| Loyal Fine Limited | British Virgin Islands/ Limited liability company 英屬處女群島/有限公司 | United States Dollar ("US\$") 1 1美元 | 100% | - | Investment holding 投資控股 |
| Jiashengtai (HK) Limited (formerly known as Able Bright Asia Investment Limited) 嘉盛泰(香港)有限公司 (前稱力輝亞太投資 有限公司) | Hong Kong/ Limited liability company 香港/有限公司 | HK\$1 ordinary share 1港元普通股 | - | 51% (2015: Nil) (二零一五年: 無) | Investment holding and trading of commodities 投資控股及商品交易 |

13. 商譽(續)

人機互動及物聯網解決方案業務分類現金產生單位之可收回金額被評定為高於該等現金產生單位之帳面金額。據此，管理層認為現金產生單位應佔之商標及商譽並無減值。

本集團管理層亦認為，主要假設出現任何可能合理變動不會導致該等現金產生單位之帳面金額高於其可收回金額。

14. 附屬公司

主要附屬公司於報告期結束日之詳情如下：



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

14. SUBSIDIARIES (Continued)

Details of the principal subsidiaries at end of reporting period are as follows: (Continued)

14. 附屬公司 (續)

主要附屬公司於報告期結束日之詳情如下: (續)

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ Type of legal entity 註冊成立地點/ 法律實體類別 | Particulars of issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊資本詳情 | Percentage of equity interests held by the Company 本公司 所持股本權益百分比 | | Principal activities 主要業務 |
|---|--|--|--|----------------------------------|--|
| | | | Directly 直接 | Indirectly 間接 | |
| Forefront International (Hong Kong) Limited 福方(香港)有限公司 | Hong Kong/ Limited liability company 香港/有限公司 | HK\$100,000 ordinary shares HK\$6,000,000 non-voting deferred shares (note (i)) 100,000港元普通股 6,000,000港元 無投票權遞延股份 (附註(i)) | - | 100% | Provision of management services for the Group 為本集團提供管理服務 |
| Great Develop Group Limited 拓盈集團有限公司 | Hong Kong/ Limited liability company 香港/有限公司 | HK\$1 ordinary share 1港元普通股 | - | 100% | Investment holding 投資控股 |
| Holly Good Group Limited ("Holly Good") 浩金集團有限公司 (「浩金」) | Hong Kong/ Limited liability company 香港/有限公司 | HK\$1 ordinary share 1港元普通股 | - | 100% | Investment holding 投資控股 |
| King Billion International Limited ("King Billion") 景億國際有限公司 (「景億」) | Hong Kong/ Limited liability company 香港/有限公司 | HK\$1 ordinary share 1港元普通股 | - | 100% | Investment holding 投資控股 |
| Next Concept 進念 | British Virgin Islands/ Limited liability company 英屬處女群島/有限公司 | US\$100 100美元 | - | 51% (2015: Nil) (二零一五年: 無) | Investment holding 投資控股 |
| Red Square Group Limited ("Red Square") 方鴻集團有限公司 (「方鴻」) | Hong Kong/ Limited liability company 香港/有限公司 | HK\$1 ordinary share 1港元普通股 | - | 100% | Investment holding 投資控股 |
| Rentian Finance Company Limited 仁天財務有限公司 | Hong Kong/ Limited liability company 香港/有限公司 | HK\$2,000,000 ordinary shares 2,000,000港元 普通股 | - | 100% | Money-lending 貸款 |

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綜合財務報表附註

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

14. SUBSIDIARIES (Continued)

Details of the principal subsidiaries at end of reporting period are as follows: (Continued)

14. 附屬公司 (續)

主要附屬公司於報告期結束日之詳情如下: (續)

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ Type of legal entity 註冊成立地點/ 法律實體類別 | Particulars of issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊資本詳情 | Percentage of equity interests held by the Company 本公司 所持股本權益百分比 | | Principal activities 主要業務 |
|------------------------------|--|--|--|--|---|
| | | | Directly 直接 | Indirectly 間接 | |
| Sino Wealthy Limited | British Virgin Islands/ Limited liability company | US\$1 | - | 100% | Trading of securities |
| Sino Wealthy Limited | 英屬處女群島/有限公司 | 1美元 | | | 證券買賣 |
| Smart Express | British Virgin Islands/ Limited liability company | US\$2 | - | 100% | Investment holding |
| Smart Express | 英屬處女群島/有限公司 | 2美元 | | | 投資控股 |
| FSCE | The PRC/Limited liability company | Registered and paid-up capital of RMB148,181,800 | - | 100% (2015: 83%) (二零一五年: 83%) | Design, manufacturing and distribution of printers, terminals and POS electronic products and provision of related services under its own brand name "Start" in the PRC |
| 實達外設 | 中國/有限責任公司 | 註冊及繳足資本 人民幣148,181,800元 | | | 於中國設計、製造及分銷打印 機、終端機及POS電子產品， 並以自有品牌名稱「實達 (Start)」提供相關服務 |
| Wealth-Depot | The PRC/Limited liability company | Registered and paid-up capital of RMB7,296,000 | - | 51% | Design and manufacture of the standard returnable radio- frequency identification smart bins, implementation of smart warehouse and smart logistics solution |
| 大庫工業 | 中國/有限責任公司 | 註冊及繳足資本 人民幣7,296,000元 | | | 設計及製造標準可流通射頻識 別智能物流箱，實施智慧倉 儲及智慧物流之解決方案 |



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14. SUBSIDIARIES (Continued)

Details of the principal subsidiaries at end of reporting period are as follows: (Continued)

14. 附屬公司 (續)

主要附屬公司於報告期結束日之詳情如下: (續)

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ Type of legal entity 註冊成立地點/ 法律實體類別 | Particulars of issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊資本詳情 | Percentage of equity interests held by the Company 本公司 所持股本權益百分比 | | Principal activities 主要業務 |
|--|--|--|--|---|---|
| | | | Directly 直接 | Indirectly 間接 | |
| Lepei | The PRC/Limited liability company | Registered and paid-up capital of RMB1,300,000 | - | 52.5% (2015: Nil) (二零一五年: 無) | Research and development, design and manufacturing of optical transmission network equipment and software products for Gigabit-Capable Passive Optical Network ("GPON") and Ethernet Passive Optical Network ("EPON") communication |
| 樂佩 | 中國/有限責任公司 | 註冊及繳足資本 人民幣1,300,000元 | | | 研發、設計及製造千兆無源光網路(「GPON」)及乙太網無源光網路(「EPON」)通信相關之光纖傳輸網絡設備及軟件產品 |
| Jiangsu Start Dima Data Processing Company Limited* | The PRC/ Limited liability company | Registered and paid-up capital of RMB13,000,000 | - | 76.92% (2015: 63.85%) (二零一五年: 63.85%) | Software and technology development and printing outsourcing services in the PRC |
| 江蘇實達迪美數據處理有限公司 | 中國/有限責任公司 | 註冊及繳足資本 人民幣13,000,000元 | | | 於中國從事軟件及技術開發以及打印外包服務 |
| Qingdao Jiahuasheng Investment Consulting Company Limited* | The PRC/ Limited liability company | Registered and paid-up capital of US\$100,000 | - | 100% | Investment holding |
| 青島嘉華盛投資顧問有限公司 | 中國/有限責任公司 | 註冊及繳足資本100,000美元 | | | 投資控股 |

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

14. SUBSIDIARIES (Continued)

Details of the principal subsidiaries at end of reporting period are as follows: (Continued)

14. 附屬公司 (續)

主要附屬公司於報告期結束日之詳情如下: (續)

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ Type of legal entity 註冊成立地點/ 法律實體類別 | Particulars of issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊資本詳情 | Percentage of equity interests held by the Company 本公司 所持股本權益百分比 | | Principal activities 主要業務 |
|--|--|--|--|------------------------------------|--|
| | | | Directly 直接 | Indirectly 間接 | |
| Qingdao Jiashengtai Investment Consulting Company Limited* | The PRC/ Limited liability company | Registered capital of US\$2,000,000 and paid-up capital of RMB400,000 | - | 51% (2015: Nil) (二零一五年: 無) | One-stop solution, including but not limited to marketing research, software design, IT solution and strategic business consultation and development, to companies in the commodities industry in the PRC |
| 青島嘉盛泰投資諮詢有限公司 | 中國/有限責任公司 | 註冊資本2,000,000美元及繳足資本人民幣400,000元 | | | 向中國大宗商品行業之公司提供一站式解決方案, 包括但不限於市場推廣研究、軟件設計、資訊科技解決方案及策略業務諮詢及開發 |
| CNEOP | The PRC/ Limited liability company | Registered and paid-up capital of RMB14,375,000 | - | 61% (2015: 51%) (二零一五年: 51%) | Research, development and production of mobile data capture intelligence terminals; provision of IoT application and solutions based on automatic identification and data capture technologies; and operation of IoT data servicing platform |
| 中光遠科技 | 中國/有限責任公司 | 註冊及繳足資本人民幣14,375,000元 | - | | 移動數據智能採集終端之研發與生產; 基於自動識別與數據採集技術提供物聯網應用及解決方案; 及物聯網資料服務平台運營 |



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14. SUBSIDIARIES (Continued)

Details of the principal subsidiaries at end of reporting period are as follows: (Continued)

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ Type of legal entity 註冊成立地點/ 法律實體類別 | Particulars of issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊資本詳情 | Percentage of equity interests held by the Company 本公司 所持股本權益百分比 | | Principal activities 主要業務 |
|------------------------------|--|---|--|------------------|--|
| | | | Directly 直接 | Indirectly 間接 | |
| Hexicom | The PRC/Limited liability company | Registered capital of RMB30,000,000 (2015: RMB50,000,000) and paid-up capital of RMB30,000,000 (2015: RMB30,000,000) (note (ii)) | - | 70% | Research and development, manufacturing and sales of IoT and Industrial 4.0 network solutions in the PRC |
| 海億康科技 | 中國/有限責任公司 | 註冊資本人民幣30,000,000元 (二零一五年: 人民幣50,000,000元)及繳足 資本人民幣30,000,000元 (二零一五年: 人民幣30,000,000元) (附 註(ii)) | | | 於中國研發、製造及銷售物聯網 及工業4.0網絡解決方案 |

* The official names are in Chinese and the English names are translated for identification purpose only.

Note:

(i) Holders of deferred shares have no rights to vote at general meetings or receive any dividend. Upon winding up, they are entitled to one half of the balance of the company's assets after HK\$100,000,000,000 has been distributed to holders of ordinary shares.

(ii) On 6 January 2016, the registered capital reduced from RMB50,000,000 to RMB30,000,000.

None of the subsidiaries had any loan capital in issue at any time during the years ended 31 December 2016 and 2015.

14. 附屬公司 (續)

主要附屬公司於報告期結束日之詳情如下: (續)

* 官方名稱以中文為準，英文翻譯名稱僅供識別之用。

附註:

(i) 遞延股份之持有人無權在股東大會上投票，亦無權收取任何股息。在清盤時，該公司資產中100,000,000,000港元將首先用於分派予普通股之持有人，而餘額之一半由遞延股份之持有人享有。

(ii) 於二零一六年一月六日，註冊資本由人民幣50,000,000元減少至人民幣30,000,000元。

各附屬公司於截至二零一六年及二零一五年十二月三十一日止年度內任何時間並無任何已發行借貸資本。

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

14. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests ("NCI")

The following table shows the information relating to Next Concept Group (2015: FSCE Group) that have material NCI. The summarised financial information represents amounts before inter-company eliminations.

At 31 December 2016

14. 附屬公司 (續)

擁有個別重大非控股權益之附屬公司之財務資料

下表載列擁有重大非控股權益之進念集團(二零一五年:實達外設集團)之資料。財務資料概要指公司間對銷前之數額。

於二零一六年十二月三十一日

| | | New Concept Group 進念集團 |
|---|---------------|---------------------------|
| Proportion of NCI's ownership interests | 非控股權益之擁有權權益比例 | 49% |
| | | HK\$'000 |
| Current assets | 流動資產 | 173,829 |
| Non-current assets | 非流動資產 | 113,538 |
| Current liabilities | 流動負債 | (5,050) |
| Non-current liabilities | 非流動負債 | (27,651) |
| Net assets | 資產淨值 | 254,666 |
| Carrying amount of NCI | 非控股權益之帳面金額 | 124,786 |



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綜合財務報表附註

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

14. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests ("NCI") (Continued)

14. 附屬公司 (續)

擁有個別重大非控股權益之附屬公司之財務資料 (續)

| | | Post-acquisition period ended 31 December 2016 截至二零一六年 十二月三十一日止 收購後期間 HK\$'000 千港元 |
|---|------------------------|---|
| Revenue | 收益 | 308,567 |
| Profit for the period | 期內溢利 | 106,100 |
| Total comprehensive income for the period | 期內全面收入總額 | 96,861 |
| Profit attributable to NCI | 非控股權益應佔溢利 | 51,989 |
| Dividends paid to NCI | 已付非控股權益之股息 | - |
| Net cash flows generated from (used in): | 來自(用於)下列各項之 現金流量淨額: | |
| Operating activities | 經營業務 | 58,341 |
| Investing activities | 投資活動 | (1,157) |
| Financing activities | 融資活動 | 604 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

14. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests ("NCI") (Continued)

At 31 December 2015

14. 附屬公司 (續)

擁有個別重大非控股權益之附屬公司之財務資料 (續)

於二零一五年十二月三十一日

| | | FSCE Group 實達外設集團 |
|--|------------------|----------------------------------|
| Proportion of NCI's effective ownership interests* | 非控股權益之實際擁有權權益比例* | 26% |
| Proportion of voting rights of NCI in FSCE# | 實達外設非控股權益之投票權比例# | 17% |
| | | 2015 二零一五年 HK\$'000 千港元 |
| Current assets | 流動資產 | 544,002 |
| Non-current assets | 非流動資產 | 41,933 |
| Current liabilities | 流動負債 | (269,322) |
| Net assets | 資產淨值 | 316,613 |
| Carrying amount of NCI | 非控股權益之帳面金額 | 82,088 |

* include NCI attributable to FSCE Group and it represented the carrying amount of NCI to net assets of FSCE Group at end of reporting period

* 包括實達外設集團應佔之非控股權益，指於報告期結束日非控股權益之帳面金額相對實達外設集團之淨資產

only include NCI attributable to FSCE

僅包括實達外設應佔之非控股權益



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

14. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests ("NCI") (Continued)
FSCE Group (Continued)

14. 附屬公司 (續)

擁有個別重大非控股權益之附屬公司之財務資料 (續)
實達外設集團 (續)

| | | 2015 二零一五年 HK\$'000 千港元 |
|--|----------------------|----------------------------------|
| Revenue | 收益 | 749,233 |
| Profit for the year | 年內溢利 | 75,361 |
| Total comprehensive income for the year | 年內全面收入總額 | 60,985 |
| Profit attributable to NCI | 非控股權益應佔溢利 | 15,067 |
| Dividends paid to NCI | 已付非控股權益之股息 | — |
| Net cash flows generated from (used in): | 來自 (用於) 下列各項之現金流量淨額: | |
| Operating activities | 經營業務 | 110,670 |
| Investing activities | 投資活動 | (90,165) |
| Financing activities | 融資活動 | (59,144) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

15. INTERESTS IN ASSOCIATES

The interests in associates are set out below:

| | | Note | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|-----------------------------------|-----------|------|----------------------------------|----------------------------------|
| Cost of investment | 投資成本 | (a) | 83,016 | 113,666 |
| Bargain purchase | 議價購買 | (a) | 8,740 | 12,984 |
| Share of post-acquisition results | 應佔收購後業績 | | 11,688 | 36,565 |
| Dividends received | 已收股息 | (b) | – | (95,324) |
| Share of other net asset changes | 應佔其他淨資產變動 | (d) | – | 25,253 |
| Share of net assets | 應佔淨資產 | | 103,444 | 93,144 |

- (a) On 3 September 2016, Golden Fame International Investments Group Limited (“Golden Fame Group”) completed the process of voluntary liquidation and was dissolved. It was then ceased to be an associate of the Group and the share of net assets were de-recognised. No gain or loss on liquidation of Golden Fame Group has been recognised during the year ended 31 December 2016.
- (b) During the year ended 31 December 2016, no dividends were received from the associates. During the year ended 31 December 2015, dividends in cash amounted to HK\$78,800,000 and in shares of equity securities listed in Hong Kong amounted to HK\$16,524,000 were received. The amount was de-recognised upon the liquidation of Golden Fame Group during the year ended 31 December 2016.

15. 於聯營公司之權益

於聯營公司之權益載列如下：

| Note | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|------|----------------------------------|----------------------------------|
| (a) | 83,016 | 113,666 |
| (a) | 8,740 | 12,984 |
| | 11,688 | 36,565 |
| (b) | – | (95,324) |
| (d) | – | 25,253 |
| | 103,444 | 93,144 |

- (a) 於二零一六年九月三日，金信環球投資集團有限公司（「金信集團」）完成自願清盤程序並已解散，其後不再為本集團聯營公司，而本集團亦已終止確認應佔淨資產。於截至二零一六年十二月三十一日止年度內並無就金信集團清盤確認任何盈虧。
- (b) 於截至二零一六年十二月三十一日止年度，本集團並無收取聯營公司之股息。於截至二零一五年十二月三十一日止年度，本集團收取以現金派付之股息78,800,000港元及以香港上市股本證券之股份派付之股息16,524,000港元。該金額於金信集團於截至二零一六年十二月三十一日止年度清盤時終止確認。



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綜合財務報表附註

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

15. INTERESTS IN ASSOCIATES (Continued)

(c) Details of the material associates at end of reporting period are as follows:

| Name of associates 聯營公司名稱 | Place of incorporation/ Type of legal entity 註冊成立地點/ 法律實體類別 | Particulars of issued and paid up ordinary share capital 已發行及繳足普通股股本詳情 | Proportion of value of issued share capital indirectly held by the Company 本公司間接所持已發行股本價值所佔比例 | | Principal activity 主要業務 |
|---|--|--|--|---------------|---|
| | | | 2016 二零一六年 | 2015 二零一五年 | |
| Easy Talent Group 智易集團 | | | | | |
| Easy Talent Limited 智易有限公司 | Cayman Islands/ Limited liability company 開曼群島/有限公司 | 10 shares of US\$1 each 10股每股面值1美元之股份 | 40% | 40% | Investment holding 投資控股 |
| Beijing Orient LegendMaker Software Development Company Limited* | | | | | |
| 北京東方龍馬軟件發展有限公司 | The PRC/ Limited liability company 中國/有限責任公司 | Registered and paid-up capital of RMB110,000,000 註冊及繳足資本人民幣110,000,000元 | 40% | 40% | Provision of upgrading and maintenance services for Oracle's database products distributed in the PRC 為甲骨文於中國分銷之數據庫產品提供升級及維護服務 |
| Golden Fame Group 金信集團 | | | | | |
| Golden Fame International Investments Group Limited 金信環球投資集團有限公司 | Hong Kong/ Limited liability company 香港/有限公司 | 5,000,100 shares with no par value 5,000,100股無面值股份 | - | 40% | Investment holding 投資控股 |

* The official name is in Chinese and the English name is translated for identification purpose only.

* 官方名稱以中文為準，英文翻譯名稱僅供識別之用。

All of the above associates are accounted for using the equity method in the consolidated financial statements.

上述所有聯營公司均以權益法於綜合財務報表入帳。

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綜合財務報表附註

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15. INTERESTS IN ASSOCIATES (Continued)

- (d) The amount represented the share of other net asset changes of Golden Fame Group in connection with the change in ownership interest in its subsidiaries that do not result in a loss of control. In 2014, the amounts recognised directly in a separate component of equity have been transferred to retained profits because there is a change in ownership interest in those subsidiaries that results in a loss of control. The amounts were de-recognised upon its liquidation in September 2016.
- (e) Fair value of associates
At end of reporting period, all of the Group's associates are private companies and there is no quoted market price available.
- (f) Financial information of individual material associates
Summarised financial information of the material associates of the Group is set out below, which represents amounts shown in the associates' consolidated financial statements prepared in accordance with HKFRSs and adjusted by the Group for equity accounting purposes including any differences in accounting policies and fair value adjustments.

15. 於聯營公司之權益 (續)

- (d) 該金額指因並無導致失去控制權之附屬公司擁有權權益變動而應佔金信集團之其他淨資產變動。於二零一四年，由於該等附屬公司之擁有權權益出現變動，導致失去控制權，故直接於獨立權益部分確認之金額已轉撥至保留溢利。該等金額已於金信集團在二零一六年九月清盤時終止確認。
- (e) 聯營公司之公平值
於報告期結束日，本集團所有聯營公司均為私人公司，並無市場報價。
- (f) 個別重大聯營公司之財務資料
本集團重大聯營公司之財務資料概要如下，乃指該等聯營公司根據香港財務報告準則編製之綜合財務報表所列金額，並經本集團就權益會計處理作出調整，包括會計政策差異及公平值調整。



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15. INTERESTS IN ASSOCIATES (Continued)

(f) Financial information of individual material associates
(Continued)

15. 於聯營公司之權益 (續)

(f) 個別重大聯營公司之財務資料
(續)

| | | Easy Talent Group 智易集團 | |
|---|------------------|----------------------------------|----------------------------------|
| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
| <i>Gross amount</i> | 總額 | | |
| Current assets | 流動資產 | 327,835 | 307,609 |
| Non-current assets | 非流動資產 | 34,011 | 31,838 |
| Current liabilities | 流動負債 | (103,235) | (106,589) |
| <i>Reconciliation</i> | 對帳 | | |
| Gross amount of equity | 股權總額 | 258,611 | 232,858 |
| Proportion of the Group's ownership interests in associates | 本集團於聯營公司之擁有權益之比例 | 40% | 40% |
| Carrying amount of the Group's interests in associates | 本集團於聯營公司之權益之帳面金額 | 103,444 | 93,144 |

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綜合財務報表附註

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

15. INTERESTS IN ASSOCIATES (Continued)

(f) Financial information of individual material associates
(Continued)

15. 於聯營公司之權益 (續)

(f) 個別重大聯營公司之財務資料
(續)

| | | Easy Talent Group 智易集團 | |
|-----------------------------------|----------|---|--|
| | | Year ended 31 December 2016 截至 二零一六年 十二月 三十一日止 年度 HK\$'000 千港元 | Post- acquisition period ended 31 December 2015 截至 二零一五年 十二月 三十一日止 收購後期間 HK\$'000 千港元 |
| Gross amount | 總額 | | |
| Revenue | 收益 | 541,346 | 347,826 |
| Profit for the year/period | 年/期內溢利 | 47,401 | 16,937 |
| Other comprehensive loss | 其他全面虧損 | (21,648) | (13,469) |
| Total comprehensive income | 全面收入總額 | 25,753 | 3,468 |
| Dividend received from associates | 已收聯營公司股息 | - | - |



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

16. AVAILABLE-FOR-SALE FINANCIAL ASSETS

16. 可供出售財務資產

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|--------------------------------------|----------------------------------|----------------------------------|
| | Note 附註 | | |
| Listed equity securities in Hong Kong, at fair value | 於香港上市之股本證券，按公平值 (a) | <u>110,106</u> | <u>110,106</u> |
| Wealth management products, at fair value | 財富管理產品，按公平值 (b) | <u>–</u> | <u>83,559</u> |
| Unlisted equity securities in private limited companies incorporated outside Hong Kong, at cost | 於香港境外註冊成立之私人有限公司之非上市股本證券，按成本 (c)-(d) | <u>247,500</u> | 395,450 |
| Impairment loss recognised | 已確認減值虧損 (e) | <u>–</u> | <u>(12,536)</u> |
| | | <u>247,500</u> | <u>382,914</u> |
| | | <u>357,606</u> | <u>576,579</u> |
| Analysed as: | 分析為： | | |
| Non-current portion | 非流動部分 | <u>357,606</u> | 493,020 |
| Current portion | 流動部分 | <u>–</u> | <u>83,559</u> |
| | | <u>357,606</u> | <u>576,579</u> |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

16. AVAILABLE-FOR-SALE FINANCIAL ASSETS

(Continued)

Notes:

- (a) The amounts represent the Group's interest in a company whose shares are listed on the Main Board of the Stock Exchange. During the year ended 31 December 2016, no change in fair value (2015: a decrease in fair value of HK\$41,114,000) in respect of these shares held by the Group was recognised in the available-for-sale financial assets revaluation reserve. The fair value of listed equity securities is based on quoted market prices in active markets at end of reporting period.

With reference to the historical quoted market price of the listed equity securities available to the Group, an impairment loss of HK\$41,114,000 (2015: HK\$Nil) has been reclassified as a reclassification adjustment during the year ended 31 December 2016.

- (b) The wealth management products as at 31 December 2015 were fully redeemed during the year.
- (c) The unlisted investments represented long-term investments in unlisted equity securities issued by private entities. In the opinion of the directors, their fair values cannot be measured reliably because the range of reasonable fair value estimates is so significant and the probabilities of the various estimates cannot be reasonably assessed. As a result, they are measured at cost less impairment at the end of each reporting period.
- (d) At 31 December 2015, the Group held 6.4% equity interests in Joint Global Limited ("JGL") and 1.56% equity interests in Cordoba Homes Limited ("CHL") with carrying value of HK\$95,464,000 (net of impairment loss of HK\$12,536,000) and HK\$39,950,000 respectively. During the year ended 31 December 2016, the Group disposed of its entire equity interests in JGL and CHL to independent third parties for sales proceeds of HK\$95,000,000 and HK\$40,000,000 respectively, in exchange for acquisition of listed equity securities in Hong Kong and classified as financial assets at fair through profit or loss and in cash, resulted in a net loss on disposal of available-for-sale financial assets of approximately HK\$414,000 in aggregate and recognised in profit or loss.

The remaining balance represents the Group's 15.81% (2015: 15.92%) equity interests in Co-Lead Holdings Limited ("Co-Lead"), a company incorporated in the British Virgin Islands with limited liability. The principal activity of Co-Lead is investment holding. In the opinion of the directors, the Company has no significant influence over Co-Lead and the investment is accounted for as available-for-sale financial assets.

16. 可供出售財務資產 (續)

附註:

- (a) 有關金額指本集團於一間股份在聯交所主板上市之公司之權益。於截至二零一六年十二月三十一日止年度，並無就本集團所持該等股份在可供出售財務資產重估儲備確認公平值變動(二零一五年：公平值減少41,114,000港元)。上市股本證券之公平值以報告期結束日之活躍市場所報市價為基礎。

參照本集團可得之上市股本證券之歷史市場報價，本集團已於截至二零一六年十二月三十一日止年度將減值虧損41,114,000港元(二零一五年：零港元)重新分類為重新分類調整。

- (b) 於二零一五年十二月三十一日之財富管理產品已於年內悉數贖回。
- (c) 非上市投資指於私人實體發行之非上市股本證券之長期投資。董事認為，由於非上市投資之合理公平值估計範圍過大，且多項估計之概率不能合理地評估，故非上市投資之公平值不能可靠地計量，因此於各報告期結束日，非上市投資按成本減去減值計量。
- (d) 於二零一五年十二月三十一日，本集團持有Joint Global Limited (「JGL」) 6.4%股本權益及歌德豪宅有限公司(「歌德豪宅」) 1.56%股本權益，帳面值分別為95,464,000港元(扣除減值虧損12,536,000港元)及39,950,000港元。於截至二零一六年十二月三十一日止年度，本集團向獨立第三方出售其於JGL及歌德豪宅之全部股本權益，銷售所得款項分別為95,000,000港元及40,000,000港元，以收購香港上市股本證券(分類為於損益帳按公平值處理之財務資產)及換取現金，故出售可供出售財務資產之虧損淨額合共約為414,000港元，已於損益帳確認。

餘額指本集團於Co-Lead Holdings Limited (「Co-Lead」，一間於英屬處女群島註冊成立之有限公司)之15.81%(二零一五年：15.92%)股本權益。Co-Lead之主要業務為投資控股。董事認為，本公司對Co-Lead並無重大影響力，而該項投資乃入帳列作可供出售財務資產。



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16. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Continued)

Notes: (Continued)

(e) Movement in the provision for impairment loss 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 |
|----------------------------------|---------|----------------------------------|----------------------------------|
| At beginning of reporting period | 於報告期初 | 12,536 | 12,536 |
| De-recognition upon disposal | 出售時終止確認 | (12,536) | - |
| At end of reporting period | 於報告期結束日 | - | 12,536 |

16. 可供出售財務資產 (續)

附註：(續)

(e) 減值虧損撥備之變動如下：

17. INVENTORIES

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|------------------|-----|----------------------------------|----------------------------------|
| Raw materials | 原材料 | 67,004 | 55,070 |
| Work-in-progress | 在製品 | 20,194 | 19,311 |
| Finished goods | 製成品 | 23,398 | 26,944 |
| | | 110,596 | 101,325 |

At end of reporting period, all inventories, excluding those fully provided for with nil carrying value, are stated at cost.

於報告期結束日，除帳面值為零並已計提全數撥備之存貨外，所有存貨均按成本列帳。

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18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

18. 於損益帳按公平值處理之財務資產

| | | Note | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---------------------------------------|------------|------|----------------------------------|----------------------------------|
| | | 附註 | | |
| Held for trading | 持作買賣 | | | |
| Equity securities listed in Hong Kong | 香港上市股本證券 | (a) | 1,437,445 | 1,172,929 |
| Designated upon initial recognition | 於初步確認時指定 | | | |
| Equity-linked notes | 股票掛鈎票據 | (b) | 677,200 | 475,123 |
| Wealth management products, unlisted | 財富管理產品·非上市 | (c) | 412,428 | — |
| Derivative financial instruments | 衍生財務工具 | | | |
| Derivative contracts | 衍生工具合約 | (d) | — | 59,706 |
| | | | 2,527,073 | 1,707,758 |

Notes:

- (a) The fair value of listed equity securities is based on quoted market prices in active markets at end of reporting period. During the year, the fair value gain on financial assets held for trading of HK\$55,267,000 (2015: a fair value loss of HK\$154,495,000) was recognised in profit or loss.

附註:

- (a) 上市股本證券之公平值乃根據報告期結束日在活躍市場所報之市價計算。年內，於損益帳已確認持作買賣財務資產之公平值收益55,267,000港元(二零一五年：公平值虧損154,495,000港元)。



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綜合財務報表附註

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

18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes: (Continued)

- (b) In November 2015, (i) the Group subscribed equity-linked notes with total principal amount of HK\$458,000,000 ("ELN") from two investment entities incorporated in the Cayman Islands and the Republic of Seychelles respectively (the "Issuers"); (ii) margin loans of HK\$439,357,000 in aggregate were obtained by the Issuers from a financial institution; (iii) the total principal amount together with the margin loans obtained were used to purchase 184,000,000 shares of a company listed on the Stock Exchange (the "Underlying Securities"); (iv) the margin loans obtained by the Issuers were secured by the Underlying Securities; and (v) the ELN is redeemable at the discretion of the Group based on the net proceeds to be obtained from the disposal of the Underlying Securities at the time of redemption after the settlement of the margin loans and any transaction costs.

At end of reporting period, the fair value of the ELN was determined by APAC based on the expected proceeds received from disposal of the Underlying Securities at the quoted market prices at end of reporting period after deducting the outstanding margin loans and any related transaction costs. During the year ended 31 December 2016, the fair value gain on the ELN of HK\$202,077,000 (2015: HK\$17,123,000) was recognised in profit or loss.

- (c) The unlisted wealth management products as at 31 December 2016 comprised unlisted funds and financial products (2015: HK\$Nil).

During the year, the Group subscribed unlisted wealth management products of HK\$405,418,000 in aggregate from a private fund manager, an independent third party which is a company registered and approved by the Asset Management Association of China and certain banks in the PRC. The unlisted wealth management products were redeemable at the discretion of the Group from time to time and the intention of holding them was for short-term investment. Included in unlisted wealth management products, HK\$205,418,000 were denominated in RMB.

The fair values of the unlisted wealth management products were reported and provided by the fund manager and banks. During the year ended 31 December 2016, the fair value gain on the unlisted wealth management products of HK\$7,082,000 (2015: HK\$Nil) was recognised in profit or loss.

18. 於損益帳按公平值處理之財務資產 (續)

附註：(續)

- (b) 於二零一五年十一月，(i)本集團向兩間分別於開曼群島及塞舌爾共和國註冊成立之投資實體（「發行人」）認購本金總額為458,000,000港元之股票掛鈎票據（「股票掛鈎票據」）；(ii)發行人向一間財務機構取得總額為439,357,000港元之孖展貸款；(iii)所取得之本金總額連同孖展貸款已用於購買一間聯交所上市公司之184,000,000股股份（「相關證券」）；(iv)發行人所取得之孖展貸款以相關證券作抵押；及(v)本集團可酌情贖回股票掛鈎票據，基準為於贖回時出售相關證券之所得款項淨額（償還孖展貸款及任何交易成本後）。

於報告期結束日，股票掛鈎票據之公平值由亞太基於報告期結束日按市場報價出售相關證券之預計已收所得款項，並扣除尚未償還孖展貸款及任何有關交易成本釐定。於截至二零一六年十二月三十一日止年度，股票掛鈎票據之公平值收益為202,077,000港元（二零一五年：17,123,000港元），已於損益帳確認。

- (c) 於二零一六年十二月三十一日之非上市財富管理產品包括非上市基金及財務產品（二零一五年：零港元）。

年內，本集團向一名私募基金經理（為獨立第三方，一間已登記及經中國證券投資基金業協會及中國若干銀行認可之公司）認購合共405,418,000港元非上市財富管理產品。該等非上市財富管理產品可由本集團不時酌情贖回，乃作為短期投資持有。該等非上市財富管理產品中，205,418,000港元以人民幣計值。

該等非上市財富管理產品之公平值由基金經理及銀行報告及提供。截至二零一六年十二月三十一日止年度於損益帳確認非上市財富管理產品之公平值收益7,082,000港元（二零一五年：零港元）。

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18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes: (Continued)

- (d) In December 2015, the Group executed a warrant instrument (the "Warrant Instrument") to issue warrants to an independent third party (the "Purchaser"). On the same date, the Group also entered into a put option deed (the "Put Option Deed") with the Purchaser and an irrevocable undertakings (the "Irrevocable Undertakings") provided by the Group and the Purchaser.

The combination of the Warrant Instrument, the Put Option Deed and the Irrevocable Undertakings gives rise to a forward arrangement of selling 150,000,000 shares of a company which is listed on the Main Board of the Stock Exchange (the "Listed Shares") by the Group to the Purchaser at a strike price of HK\$1.4 per share (the "Strike Price") on 30 December 2016 (the "Exercise Date").

On 30 December 2016, both the Group and the Purchaser agreed to release and discharge all claims, rights and obligations under the Warrant Instrument, the Put Option Deed and the Irrevocable Undertakings by entering into a deed of settlement (the "Deed of Settlement"). Pursuant to the Deed of Settlement, the Purchaser, who is also the controlling party of the holders of Promissory Notes C and E (as hereinafter defined in note 26), agreed to waive the principal amount and the relevant interests associated with Promissory Notes C as mentioned in note 26 to the consolidated financial statements as at 30 December 2016 of HK\$55,000,000 and HK\$2,200,000 respectively, and in addition to the waiver of Promissory Notes C, an one-off compensation of HK\$21,850,000 will be deducted from Promissory Notes E (the "Compensation") at the maturity. As a result, a net realised gain of HK\$17,898,000 was recognised and included in net realised gain on disposal of financial assets at fair value through profit or loss.

During the year ended 31 December 2016, the fair value gain arising from forward arrangement of HK\$Nil (2015: HK\$59,706,000) was recognised in profit or loss.

18. 於損益帳按公平值處理之財務資產 (續)

附註：(續)

- (d) 於二零一五年十二月，本集團簽立一份認股權證文據，以向一名獨立第三方（「買方」）發行認股權證。同日，本集團亦與買方訂立一份認沽期權契據，而本集團及買方亦提供不可撤回承諾。

認股權證文據、認沽期權契據及不可撤回承諾一併構成由本集團於二零一六年十二月三十日（「行使日期」）按執行價每股1.4港元（「執行價」）向買方出售一間聯交所主板上市公司150,000,000股股份（「上市股份」）之遠期安排。

於二零一六年十二月三十日，本集團及買方均同意透過訂立一份和解契據，解除及免除認股權證文據、認沽期權契據及不可撤回承諾下所有申索、權利及義務。根據和解契據，買方（亦為承兌票據C及E（定義見下文附註26）持有人之控股方）同意豁免綜合財務報表附註26所述於二零一六年十二月三十日與承兌票據C相關之本金額55,000,000港元及有關利息2,200,000港元，而除豁免承兌票據C外，一次性補償21,850,000港元（「補償」）將於到期時從承兌票據E扣除。因此，本集團已確認已變現收益淨額17,898,000港元，並將之計入出售於損益帳按公平值處理之財務資產之已變現收益淨額。

於截至二零一六年十二月三十一日止年度，遠期安排所產生之公平值收益零港元（二零一五年：59,706,000港元）已於損益帳確認。



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19. LOAN RECEIVABLES

Loans granted to borrowers are repayable according to repayment schedules. The balance comprises loan receivables from:

19. 應收貸款

借款人獲授之貸款須按照還款時間表償還。有關結餘包括應收下列各方之貸款：

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|----------------------|----------------------------------|----------------------------------|
| | Note 附註 | | |
| Third parties | 第三方 | 82,717 | 51,038 |
| Allowance for doubtful debts | 呆帳撥備 | <u>(20,290)</u> | <u>(20,290)</u> |
| Balances due within one year and included in current assets | 計入流動資產、 於一年內到期之結餘 | <u>62,427</u> | <u>30,748</u> |
| | (a)-(d) | | |

Notes:

- (a) At end of reporting period, (1) loan receivables carry at fixed interest rate of ranging from 13% to 18% (2015: 14%) per annum; (2) loan balances of HK\$20,290,000 (2015: HK\$20,290,000) were overdue and fully impaired; (3) the remaining loan balances of HK\$62,427,000 (2015: HK\$30,748,000) are within the respective maturity dates; and (4) all of the loan balances is unsecured.
- (b) The directors assessed the collectability of loan receivables at end of reporting period individually with reference to borrowers' past collection history and current creditworthiness. Based on the assessment with reference to the amount recovered from the borrowers up to the date of the authorisation of these consolidated financial statements, there was no indication of deterioration in the collectability of the remaining amount of HK\$62,427,000 (2015: HK\$30,748,000) and thus no additional allowance was considered necessary.

附註：

- (a) 於報告期結束日，(1)應收貸款按固定年利率介乎13厘至18厘(二零一五年：14厘)計息；(2)貸款結餘20,290,000港元(二零一五年：20,290,000港元)乃逾期未付，並已悉數減值；(3)餘下貸款結餘62,427,000港元(二零一五年：30,748,000港元)均無逾期；及(4)所有貸款結餘為無抵押。
- (b) 董事於報告期結束日參照借款人過往之還款紀錄及現時之信用程度，個別評估能否收回應收貸款。根據參照截至授權刊發本綜合財務報表當日已從借款人收回之金額作出之評估，並無跡象顯示收回餘額62,427,000港元(二零一五年：30,748,000港元)方面出現問題，故無須作出額外撥備。

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19. LOAN RECEIVABLES (Continued)

Notes: (Continued)

- (c) The ageing analysis of loan receivables that are neither 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 |
|-------------------------------|----------------------------------|----------------------------------|
| Neither past due nor impaired | 62,427 | 30,748 |

Receivables that were neither past due nor impaired relate to two borrowers (2015: a borrower) for whom there was no recent history of default and there had not been significant change in credit quality. These loans are repayable within 11 (2015: 10) months.

- (d) The loan receivables are denominated in HK\$.

19. 應收貸款 (續)

附註：(續)

- (c) 並無個別或集體被視為已減值之應收貸款之帳齡分析如下：

| | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--------------|----------------------------------|----------------------------------|
| 並無逾期或減值之應收款項 | 62,427 | 30,748 |

並無逾期或減值之應收款項涉及近期並無違約紀錄，且信貸質素並無重大變動之兩名（二零一五年：一名）。該等貸款須於11個月（二零一五年：10個月）償還。

- (d) 應收貸款以港元計值。



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20. TRADE AND OTHER RECEIVABLES

20. 貿易及其他應收款項

| | | Note | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|------------------------------|---------------|-----------|----------------------------------|----------------------------------|
| | | 附註 | | |
| Trade receivables | 貿易應收款項 | | | |
| From a related party | 來自一名關連人士 | (a) | – | 2,268 |
| From third parties | 來自第三方 | | 319,947 | 294,960 |
| Allowance for doubtful debts | 呆帳撥備 | (c) | (780) | (20) |
| | | (b) & (d) | 319,167 | 297,208 |
| Notes receivables | 應收票據 | (e) | 7,120 | 2,832 |
| Other receivables | 其他應收款項 | | | |
| Prepayments | 預付款項 | | 56,718 | 63,693 |
| Deposits and other debtors | 按金及其他應收帳款 | | 57,728 | 29,601 |
| | | | 114,446 | 93,294 |
| | | | 440,733 | 393,334 |

Notes:

- (a) The trade receivables from a related party as at 31 December 2015 were unsecured, interest-free and with credit period of 60 days.

附註：

- (a) 於二零一五年十二月三十一日，來自一名關連人士之貿易應收款項為無抵押、免息，並擁有60天信貸期。

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20. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

- (b) The ageing analysis of trade receivables, net of allowance for doubtful debts, based on the invoice date is as follows:

| | |
|----------------|----------|
| Within 90 days | 90日內 |
| 91 – 180 days | 91至180日 |
| 181 – 365 days | 181至365日 |
| Over 365 days | 365日以上 |

The Group allows a credit period of 30 – 90 (2015: 60 – 90) days to its customers.

- (c) Allowance for doubtful debts on trade receivables is recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly.

The movements of allowance for doubtful debts are analysed as follows:

| | |
|----------------------------------|----------|
| Allowance for doubtful debts | 呆帳撥備 |
| At beginning of reporting period | 於報告期初 |
| Increase (Decrease) in allowance | 撥備增加(減少) |
| Exchange realignment | 匯兌調整 |
| At end of reporting period | 於報告期結束日 |

20. 貿易及其他應收款項 (續)

附註：(續)

- (b) 貿易應收款項(扣除呆帳撥備)按發票日期之帳齡分析如下：

| 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 242,019 | 223,774 |
| 10,425 | 6,041 |
| 36,008 | 31,525 |
| 30,715 | 35,868 |
| 319,167 | 297,208 |

本集團給予其客戶平均30至90天(二零一五年：60至90天)之信貸期。

- (c) 貿易應收款項呆帳撥備以備抵帳記錄，除非本集團認為收回有關款項之機會甚微，在此情況下，減值虧損將直接從貿易應收款項撤銷。

呆帳撥備之變動分析如下：

| 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 20 | 990 |
| 797 | (953) |
| (37) | (17) |
| 780 | 20 |



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20. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

- (d) The ageing analysis of trade receivables which are past due but not 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 |
|-------------------------------|----------|----------------------------------|----------------------------------|
| Neither past due nor impaired | 並無逾期或減值 | 224,892 | 189,437 |
| Within 90 days | 90日內 | 25,171 | 40,567 |
| 91 – 180 days | 91至180日 | 27,051 | 18,945 |
| 181 – 365 days | 181至365日 | 20,728 | 16,753 |
| Over 365 days | 365日以上 | 21,325 | 31,506 |
| Past due but not impaired | 已逾期但未減值 | 94,275 | 107,771 |
| | | 319,167 | 297,208 |

Included in the Group's trade receivables balance are debtors with carrying amounts of HK\$94,275,000 as at 31 December 2016 (2015: HK\$107,771,000) which are past due at end of reporting period but which the Group has not impaired as there have not been any significant changes in credit quality and the directors believe that the amounts are fully recoverable. The directors have reviewed the subsequent settlement status and repayment history of these customers and no further allowance for doubtful debt is considered necessary. The Group does not hold any collateral over these balances.

Receivables that were neither past due nor impaired related to a wide range of customers for whom there was no history of default.

- (e) Notes receivables were not past due as at end of reporting period and will mature within 30 to 180 days (2015: 30 to 180 days).

20. 貿易及其他應收款項 (續)

附註：(續)

- (d) 已逾期但未減值之貿易應收款項之帳齡分析如下：

| | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|-------------------------------|----------------------------------|----------------------------------|
| Neither past due nor impaired | 224,892 | 189,437 |
| Within 90 days | 25,171 | 40,567 |
| 91 – 180 days | 27,051 | 18,945 |
| 181 – 365 days | 20,728 | 16,753 |
| Over 365 days | 21,325 | 31,506 |
| Past due but not impaired | 94,275 | 107,771 |
| | 319,167 | 297,208 |

本集團之貿易應收款項結餘包括於二零一六年十二月三十一日帳面金額為94,275,000港元(二零一五年：107,771,000港元)之應收帳款，於報告期結束日已逾期惟本集團仍未作出減值，原因為信貸質素無任何重大變動而董事相信該等款項可全數收回。董事已審閱其後結算狀況及該等客戶之還款紀錄，認為無須進一步就呆帳作出撥備。本集團並無就該等結餘持有任何抵押品。

既無逾期亦無減值之應收款項與並無任何違約紀錄而層面廣泛之客戶有關。

- (e) 應收票據於報告期結束日並未逾期，將於30至180天(二零一五年：30至180天)內到期。

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21. PLEDGED BANK DEPOSITS

At end of reporting period, the Group pledged bank deposits amounting to HK\$2,954,000 (2015: HK\$3,848,000) to banks to secure trade finance facilities and banking facilities granted to subsidiaries. Deposits amounting to HK\$2,594,000 (2015: HK\$2,214,000) have a maturity period within one year and are therefore classified as current assets. Deposits amounting to HK\$360,000 (2015: HK\$1,634,000) have a maturity period more than one year and are therefore classified as non-current assets. The pledged bank deposits carried fixed interest rate at 0.35% (2015: 0.35%) per annum as at 31 December 2016. The pledged bank deposits will be released upon the settlement of relevant trade finance facilities and banking facilities.

22. BANK BALANCES AND CASH

At end of reporting period, the bank balances of the Group denominated in RMB amounted to HK\$206,077,000 (2015: HK\$175,337,000). RMB is not freely convertible into other currencies. The government of the PRC has implemented foreign exchange control and the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the government of the PRC.

21. 已質押銀行存款

於報告期結束日，本集團向多家銀行質押銀行存款2,954,000港元（二零一五年：3,848,000港元），作為授予附屬公司之貿易融資信貸及銀行融資之抵押。2,594,000港元（二零一五年：2,214,000港元）之存款之期限為一年內，因此分類為流動資產。360,000港元（二零一五年：1,634,000港元）之存款之期限為一年以上，因此分類為非流動資產。於二零一六年十二月三十一日，已質押銀行存款按固定年利率0.35厘（二零一五年：0.35厘）計息。已質押銀行存款將於相關貿易融資信貸及銀行融資結清後獲解除。

22. 銀行結存及現金

於報告期結束日，本集團以人民幣計值之銀行結存為206,077,000港元（二零一五年：175,337,000港元）。人民幣不可自由兌換為其他貨幣。中國政府已實施外匯管制，而將該等資金匯出中國須受限於中國政府施加之匯兌限制。



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23. TRADE AND OTHER PAYABLES

23. 貿易及其他應付款項

| | | Note | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|---------------------|------|----------------------------------|----------------------------------|
| | | 附註 | | |
| Trade payables, to third parties | 貿易應付款項，應付第三方 | (a) | 149,461 | 152,500 |
| Bill payables | 應付票據 | | 725 | — |
| Other payables | 其他應付款項 | | | |
| Accrued charges | 應計費用 | | 76,007 | 86,465 |
| Interest payables | 應付利息 | | 32,463 | 14,216 |
| Other creditors | 其他應付帳款 | | 12,669 | 11,917 |
| Trade deposits received | 已收貿易按金 | | 41,803 | 23,667 |
| | | | 162,942 | 136,265 |
| | | | 313,128 | 288,765 |

(a) The credit period of trade payables is normally within 90 (2015: 90) days. The ageing analysis of the trade payables, based on the invoice date is as follows:

(a) 貿易應付款項之信貸期一般為90天(二零一五年: 90天)內。貿易應付款項按發票日期之帳齡分析如下:

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|----------------|----------|----------------------------------|----------------------------------|
| Within 90 days | 90日內 | 141,743 | 124,885 |
| 91 – 180 days | 91至180日 | 5,590 | 8,143 |
| 181 – 365 days | 181至365日 | 27 | 2,835 |
| Over 365 days | 365日以上 | 2,101 | 16,637 |
| | | 149,461 | 152,500 |

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

24. INTEREST-BEARING BORROWINGS

24. 計息借貸

| | | Note | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|--------------|------|----------------------------------|----------------------------------|
| | | 附註 | | |
| Bank borrowings, unsecured and guaranteed | 銀行借貸，無抵押及有擔保 | (a) | 5,359 | 23,874 |
| Margin loan, secured and guaranteed | 孖展貸款，有抵押及有擔保 | (b) | – | 350,000 |
| Margin loan, secured and unguaranteed | 孖展貸款，有抵押及無擔保 | (c) | 36,041 | – |
| Obligations under finance leases | 融資租賃債務 | (d) | 582 | 727 |
| | | | 41,982 | 374,601 |
| Analysed as: | 分析為： | | | |
| Current portion | 流動部分 | | 41,549 | 374,019 |
| Non-current portion | 非流動部分 | | 433 | 582 |
| | | | 41,982 | 374,601 |

Notes:

- (a) Bank borrowings, unsecured and guaranteed
The bank borrowings were denominated in RMB (2015: RMB) and carried interest at the prevailing interest rate of the People's Bank of China with 25% mark-up per annum (2015: loan prime rate plus 192.25 basis points per annum). The bank borrowings as at 31 December 2016 were guaranteed by the Company, a director and non-controlling interest of a subsidiary (2015: guaranteed by a related company controlled by the controlling shareholder of the Company). The bank borrowings are wholly repayable within one year.

附註：

- (a) 銀行借貸，無抵押及有擔保
銀行借貸以人民幣（二零一五年：人民幣）計值，按中國人民銀行現行年利率加25%加成（二零一五年：最優惠貸款年利率加192.25個基點）計息。於二零一六年十二月三十一日之銀行借貸由本公司、一名董事及一間附屬公司之非控股權益提供擔保（二零一五年：由一間由本公司控股股東控制之關連公司提供擔保）。該等銀行借貸須於一年內悉數償還。



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

24. INTEREST-BEARING BORROWINGS (Continued)

Notes: (Continued)

- (b) Margin loan, secured and guaranteed
The margin loan as at 31 December 2015 was secured by certain listed equity securities held under the securities margin account, with a total market value of approximately HK\$600,000,000 and guaranteed by the controlling shareholder of the Company. The margin loan was fully settled during the year.
- (c) Margin loan, secured and unguaranteed
The margin loan was secured by certain listed equity securities held under the securities margin account, with a total market value of approximately HK\$72,000,000 as at 31 December 2016. It carried interest at 6% per annum and is repayable on demand.
- (d) Obligations under finance leases

24. 計息借貸 (續)

附註：(續)

- (b) 孖展貸款，有抵押及有擔保
於二零一五年十二月三十一日之孖展貸款以於證券孖展帳戶持有之若干上市股本證券作抵押，總市值約為600,000,000港元，由本公司控股股東提供擔保。該筆孖展貸款已於年內悉數償還。
- (c) 孖展貸款，有抵押及無擔保
孖展貸款以於證券孖展帳戶持有之若干上市股本證券作抵押，於二零一六年十二月三十一日之總市值約為72,000,000港元，按年利率6厘計息，須按要求償還。
- (d) 融資租賃債務

| | | 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 |
| Amount payable | 應付款項 | | | | |
| Within one year | 一年內 | 164 | 164 | 145 | 145 |
| In the second to fifth years inclusive | 第二至第五年 (包括首尾兩年) | 449 | 613 | 437 | 582 |
| | | 613 | 777 | 582 | 727 |
| Future finance charges | 未來融資費用 | (31) | (50) | | |
| Present value of lease obligations | 租賃債務現值 | 582 | 727 | | |
| Amount due for settlement within 12 months | 於12個月內到期清償 之金額 | | | 149 | 145 |
| Amount due for settlement after 12 months | 於12個月後到期清償 之金額 | | | 433 | 582 |
| | | | | 582 | 727 |

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

24. INTEREST-BEARING BORROWINGS (Continued)

Notes: (Continued)

- (d) Obligations under finance leases (Continued)
The obligations under finance leases are interest-bearing at 1.45% (2015: 1.45%) per annum and are repayable in monthly instalments with the final instalment due in April 2020.

25. DEFERRED TAXATION

The following is the analysis of major deferred taxation assets (liabilities) recognised by the Group and movement thereon:

24. 計息借貸 (續)

附註：(續)

- (d) 融資租賃債務 (續)
融資租賃債務按年利率1.45厘(二零一五年：1.45厘)計息，須每月分期攤還，最後一期還款於二零二零年四月到期。

25. 遞延稅項

以下為本集團所確認主要遞延稅項資產(負債)及其變動之分析：

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--------------------------|--------|----------------------------------|----------------------------------|
| Deferred tax assets | 遞延稅項資產 | 549 | 317 |
| Deferred tax liabilities | 遞延稅項負債 | (30,518) | (2,867) |
| | | (29,969) | (2,550) |



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

25. DEFERRED TAXATION (Continued)

25. 遞延稅項 (續)

| | | Allowance for trade and other receivables 貿易及 其他應收 款項撥備 HK\$'000 千港元 | Fair value adjustments 公平值調整 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 | 559 | (2,867) | (2,308) |
| Charged to profit or loss | 扣除自損益帳 | (218) | - | (218) |
| Exchange realignment | 匯兌調整 | (24) | - | (24) |
| 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 | 317 | (2,867) | (2,550) |
| Additions – acquisition of subsidiaries (note 34) | 添置 – 收購附屬公司 (附註34) | - | (31,916) | (31,916) |
| Credited to profit or loss (note 8) | 計入損益帳 (附註8) | 264 | 4,265 | 4,529 |
| Exchange realignment | 匯兌調整 | (32) | - | (32) |
| At 31 December 2016 | 於二零一六年十二月三十一日 | 549 | (30,518) | (29,969) |

At end of reporting period, the Group had unrecognised tax losses of approximately HK\$629,084,000 (2015: HK\$690,866,000) available for offsetting against future profits. No deferred tax asset has been recognised in respect of such tax losses due to the unpredictability of future profit streams. The tax losses do not expire under the current tax legislation.

於報告期結束日，本集團有未確認稅項虧損約629,084,000港元(二零一五年：690,866,000港元)，可供抵銷未來溢利。由於未能預測未來溢利來源，故並無就該等稅項虧損確認遞延稅項資產。根據現行稅法，稅項虧損不會屆滿。

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25. DEFERRED TAXATION (Continued)

The accumulated profits of the PRC subsidiaries would be subject to additional tax if they are distributed. The estimated deferred tax liabilities of HK\$12,548,000 (2015: HK\$5,070,000) have not been recognised in respect of the tax that would be payable on the distribution of the accumulated profits as the Company controls the dividend policy of these subsidiaries and in the opinion of the directors, these accumulated profits, at the present time, are retained for financing the continuing operations of the entities and no distribution would be made in the foreseeable future.

25. 遞延稅項 (續)

分派中國附屬公司之累計溢利將須繳納額外稅項。由於本公司控制該等附屬公司之股息政策，且董事認為該等累計溢利目前保留作實體持續經營資金，不會於可見將來分派，故並無就分派該等累計溢利時應付之稅項確認估計遞延稅項負債12,548,000港元(二零一五年：5,070,000港元)。

26. PROMISSORY NOTES

26. 承兌票據

| | | Debt component 債務部分 HK\$'000 千港元 | Deferred day-one gain 遞延首日收益 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 | 48,144 | 29,741 | 77,885 |
| Fair value of promissory notes issued at the inception date | 已發行承兌票據於初始日期之公平值 | 434,591 | - | 434,591 |
| Day-one gain of newly issued promissory notes at inception not recognised in profit or loss | 新發行承兌票據於初始時未於損益帳確認之首日收益 | - | 20,409 | 20,409 |
| Interest charged for the year | 年內利息支出 | 21,115 | - | 21,115 |
| Interest payable on promissory notes included in other payables | 計入其他應付款項之承兌票據應付利息 | (14,400) | - | (14,400) |
| Amortisation of deferred day-one gain | 遞延首日收益攤銷 | - | (8,263) | (8,263) |



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26. PROMISSORY NOTES (Continued)

26. 承兌票據 (續)

| | | Debt component 債務部分 HK\$'000 千港元 | Deferred day-one gain 遞延首日收益 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|---------------------------------|--|---|--------------------------------|
| 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 | 489,450 | 41,887 | 531,337 |
| Fair value of promissory notes issued at the inception date | 已發行承兌票據於初始日期之 公平值 | 182,712 | - | 182,712 |
| Fair value of promissory notes issued at the date of acquisition of subsidiaries (note 34) | 已發行承兌票據於收購附屬公司 日期之公平值 (附註34) | 317,425 | - | 317,425 |
| Day-one gain of newly issued promissory notes at inception not recognised in profit or loss | 新發行承兌票據於初始時未於 損益帳確認之首日收益 | - | 17,288 | 17,288 |
| Interest charged for the year (note 5(a)) | 年內利息支出 (附註5(a)) | 71,339 | - | 71,339 |
| Interest payable on promissory notes included in other payables | 計入其他應付款項之 承兌票據應付利息 | (43,263) | - | (43,263) |
| Amortisation of deferred day-one gain (note 3(b)) | 遞延首日收益攤銷 (附註3(b)) | - | (23,035) | (23,035) |
| Settlement (note 18(d)) | 結算 (附註18(d)) | (52,870) | (2,884) | (55,754) |
| At 31 December 2016 | 於二零一六年十二月三十一日 | 964,793 | 33,256 | 998,049 |

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26. PROMISSORY NOTES (Continued)

26. 承兌票據 (續)

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---------------------|-------|----------------------------------|----------------------------------|
| Analysed as: | 分析為: | | |
| Current portion | 流動部分 | 563,846 | 55,000 |
| Non-current portion | 非流動部分 | 434,203 | 476,337 |
| | | 998,049 | 531,337 |

Promissory Notes A and Promissory Notes B

In prior years, the Group issued several promissory notes ("Promissory Notes A" and "Promissory Notes B") of HK\$80,000,000 and HK\$400,000,000 in aggregate, at 5% interest rate per annum with 7 years of maturity and at 6% interest rate per annum with 2 years of maturity from the date of issue respectively, to several independent third parties.

During the year ended 31 December 2016, interest expenses on Promissory Notes A and Promissory Notes B of HK\$8,237,000 and HK\$32,139,000 (2015: HK\$7,650,000 and HK\$13,465,000); and amortisation of deferred day-one gain on Promissory Notes A and Promissory Notes B of HK\$5,049,000 and HK\$8,062,000 (2015: HK\$5,049,000 and HK\$3,214,000) were recognised in profit or loss respectively.

As Promissory Notes B will mature in April 2017, it is therefore classified as current.

承兌票據A及承兌票據B

於過往年度，本集團發行分別合共80,000,000港元及400,000,000港元之多份承兌票據（「承兌票據A」及「承兌票據B」）予數名獨立第三方，承兌票據A按年利率5厘發行，於由發行日期起計滿七年時到期，而承兌票據B按年利率6厘發行，於由發行日期起計滿兩年時到期。

於截至二零一六年十二月三十一日止年度，承兌票據A及承兌票據B之利息開支分別8,237,000港元及32,139,000港元（二零一五年：7,650,000港元及13,465,000港元）以及遞延首日收益攤銷分別5,049,000港元及8,062,000港元（二零一五年：5,049,000港元及3,214,000港元）已於損益帳確認。

由於承兌票據B將於二零一七年四月到期，故分類為流動。



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26. PROMISSORY NOTES (Continued)

Promissory Notes C

In December 2015, the Group issued promissory notes of HK\$55,000,000 to an entity, whose controlling shareholder is the Purchaser, at 4% interest rate per annum with 3 years of maturity from the date of issue ("Promissory Notes C"). On 30 December 2016, the Purchaser agreed to waive the principal amount and the associated interest of Promissory Notes C as part of the Compensation to the Group and therefore the debt component of HK\$52,870,000 and deferred day-one gain of HK\$2,884,000 were de-recognised. Details are disclosed in note 18(d) to the consolidated financial statements.

During the year ended 31 December 2016, interest expenses and amortisation of deferred day-one gain on Promissory Notes C of HK\$2,200,000 (2015: HK\$Nil) and HK\$1,446,000 (2015: HK\$Nil) was recognised in profit or loss respectively.

Promissory Notes D

During the year ended 31 December 2016, the Group issued promissory notes of HK\$200,000,000 in aggregate at 4% interest rate per annum with 2 years of maturity from the date of issue to a financial institution in Hong Kong ("Promissory Notes D"). Promissory Notes D is guaranteed by the controlling shareholder of the Company and secured by the charges over the entire issued share capital in certain subsidiaries of the Company.

At the issue date, the fair value of Promissory Notes D was HK\$182,712,000 on initial recognition and measured based on the present value of their expected future cash flows. In obtaining the present value, a risk-adjusted discount rate of 8.8% per annum was applied as an input. The risk-adjusted discount rates were estimated by APAC based on the interest rate of notes issuers with similar credit rating of the Company. Subsequently, Promissory Notes D was measured at amortised cost by using an effective interest method until extinguished on redemption. During the year ended 31 December 2016, interest expenses on Promissory Notes D of HK\$15,806,000 (2015: HK\$Nil) was recognised in profit or loss.

26. 承兌票據 (續)

承兌票據C

於二零一五年十二月，本集團發行55,000,000港元之承兌票據（「承兌票據C」）予一間買方為控股股東之實體。承兌票據C按年利率4厘發行，於由發行日期起計滿三年時到期。於二零一六年十二月三十日，買方同意豁免承兌票據C之本金額及相關利息，作為向本集團作出之部分補償。因此，本集團已終止確認債務部分52,870,000港元及遞延首日收益2,884,000港元。詳情於綜合財務報表附註18(d)披露。

於截至二零一六年十二月三十一日止年度，承兌票據C之利息開支及遞延首日收益攤銷分別為2,200,000港元（二零一五年：零港元）及1,446,000港元（二零一五年：零港元），已於損益帳確認。

承兌票據D

於截至二零一六年十二月三十一日止年度，本集團按年利率4厘發行合共200,000,000港元之承兌票據（「承兌票據D」）予香港一間財務機構，於由發行日期起計滿兩年時到期。承兌票據D由本公司控股股東提供擔保，並以本公司若干附屬公司全部已發行股本之押記作抵押。

於發行日期，承兌票據D於初步確認時之公平值為182,712,000港元，乃按其預期未來現金流量現值計量。得出有關現值時已使用年率8.8厘之風險調整貼現率作輸入項目。風險調整貼現率乃由亞太按信貸評級與本公司相若之票據發行人之利率估算。其後，承兌票據D採用實際利率法按攤銷成本計量，直至於贖回時被消除為止。於截至二零一六年十二月三十一日止年度，承兌票據D之利息開支為15,806,000港元（二零一五年：零港元），已於損益帳確認。

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26. PROMISSORY NOTES (Continued)

Promissory Notes D (Continued)

As the valuation cannot be supported by observable market data, the day-one gain of newly issued Promissory Notes D of HK\$17,288,000 at the date of inception is not recognised in profit or loss but is deferred. This deferred day-one gain is recognised in profit or loss over the life of Promissory Notes D on a straight-line basis.

During the year ended 31 December 2016, amortisation of deferred day-one gain on Promissory Notes D of HK\$8,478,000 (2015: HK\$Nil) was recognised in profit or loss.

Promissory Notes E and Promissory Notes F

In April 2016, the Group issued two promissory notes ("Promissory Notes E" and "Promissory Notes F") of HK\$165,240,000 each to the selling shareholders of Next Concept (the "Selling Shareholders A") as mentioned in note 34(a) to the consolidated financial statements as part of the acquisition consideration. Promissory Notes E and Promissory Notes F were issued at interest rate per annum of 3% and will mature on 30 April 2017 and 30 April 2018 respectively.

At the issue dates, the fair value of Promissory Notes E and Promissory Notes F were HK\$161,701,000 and HK\$155,724,000 respectively on initial recognition and measured based on the present value of their expected future cash flows. In obtaining the present value, risk-adjusted discount rates ranging from 5.1% to 6.0% per annum were applied as an input. The risk-adjusted discount rates were estimated by JLL based on the interest rate of notes issuers with similar credit rating of the Company. Subsequently, Promissory Notes E and Promissory Notes F were measured at amortised cost by using an effective interest method until extinguished on redemption. As mentioned in note 18(d), HK\$21,850,000 will be deducted from Promissory Notes E at the maturity. During the year ended 31 December 2016, interest expenses on Promissory Notes E and Promissory Notes F of HK\$6,056,000 and HK\$6,901,000 (2015: HK\$Nil and HK\$Nil) were recognised in profit or loss respectively.

26. 承兌票據 (續)

承兌票據D (續)

由於估值無法以可觀察市場數據支持，因此，於初始日期之新發行承兌票據D首日收益17,288,000港元並無於損益帳確認，惟作遞延處理。此遞延首日收益於承兌票據D年期內以直線法在損益帳確認。

於截至二零一六年十二月三十一日止年度，承兌票據D之遞延首日收益攤銷為8,478,000港元（二零一五年：零港元），已於損益帳確認。

承兌票據E及承兌票據F

誠如綜合財務報表附註34(a)所述，於二零一六年四月，本集團按年利率3厘發行各165,240,000港元之兩份承兌票據（「承兌票據E」及「承兌票據F」）予進念之售股股東（「售股股東A」），分別將於二零一七年四月三十日及二零一八年四月三十日到期，作為部分收購代價。

於發行日期，承兌票據E及承兌票據F於初步確認時之公平值分別為161,701,000港元及155,724,000港元，乃按其預期未來現金流量現值計量。得出有關現值時已使用年率介乎5.1厘至6.0厘之風險調整貼現率作輸入項目。風險調整貼現率乃由仲量聯行按信貸評級與本公司相若之票據發行人之利率估算。其後，承兌票據E及承兌票據F採用實際利率法按攤銷成本計量，直至於贖回時被消除為止。誠如附註18(d)所述，21,850,000港元將於到期時從承兌票據E扣除。於截至二零一六年十二月三十一日止年度，承兌票據E及承兌票據F之利息開支分別為6,056,000港元及6,901,000港元（二零一五年：零港元及零港元），已於損益帳確認。



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26. PROMISSORY NOTES (Continued)

Promissory Notes E and Promissory Notes F (Continued)

As Promissory Notes E will mature in April 2017, it is therefore classified as current.

27. DEFINED CONTRIBUTION PLANS

The group companies in Hong Kong participate in the MPF scheme which is a defined contribution scheme managed by independent trustees. The assets of the fund are held separately from those of the group companies and are managed by independent professional fund managers. Under the MPF scheme, each of the companies (the employer) and its employees make monthly contributions to the MPF scheme at 5% of the employees' earnings as defined under the MPF legislation. The monthly contributions of each of the employees are subject to a cap of HK\$1,500 (2015: cap of HK\$1,500) and thereafter contributions are voluntary.

The employees of the Group's subsidiaries in the PRC are members of the state-managed retirement benefit scheme operated by the government of the PRC. These subsidiaries of the Group are required to contribute certain percentage of their payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

Contributions of approximately HK\$16,216,000 (2015: HK\$13,707,000) were made during the year ended 31 December 2016.

At 31 December 2016, the Group had no material forfeited contribution available to reduce its contributions to the retirement benefit scheme in future years (2015: HK\$Nil).

26. 承兌票據 (續)

承兌票據E及承兌票據F (續)

由於承兌票據E將於二零一七年四月到期，故分類為流動。

27. 界定供款計劃

本集團旗下在香港之公司已參加強積金計劃，該計劃乃由獨立受託人管理之界定供款計劃。該基金之資產與本集團各公司之資產分開持有，並由獨立專業基金經理管理。根據強積金計劃，各公司（僱主）及其僱員須根據強積金法例所界定，各自每月向強積金計劃作出相等於僱員收入5%之供款。每名僱員之每月供款上限為1,500港元（二零一五年：1,500港元），超出之供款純屬自願性質。

本集團中國附屬公司之僱員為中國政府所營辦國家管理退休福利計劃之成員。本集團之附屬公司須向退休福利計劃貢獻彼等工資之若干百分比，以作為福利資金。本集團關於退休福利計劃之唯一責任為作出指定供款。

本集團於截至二零一六年十二月三十一日止年度作出之供款約為16,216,000港元（二零一五年：13,707,000港元）。

於二零一六年十二月三十一日，本集團並無重大已沒收供款可供扣減未來年度之退休福利計劃供款（二零一五年：零港元）。

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28. CONTINGENT CONSIDERATION PAYABLES

28. 應付或然代價

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---------------------------------------|----------------|----------------------------------|----------------------------------|
| At beginning of reporting period | 於報告期初 | - | - |
| Acquisition of subsidiaries (note 34) | 收購附屬公司(附註34) | 15,916 | - |
| Fair value change | 公平值變動 | 743 | - |
| Exchange realignment | 匯兌調整 | (1,119) | - |
| At end of reporting period | 於報告期結束日 | 15,540 | - |

At 31 December 2016, the fair value of the contingent consideration payables is determined by APAC by applying income approach on the estimated profit from Lepei Group for the two years ending 31 December 2018 and 2017 and the probability of occurrence of each expected earning scenario. The contingent consideration payables are expected to be settled over one year and therefore classified as non-current liabilities.

於二零一六年十二月三十一日，應付或然代價之公平值由亞太釐定，當中已就樂佩集團截至二零一八年及二零一七年十二月三十一日止兩個年度之估計溢利及發生各個預期盈利情況之概率應用收入法。應付或然代價預期於一年後清償，因此分類為非流動負債。



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29. CONVERTIBLE BONDS

The movement of liability component at amortised costs of the convertible bonds is as follows:

29. 可換股債券

可換股債券按攤銷成本之負債部分變動如下：

| | | HK\$'000 千港元 |
|--|--------------------------------|-----------------------|
| Nominal value of convertible bonds issued | 已發行可換股債券之面值 | 620,460 |
| Issue costs apportioned to liability component | 分配至負債部分之發行成本 | (6,205) |
| Derivative component at the issue date | 於發行日期之衍生工具部分 | (1,072) |
| Equity component at the issue date | 於發行日期之權益部分 | <u>(22,079)</u> |
| Liability components at the issue date | 於發行日期之負債部分 | <u>591,104</u> |
| Interest charged for the year (Note 5(a)) | 年內支付之利息 (附註5(a)) | 17,505 |
| Interest payable on convertible bonds included in other payables | 計入其他應付款項之 可換股債券應付利息 | (9,351) |
| Exchange realignment | 匯兌調整 | <u>(108)</u> |
| Carrying amount as at 31 December 2016 | 於二零一六年十二月三十一日之 帳面金額 | <u>599,150</u> |

On 9 September 2016, the Company, as issuer, entered into a placing agreement with a lead manager, pursuant to which the Company has conditionally agreed to issue, and the lead manager has conditionally agreed to procure (a) the first round investors to subscribe for the initial convertible bonds in the principal amount of US\$80,000,000 (the "Convertible Bonds I"); and (b) the second round investors to subscribe for, the additional convertible bonds in the principal amount of US\$30,000,000 (the "Convertible Bonds II"), at the initial conversion price of HK\$0.586 per share (collectively referred to the "Convertible Bonds") based on the agreed exchange rate of US\$1 = HK\$7.755.

於二零一六年九月九日，本公司（作為發行人）與牽頭經辦人訂立一份配售協議，據此，本公司有條件同意發行，而牽頭經辦人則有條件同意促使(a)首輪投資者認購首批可換股債券，本金額為80,000,000美元（「可換股債券I」）；及(b)第二輪投資者認購額外可換股債券，本金額為30,000,000美元（「可換股債券II」），初步轉換價為每股0.586港元（統稱「該等可換股債券」），按協定匯率1美元兌7.755港元計算。

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29. CONVERTIBLE BONDS (Continued)

On 23 September 2016, the Company completed the issuance of the Convertible Bonds I of US\$80,000,000 to two investors which is convertible into 1,058,703,070 conversion shares at maximum. The Convertible Bonds I are secured, interest-bearing at 5.5% per annum and have a term of 3 years.

The Company shall redeem all the outstanding Convertible Bonds held by the Convertible Bonds holders ("CB Holder") (i) on the maturity date; (ii) by giving written notice to the Company, the CB Holder may require the Company to redeem in whole, or in part, such Convertible Bonds for the time being outstanding on the early redemption date (being the second anniversary of the issue date of the Convertible Bonds); or (iii) at any time following the occurrence of a change of control event, any CB Holder will have the right, at such CB Holder's option, to require the Company to redeem all or any part of that CB Holder's Convertible Bonds.

The Convertible Bonds are unconditionally and irrevocably guaranteed by the controlling shareholder of the Company in favour of the trustee (as defined in the terms and conditions of the Convertible Bonds) for the due and punctual payment of all sums expressed to be payable by the Company. Further, shares of certain subsidiaries of the Company are charged in favour of the trustee for the benefit of itself and the other secured parties as continuing security for the payment or discharge of all moneys, liabilities and obligations at any time due, owing or payable to the secured parties or any of them by the Company under or pursuant to the Convertible Bonds, the transaction documents and the security documents or any of them, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or surety or in some other capacity).

29. 可換股債券 (續)

於二零一六年九月二十三日，本公司完成向兩名投資者發行80,000,000美元之可換股債券I（最多可轉換為1,058,703,070股轉換股份）。可換股債券I為有抵押、按年利率5.5厘計息及年期為三年。

本公司須(i)於到期日；(ii)於該等可換股債券持有人（「可換股債券持有人」）向本公司發出書面通知要求本公司贖回全部或部分於提早贖回日期（即可換股債券發行日期第二週年）尚未行使之該等可換股債券時；或(iii)於發生控制權變動事件後任何時間，任何可換股債券持有人行使權利選擇要求本公司贖回該可換股債券持有人之全部或任何部分該等可換股債券時贖回該等可換股債券持有人所持全部未行使之該等可換股債券。

可換股債券由本公司之控股股東無條件及不可撤回地向受託人（定義見該等可換股債券之條款及條件）擔保，已表明由本公司支付之所有款額將妥為準時支付。此外，本公司若干附屬公司之股份已押記予受託人（為其本身及其他承押方之利益）作為持續抵押，以擔保本公司根據或依據該等可換股債券、交易文件及抵押文件或當中任何文件支付或履行於任何時間結欠、欠負或應付承押方或彼等當中任何人士之所有款項、責任及義務（不論現時或未來、實際或或然，亦不論單獨或共同產生，以及不論作為主事人或保證人或其他身份）。



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29. CONVERTIBLE BONDS (Continued)

The redemption amount shall be equal to the aggregate of (a) the aggregate principal amount of such outstanding Convertible Bonds held by the relevant CB Holder; (b) any accrued but unpaid interest on such outstanding Convertible Bonds on the relevant redemption date (other than default interest); and (c) (if the sum of the amounts referred to in (a) and (b) falls short of making up an internal rate of return (as defined in the terms and conditions of the Convertible Bonds) of 9% on the aggregate principal amount of its Convertible Bonds calculated from the date of the first closing (as defined in the terms and conditions of the Convertible Bonds) until the relevant redemption date) such additional amount which would make up an internal rate of return of 9% on the aggregate principal amount of the Convertible Bonds calculated from the date of the first closing until the relevant redemption date.

The Convertible Bonds will constitute direct, senior, unsubordinated, unconditional and secured obligations of the Company and will at all times rank pari passu and without any preference or priority among themselves.

The shares to be allotted and issued upon conversion of the Convertible Bonds will be duly and validly issued as fully-paid and free from any encumbrance and will rank at least pari passu with all other shares then in issue.

The fair values of the liability and derivative components were estimated by the directors with reference to valuation carried out by APAC. Subsequent to the initial recognition, the liability component is carried at amortised costs using the effective interest method and the derivative component is carried at fair value.

Details of the Convertible Bonds are set out in the Company's announcements dated 9 September 2016 and 23 September 2016.

29. 可換股債券 (續)

贖回額將相等於以下各項之總和：(a)相關可換股債券持有人所持未行使之該等可換股債券之本金總額；(b)未行使之該等可換股債券於相關贖回日期之任何累計未付利息（違約利息除外）；及(c)（如(a)及(b)所述金額之總和不足以令內部回報率（定義見該等可換股債券之條款及條件）達該等可換股債券本金總額自首次截止日期（定義見該等可換股債券之條款及條件）起直至相關贖回日期止每年9%）令內部回報率達該等可換股債券本金總額自首次截止日期起直至相關贖回日期止每年9%之額外款項。

該等可換股債券將構成本公司之直接、優先、非從屬、無條件及有抵押義務，彼此之間於所有時間均享有同等地位，並無優次或先後之分。

將於該等可換股債券獲轉換時配發及發行之股份將正式有效地發行並繳足，不附帶任何產權負擔，至少將與所有其他當時已發行股份享有同等地位。

負債及衍生工具部分之公平值由董事參照亞太所進行之估值釐定。於初步確認後，負債部分採用實際利率法按攤銷成本列帳，衍生工具部分則按公平值列帳。

該等可換股債券詳情載於本公司日期為二零一六年九月九日及二零一六年九月二十三日之公佈。

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30. SHARE CAPITAL

30. 股本

| | | 2016 二零一六年 | | 2015 二零一五年 | |
|---|--------------------------|-----------------------|------------------|-----------------------|-----------------|
| | | No. of shares 股份數目 | HK\$'000 千港元 | No. of shares 股份數目 | HK\$'000 千港元 |
| | | '000 千股 | | '000 千股 | |
| Authorised: | 法定: | | | | |
| At beginning of reporting period and at end of reporting period | 於報告期初及報告期結束日 | | | | |
| Ordinary shares of HK\$0.001 each | 每股面值0.001港元之普通股 | 5,000,000,000 | 5,000,000 | 5,000,000,000 | 5,000,000 |
| Issued and fully paid: | 已發行及繳足: | | | | |
| At beginning of reporting period | 於報告期初 | | | | |
| Ordinary shares of HK\$0.001 each | 每股面值0.001港元之普通股 | 8,136,390 | 8,136 | 723,639 | 724 |
| Issue of bonus shares | 發行紅股 | - | - | 6,512,751 | 6,512 |
| Issue of new shares | 發行新股份 | - | - | 900,000 | 900 |
| Issue of new shares (note (a)) | 發行新股份(附註(a)) | 500,000 | 500 | - | - |
| Issue of new shares on acquisition of subsidiaries (note (b)) | 於收購附屬公司時發行 新股份(附註(b)) | 1,512,000 | 1,512 | - | - |
| At end of reporting period | 於報告期結束日 | | | | |
| Ordinary shares of HK\$0.001 each | 每股面值0.001港元之普通股 | 10,148,390 | 10,148 | 8,136,390 | 8,136 |



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30. SHARE CAPITAL (Continued)

Notes:

- (a) On 4 February 2016, the Company allotted and issued an aggregate of 500,000,000 shares at a placing price of HK\$0.42 per share to an independent third party for cash. Net proceeds of HK\$204,668,000 received and approximately HK\$121,020,000 was used for investment in securities, approximately HK\$66,248,000 was used for general working capital for the Group and approximately HK\$17,400,000 was used for repayment of loans. The closing market price of the Company's shares as at the issue date was HK\$0.485 per share.
- (b) On 7 April 2016, the Company allotted and issued an aggregate of 1,512,000,000 consideration shares as part of the consideration in acquiring 51% equity interests in Next Concept. Details of the acquisition are set out in note 34(a) to the consolidated financial statements. The fair value of the shares issued at the date of completion of acquisition is approximately HK\$665,732,000 of which HK\$1,512,000 was credited to the share capital and the remaining balance of approximately HK\$664,220,000 was credited to the share premium account.

All new shares issued during the year rank pari passu in all respects with the existing shares.

31. SHARE OPTIONS

(a) Share option scheme

A share option scheme was approved by shareholders on 6 August 2007 which will remain in force for a period of 10 years commencing on 6 August 2007.

Under the share option scheme, the Company may grant to directors and employees of the Group and any other persons who, in the sole discretion of the Board, have contributed or will contribute to the Group. The options will expire either after 10 years from the date of grant or upon the termination or the issuance of termination notice of the relevant grantee's employment with the Company. The maximum number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the share option scheme and any other share option scheme of the Company must not in aggregate exceed 30% of the total number of shares in issue from time to time.

30. 股本 (續)

附註:

- (a) 於二零一六年二月四日，本公司以配售價每股0.42港元向一名獨立第三方配發及發行合共500,000,000股股份，以換取現金。已收所得款項淨額為204,668,000港元，約121,020,000港元已用於投資證券，約66,248,000港元已用作本集團之一般營運資金，而約17,400,000港元已用於償還貸款。本公司股份於發行日期之收市價為每股0.485港元。
- (b) 於二零一六年四月七日，本公司已配發及發行合共1,512,000,000股代價股份，作為收購進念之51%股本權益之部分代價。收購詳情載於綜合財務報表附註34(a)。已發行股份於收購完成日期之公平值約為665,732,000港元，其中1,512,000港元已計入股本，而餘額約664,220,000港元已計入股份溢價帳。

年內發行之所有新股份於各方面與現有股份享有同等權益。

31. 購股權

(a) 購股權計劃

購股權計劃於二零零七年八月六日獲股東批准，自二零零七年八月六日起生效，有效期10年。

根據購股權計劃，本公司可向本集團董事及僱員以及董事會全權酌情認為曾經或將會對本集團作出貢獻之任何其他人士授出購股權。購股權將於由授出日期起計10年後或於藉發出終止通知終止相關承授人與本公司之僱傭關係後屆滿。將於根據購股權計劃及本公司任何其他購股權計劃授出但尚未行使其所有發行在外購股權獲行使時發行之股份數目上限，合共不得超過不時已發行股份總數之30%。

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31. SHARE OPTIONS (Continued)

(a) Share option scheme (Continued)

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 scheme of the Company must not in aggregate exceed 10% of the shares in issue at the date of the passing of the relevant ordinary resolution. If any option is to be granted to connected person(s), it must be approved by independent non-executive directors or independent shareholders as the case may be.

The maximum number of shares in respect of which share options may be granted to a specifically identified single 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.

Under the share option scheme, the options granted may be accepted by a participant within 14 days from the date of such offer. A consideration of HK\$1 is payable on acceptance of the offer of grant of an option. Options may be exercised at any time no later than 10 years from the date of grant. The subscription price for shares payable on exercise of share options granted under the share option scheme shall be a price determined by the directors, but shall in any event not be less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a trading day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of share.

31. 購股權 (續)

(a) 購股權計劃 (續)

於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時可予發行之股份總數，合共不得超過於通過相關普通決議案當日已發行股份之10%。凡向關連人士授出購股權，均須經獨立非執行董事或獨立股東（視情況而定）批准。

於任何12個月期間內，根據購股權計劃可向個別指明單一承授人授出之購股權（包括已行使、已註銷及未行使之購股權）所涉股份數目上限，不得超過已發行股份總數之1%。

根據購股權計劃，參與者可於由要約日期起計14日內接納所獲授之購股權。接納授出購股權之要約時須支付1港元代價。購股權可於由授出日期起計10年內隨時行使。根據購股權計劃授出之購股權獲行使時應付之股份認購價由董事釐定，惟在任何情況下不得低於下列之最高者：(i)股份於授出要約日期（必須為交易日）在聯交所每日報價表所列之收市價；(ii)股份於緊接授出要約日期前五個交易日在聯交所每日報價表所列之平均收市價；及(iii)股份面值。



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31. SHARE OPTIONS (Continued)

(b) Movement in share options granted:

The following table discloses movements of the Company's share options held by directors and employees of the Group during the years ended 31 December 2016 and 2015:

2016:

| Name of category of participant | Date of grant ⁴ | Exercise price | Outstanding at 1 January 2016 | Granted during the year | Exercised during the year | Forfeited during the year | Outstanding at 31 December 2016 | Closing price of the Company's shares quoted on the Stock Exchange immediately before the date of grant |
|---|-------------------------------|-------------------|-------------------------------|-------------------------|---------------------------|---------------------------|---------------------------------|---|
| 參與者類別名稱 | 授出日期 ⁴ | 行使價 HK\$ 港元 | 於二零一六年一月一日尚未行使 | 年內授出 | 年內行使 | 年內沒收 | 於二零一六年十二月三十一日尚未行使 | 本公司股份於緊接授出日期前在聯交所所報之收市價 HK\$ 港元 |
| Directors in aggregate 董事總計 | 30 March 2015 二零一五年三月三十日 | 0.247 | 152,363,900 | - | - | - | 152,363,900 | 0.245 |
| | 14 July 2016 二零一六年七月十四日 | 0.520 | - | 80,000,000 | - | - | 80,000,000 | 0.530 |
| Employees in aggregate 僱員總計 | 30 March 2015 二零一五年三月三十日 | 0.247 | 551,275,150 | - | - | (108,863,900) | 442,411,250 | 0.245 |
| | 14 July 2016 二零一六年七月十四日 | 0.520 | - | 515,800,000 | - | (7,000,000) | 508,800,000 | 0.530 |
| | 6 December 2016 二零一六年十二月六日 | 0.493 | - | 50,000,000 | - | - | 50,000,000 | 0.495 |
| | | | <u>703,639,050</u> | <u>645,800,000</u> | <u>-</u> | <u>(115,863,900)</u> | <u>1,233,575,150</u> | |
| Weighted average exercise price (HK\$) | 加權平均行使價(港元) | | <u>0.247</u> | <u>0.518</u> | <u>-</u> | <u>0.263</u> | <u>0.387</u> | |

During the year, 115,863,900 share options were forfeited upon the resignation of certain employees of the Group.

During the year ended 31 December 2015, 20,000,000 share options were forfeited upon the resignation of a director of the Group.

31. 購股權 (續)

(b) 已授出購股權之變動:

下表披露於截至二零一六年及二零一五年十二月三十一日止年度由本集團董事及僱員持有之本公司購股權之變動:

二零一六年:

年內，115,863,900份購股權於本集團若干僱員辭任後被沒收。

於截至二零一五年十二月三十一日止年度，20,000,000份購股權於本集團一名董事辭任後被沒收。

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31. SHARE OPTIONS (Continued)

(b) Movement in share options granted: (Continued)

2015:

| Name of category of participant | Date of grant ^Δ | Exercise price | Outstanding at 1 January 2015 | Granted during the year | Exercised during the year | Forfeited during the year | Outstanding at 31 December 2015 | Closing price of the Company's shares quoted on the Stock Exchange immediately before the date of grant |
|---|-----------------------------|-------------------|-------------------------------|-------------------------|---------------------------|---------------------------|---------------------------------|---|
| 參與者類別名稱 | 授出日期 ^Δ | 行使價 HK\$ 港元 | 於二零一五年一月一日尚未行使 | 年內授出 | 年內行使 | 年內沒收 | 於二零一五年十二月三十一日尚未行使 | 本公司股份於緊接授出日期前在聯交所所報之收市價 HK\$ 港元 |
| Directors in aggregate 董事總計 | 30 March 2015 二零一五年三月三十日 | 0.247 | - | 172,363,900 | - | (20,000,000) | 152,363,900 | 0.245 |
| Employees in aggregate 僱員總計 | 30 March 2015 二零一五年三月三十日 | 0.247 | - | 551,275,150 | - | - | 551,275,150 | 0.245 |
| | | | | <u>-</u> | <u>-</u> | <u>(20,000,000)</u> | <u>703,639,050</u> | |
| Weighted average exercise price (HK\$) | 加權平均行使價 (港元) | | - | 0.247 | - | 0.247 | 0.247 | |

31. 購股權 (續)

(b) 已授出購股權之變動：(續)

二零一五年：



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31. SHARE OPTIONS (Continued)

(b) Movement in share option scheme: (Continued)

△ The options granted vested as follows:

| Date of grant | |
|------------------|---|
| 30 March 2015 | 50% of the share options granted will vest on the second anniversary of the date of grant, subject to the satisfaction of the certain specific conditions; and the remaining 50% of the share options granted will vest on the third anniversary of the date of grant, subject to the satisfaction of the certain specific conditions |
| 14 July 2016 | 50% of the share options granted will vest on the second anniversary of the date of grant, subject to the satisfaction of the certain specific conditions; and the remaining 50% of the share options granted will vest on the third anniversary of the date of grant, subject to the satisfaction of the certain specific conditions |
| 16 December 2016 | 50% of the share options granted will vest on the second anniversary of the date of grant, subject to the satisfaction of the certain specific conditions; and the remaining 50% of the share options granted will vest on the third anniversary of the date of grant, subject to the satisfaction of the certain specific conditions |

No share options vested during the reporting period (2015: Nil).

31. 購股權 (續)

(b) 購股權計劃之變動：(續)

△ 已授出之購股權按下述方式歸屬：

| 授出日期 | |
|-----------------|--|
| 二零一五年 三月三十日 | 待若干特定條件達成後，已授出購股權之50%將於授出日期之第二週年日歸屬；待若干特定條件達成後，已授出購股權其餘50%將於授出日期之第三週年日歸屬 |
| 二零一六年 七月十四日 | 待若干特定條件達成後，已授出購股權之50%將於授出日期之第二週年日歸屬；待若干特定條件達成後，已授出購股權其餘50%將於授出日期之第三週年日歸屬 |
| 二零一六年 十二月十六日 | 待若干特定條件達成後，已授出購股權之50%將於授出日期之第二週年日歸屬；待若干特定條件達成後，已授出購股權其餘50%將於授出日期之第三週年日歸屬 |

於報告期內概無任何購股權歸屬 (二零一五年：無)。

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31. SHARE OPTIONS (Continued)

(c) Fair value of share options and assumptions

The fair value of the share options granted is measured at the date of grant, using the binomial option pricing model, taking into account the terms and conditions of the share-based arrangement except for non-market vesting conditions. The fair value calculated is inherently subjective and uncertain due to the assumptions made and the limitations of the model used. The inputs into the model are as follows:

| Grant date | Weighted average fair value at grant date | The closing price of the Company's shares quoted on the Stock Exchange at grant date 本公司股份於授出日期在聯交所所報之收市價 HK\$ per share 每股港元 | Exercise price | Risk-free interest rate | Expected volatility | Expected life | Expected dividend yield |
|-------------------------------|---|--|-------------------------------|-------------------------|---------------------|-----------------|-------------------------|
| 授出日期 | 於授出日期之加權平均公平值 HK\$ per share 每股港元 | 所報之收市價 HK\$ per share 每股港元 | 行使價 HK\$ per share 每股港元 | 無風險利率 | 預期波幅 | 預期行使期 | 預期股息率 |
| 30 March 2015 二零一五年三月三十日 | 0.134 | 0.247 | 0.247 | 1.450% | 66% | 10 years 10年 | N/A 不適用 |
| 14 July 2016 二零一六年七月十四日 | 0.205 | 0.520 | 0.520 | 0.925% | 44% | 10 years 10年 | N/A 不適用 |
| 6 December 2016 二零一六年十二月六日 | 0.185 | 0.490 | 0.493 | 1.438% | 39% | 10 years 10年 | N/A 不適用 |

The expected volatility was determined by using the historical volatility of the Company's share price over the last one year of share option granted. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate.

During the year, the fair value of equity-settled share-based payment in respect share option scheme of HK\$52,192,000 (2015: HK\$29,344,000) was recognised in profit or loss.

31. 購股權 (續)

(c) 購股權公平值及假設

已授出購股權之公平值乃經考慮以股份為基礎安排之條款及條件(非市場歸屬條件除外)後,以二項式購股權定價模型於授出日期計量。因受到計算公平值時之所作假設及所採用計算模式之限制,所計出之公平值本身屬主觀及不確定。計算模式所用之輸入項目如下:

預期波幅乃使用上一授出購股權年度本公司股價之歷史波幅釐定。計算購股權公平值所用之變數及假設乃以董事最佳估計作基礎。

年內,有關購股權計劃之權益結算以股份支付之款項之公平值52,192,000港元(二零一五年:29,344,000港元)已於損益帳確認。



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32. CASH USED IN OPERATIONS

32. 經營所用現金

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|---------------------------|----------------------------------|----------------------------------|
| Profit before taxation | 除稅前溢利 | 253,134 | 67,960 |
| Amortisation expenses | 攤銷開支 | 17,061 | - |
| Amortisation of deferred day-one gain | 遞延首日收益攤銷 | (23,035) | (8,263) |
| Allowance for write down of inventories | 撇減存貨撥備 | 2,740 | - |
| Bargain purchase of an associate | 議價購買一間聯營公司 | - | (8,740) |
| Changes in fair value of financial assets at fair value through profit or loss | 於損益帳按公平值處理之 財務資產之公平值變動 | (264,436) | 77,666 |
| Changes in fair value of contingent consideration payables | 應付或然代價之公平值變動 | 743 | - |
| Depreciation expenses | 折舊開支 | 12,210 | 9,002 |
| Equity-settled share-based payments | 權益結算以股份支付之款項 | 62,615 | 31,950 |
| Exchange gain, net | 匯兌收益淨額 | (1,606) | (2,735) |
| Finance charges on obligations under finance leases | 融資租賃債務之融資費用 | 19 | 5 |
| Impairment loss on available-for-sale financial assets | 可供出售財務資產之減值虧損 | 41,114 | - |
| Increase (Decrease) in allowance for doubtful debts on trade receivables | 貿易應收款項呆帳撥備 增加(減少) | 797 | (953) |
| (Decrease) Increase in allowance for doubtful debts on other receivables | 其他應收款項呆帳撥備 (減少)增加 | (450) | 761 |
| Interest income from financial institutions | 來自財務機構之利息收入 | (3,104) | (2,967) |
| Interest on convertible bonds | 可換股債券利息 | 17,505 | - |
| Interest on promissory notes | 承兌票據利息 | 71,339 | 21,115 |
| Interest on interest-bearing borrowings | 計息借貸利息 | 20,822 | 16,612 |
| Loss on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損 | 134 | 490 |
| Loss on disposal of available-for-sale financial assets | 出售可供出售財務資產之虧損 | 414 | - |
| Long-term employee benefits in respect of profit guarantee | 有關溢利保證之長期僱員福利 | 19,060 | 7,910 |
| Share of results of associates | 應佔聯營公司之業績 | (18,960) | (48,059) |
| Changes in working capital: | 營運資金變動: | | |
| Financial assets at fair value through profit or loss | 於損益帳按公平值處理之 財務資產 | (515,633) | (540,015) |
| Inventories | 存貨 | (18,288) | 21,888 |
| Trade and other receivables | 貿易及其他應收款項 | (17,003) | (89,888) |
| Trade and other payables | 貿易及其他應付款項 | (13,068) | 18,303 |
| Loan receivables | 應收貸款 | (31,679) | 82,551 |
| Cash used in operations | 經營所用現金 | (387,555) | (345,407) |

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33. MARGIN FACILITIES

As at 31 December 2016, margin facilities of HK\$337,631,000 (2015: HK\$494,768,000) from regulated securities brokers were granted to the Group under which financial assets at fair value through profit or loss of HK\$1,437,445,000 (2015: HK\$1,172,929,000) and certain available-for-sale financial assets of HK\$110,106,000 (2015: HK\$110,106,000) were treated as collateral for the facilities granted. The Group utilised part of these facilities amounting to HK\$36,041,000 as at 31 December 2016 (2015: HK\$350,000,000).

34. ACQUISITION OF SUBSIDIARIES

(a) Acquisition of 51% equity interests in Next Concept Group (the "Next Concept Group Acquisition")

On 31 March 2016, the Group and the selling shareholders of Next Concept (the "Selling Shareholders A") entered in to a sale and purchase agreement (the "Next Concept S&P"), pursuant to which the Group has conditionally agreed to acquire and the Selling Shareholders A have conditionally agreed to sell 51% equity interests in Next Concept by issuing 1,512,000,000 ordinary shares of the Company at HK\$0.51 per share with a lock-up period of 1.06 to 2.06 years from the date of issue and promissory notes of HK\$330,480,000 at the interest rate of 3% per annum to the Selling Shareholders A. The fair values of the consideration shares and promissory notes issued were determined by JLL.

After the completion of transaction on 7 April 2016, the Group held 51% equity interests in Next Concept and Next Concept became an indirect non-wholly owned subsidiary of the Group.

33. 孖展融資

於二零一六年十二月三十一日，受規管證券經紀向本集團授出孖展融資337,631,000港元（二零一五年：494,768,000港元），據此，於損益帳按公平值處理之財務資產1,437,445,000港元（二零一五年：1,172,929,000港元）及若干可供出售財務資產110,106,000港元（二零一五年：110,106,000港元）被視為獲授融資之抵押品處理。於二零一六年十二月三十一日，本集團已動用該等融資之一部分，為數36,041,000港元（二零一五年：350,000,000港元）。

34. 收購附屬公司

(a) 收購進念集團之51%股本權益（「進念集團收購事項」）

於二零一六年三月三十一日，本集團與進念之售股股東（「售股股東A」）訂立一份買賣協議（「進念買賣協議」），據此，本集團有條件同意收購而售股股東A有條件同意出售進念51%股本權益，透過按每股0.51港元向售股股東A發行1,512,000,000股本公司普通股（禁售期為由發行日期起計1.06至2.06年）及330,480,000港元之承兌票據（年利率為3厘）支付。已發行代價股份及承兌票據之公平值由仲量聯行釐定。

於二零一六年四月七日完成交易後，本集團持有進念51%股本權益，而進念則成為本集團之間接非全資附屬公司。



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34. ACQUISITION OF SUBSIDIARIES (Continued)

(a) Acquisition of 51% equity interests in Next Concept Group (the "Next Concept Group Acquisition") (Continued)

Next Concept Group is principally engaged in providing one-stop solution, including but not limited to marketing research, software design, IT solution and strategic business consultation and development, to companies in the commodities industry. The directors of the Company considered that the Next Concept Group Acquisition would strengthen the software development of the Group and diversify the Group's business into one-stop solution provider in the commodities industry.

As part and parcel of the transactions contemplated under the Next Concept S&P, the Selling Shareholders A have jointly and severally, unconditionally and irrevocably guaranteed to compensate the Group, not more than HK\$440,640,000 and HK\$660,960,000 for the year ended 31 December 2016 and year ending 31 December 2017 respectively, if the profit after taxation of Next Concept Group is less than HK\$144,000,000 and HK\$216,000,000 respectively (the "Next Concept Profit Guarantee"). In the opinion of the directors, this profit guarantee is for the exchange of control for the Next Concept Group and therefore considered as contingent consideration receivables and measured at fair value at the date of acquisition by JLL.

The compensation shall be deducted from the promissory notes issued together with the relevant interest; and any remaining balance will be settled in cash. Contingent consideration receivables were resulted under this arrangement.

Details of the Next Concept Group Acquisition are set out in the Company's announcement dated 31 March 2016.

34. 收購附屬公司 (續)

(a) 收購進念集團之51%股本權益 (「進念集團收購事項」) (續)

進念集團主要從事向商品行業之公司提供一站式解決方案業務，包括但不限於市場推廣研究、軟件設計、資訊科技解決方案及策略業務諮詢及開發。本公司董事認為，進念集團收購事項可增強本集團軟件開發，將本集團業務延伸到商品行業之一站式解決方案供應商。

作為根據進念買賣協議擬進行之交易一部分，售股股東A共同及各別地、無條件地及不可撤銷地擔保，倘進念集團截至二零一六年及二零一七年十二月三十一日止年度之除稅後溢利分別少於144,000,000港元及216,000,000港元，則分別向本集團賠償不多於440,640,000港元及660,960,000港元（「進念溢利保證」）。董事認為，此溢利保證乃為換取進念集團之控制權而設，因而被視為應收或然代價，並按仲量聯行釐定之收購日期公平值計量。

賠償額會從已發行承兌票據連同相關利息中扣除，而任何餘額將以現金結清。根據此項安排已產生應收或然代價。

進念集團收購事項之詳情載於本公司日期為二零一六年三月三十一日之公佈。

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34. ACQUISITION OF SUBSIDIARIES (Continued)

(a) Acquisition of 51% equity interests in Next Concept Group (the "Next Concept Group Acquisition") (Continued)

The profit after tax of Next Concept Group for the year ended 31 December 2016 exceeded HK\$144,000,000, as a result, Next Concept Group had met the Next Concept Profit Guarantee for the year.

At end of reporting period, the fair value of contingent consideration receivables was HK\$452,000 which was measured on the same basis at the date of acquisition and no fair value change was recognised in profit or loss.

(b) Acquisition of 75% equity interests in Lepei Group (the "Lepei Group Acquisition")

On 15 April 2016, the Group and the selling shareholders of Lepei (the "Selling Shareholders B") entered into an investment agreement (the "Investment Agreement") in relation to the acquisition of 75% equity interests in Lepei by the Group, pursuant to which (i) the Group agreed to purchase and the Selling Shareholders B agreed to sell, 67.5% equity interests in Lepei, at a consideration of RMB8,000,000 (equivalent to approximately HK\$9,586,000); and (ii) the Group agreed to contribute RMB5,000,000 (equivalent to approximately HK\$5,991,000) to Lepei, out of which RMB300,000 (equivalent to approximately HK\$359,000) were attributed to the increase in the registered capital of Lepei and the remaining RMB4,700,000 (equivalent to approximately HK\$5,632,000) were attributed to the capital reserve of Lepei. After the completion of transaction on 27 April 2016, the Group held 75% equity interests in Lepei and Lepei became an indirect non-wholly owned subsidiary of the Group.

34. 收購附屬公司 (續)

(a) 收購進念集團之51%股本權益 (「進念集團收購事項」) (續)

進念集團截至二零一六年十二月三十一日止年度之除稅後溢利超過144,000,000港元。因此，進念集團已達成本年度之進念溢利保證。

於報告期結束日，應收或然代價之公平值為452,000港元，乃按與收購日期之相同基準計量，而損益帳內並無確認公平值變動。

(b) 收購樂佩集團75%股本權益 (「樂佩集團收購事項」)

於二零一六年四月十五日，本集團與樂佩通信之售股股東 (「售股股東B」) 就本集團收購樂佩通信之75%股本權益訂立一份投資協議 (「投資協議」)，據此，(i) 本集團同意購買而售股股東B同意出售樂佩通信之67.5%股本權益，代價為人民幣8,000,000元 (相等於約9,586,000港元)；及(ii) 本集團同意向樂佩通信出資人民幣5,000,000元 (相等於約5,991,000港元)，其中人民幣300,000元 (相等於約359,000港元) 用於增加樂佩通信之註冊資本，而餘額人民幣4,700,000元 (相等於約5,632,000港元) 則用作樂佩通信之資本儲備。於二零一六年四月二十七日完成交易後，本集團持有樂佩通信之75%股本權益，而樂佩通信則成為本集團之間接非全資附屬公司。



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34. ACQUISITION OF SUBSIDIARIES (Continued)

(b) Acquisition of 75% equity interests in Lepei Group (the "Lepei Group Acquisition") (Continued)

Lepei Group is principally engaged in the research and development, design and manufacturing of optical transmission network equipment and software products for GPON and EPON communication and has years of experience in the research and development of GPON/EPON products. The directors of the Company considered that the Lepei Group Acquisition would strengthen the software development of the Group and diversify the Group's business into the research and development of GPON/EPON products.

As part and parcel of the transactions contemplated under the Investment Agreement, in addition to the cash consideration of RMB8,000,000 (equivalent to approximately HK\$9,586,000), the Group entered into a profit guarantee agreement with the Selling Shareholders B, pursuant to which the Group shall pay cash up to the value of RMB4,898,000 (equivalent to approximately HK\$5,718,000) and RMB9,477,000 (equivalent to approximately HK\$11,064,000) for the years ending 31 December 2017 and 2018 respectively, to the Selling Shareholders B if the profits after taxation of Lepei Group for the year ended 31 December 2016, years ending 31 December 2017 and 2018 reached RMB4,500,000 (equivalent to approximately HK\$5,346,000), RMB5,850,000 (equivalent to approximately HK\$6,950,000) and RMB7,605,000 (equivalent to approximately HK\$9,036,000) respectively (the "Lepei Profit Guarantee"). In the opinion of the directors, this profit guarantee is for the exchange of control for the Lepei Group and therefore considered as contingent consideration payables and measured at fair value at the date of acquisition by APAC.

34. 收購附屬公司 (續)

(b) 收購樂佩集團75%股本權益 (「樂佩集團收購事項」) (續)

樂佩集團主要從事研發、設計及製造GPON及EPON通信相關的光纖傳輸網絡設備及軟件產品，擁有豐富的GPON/EPON產品研發經驗。本公司董事認為，樂佩集團收購事項可增強本集團軟件開發，將本集團業務延伸到GPON/EPON產品研發。

作為根據投資協議擬進行之交易一部分，除現金代價人民幣8,000,000元（相等於約9,586,000港元）外，本集團已與售股股東B訂立一份溢利保證協議，據此，倘樂佩集團截至二零一六年、二零一七年及二零一八年十二月三十一日止年度之除稅後溢利分別達到人民幣4,500,000元（相等於約5,346,000港元）、人民幣5,850,000元（相等於約6,950,000港元）及人民幣7,605,000元（相等於約9,036,000港元），則本集團須就截至二零一七年及二零一八年十二月三十一日止年度向售股股東B支付現金最多人民幣4,898,000元（相等於約5,718,000港元）及人民幣9,477,000元（相等於約11,064,000港元）（「樂佩溢利保證」）。董事認為，此溢利保證乃用以換取樂佩集團之控制權，因此被視作應付或然代價，並按經亞太於收購日期之公平值計量。

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34. ACQUISITION OF SUBSIDIARIES (Continued)

(b) Acquisition of 75% equity interests in Lepei Group (the "Lepei Group Acquisition") (Continued)

If Lepei Group is not able to meet Lepei Profit Guarantee, the Selling Shareholders B have jointly and severally, unconditionally and irrevocably guaranteed to compensate the Group, from deducting not more than RMB5,608,000 (equivalent to approximately HK\$6,663,000), RMB7,290,000 (equivalent to approximately HK\$8,661,000) and RMB9,477,000 (equivalent to approximately HK\$11,260,000) for the year ended 31 December 2016, years ending 31 December 2017 and 2018 respectively if the profits after taxation of Lepei Group for the year ended 31 December 2016, years ending 31 December 2017 and 2018 do not reach the guarantee level. The additional consideration or compensation shall be settled in cash.

The profit after tax of Lepei Group for the year ended 31 December 2016 exceeded RMB4,500,000 (equivalent to approximately HK\$5,346,000), as a result, Lepei Group had met the Lepei Profit Guarantee for the year.

At end of reporting period, the fair value of contingent consideration payables is HK\$15,540,000 which is re-measured on the same basis at the date of acquisition and a fair value loss of HK\$743,000 was recognised in profit or loss.

34. 收購附屬公司 (續)

(b) 收購樂佩集團75%股本權益 (「樂佩集團收購事項」) (續)

倘樂佩集團未能達成樂佩溢利保證安排，則售股股東B共同及各別地、無條件地及不可撤銷地擔保，倘樂佩集團截至二零一六年、二零一七年及二零一八年十二月三十一日止年度之除稅後溢利未能達到保證水平，則會就截至二零一六年、二零一七年及二零一八年十二月三十一日止年度向本集團作出賠償，扣除不多於人民幣5,608,000元（相等於約6,663,000港元）、人民幣7,290,000元（相等於約8,661,000港元）及人民幣9,477,000元（相等於約11,260,000港元）。額外代價或賠償將以現金結清。

樂佩集團截至二零一六年十二月三十一日止年度之除稅後溢利超過人民幣4,500,000元（相等於約5,346,000港元）。因此，樂佩集團已達成本年度之樂佩溢利保證。

於報告期結束日，應付或然代價之公平值為15,540,000港元，乃按與收購日期之相同基準重新計量，而公平值虧損743,000港元於損益帳確認。



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34. ACQUISITION OF SUBSIDIARIES (Continued)

(c) The following summarises the consideration paid and the identifiable assets acquired and liabilities assumed, as well as the amount of non-controlling interest recognised at the respective date of acquisition:

34. 收購附屬公司 (續)

(c) 下表概述於各收購日期已付之代價、所收購可識別資產及所承擔可識別負債以及所確認非控股權益之金額：

| | | Next Concept Group Acquisition 進念集團 收購事項 HK\$'000 千港元 | Lepei Group Acquisition 樂佩集團 收購事項 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|-------------------------|--|---|--------------------------------|
| Initial consideration | 初步代價 | | | |
| Paid in cash | 以現金支付 | – | 9,586 | 9,586 |
| Paid by issuance of consideration shares [▲] | 透過發行代價股份支付 [▲] | 665,732 | – | 665,732 |
| Paid by issuance of promissory notes (note 26) | 透過發行承兌 票據支付 (附註26) | 317,425 | – | 317,425 |
| Capital contribution [^] | 出資 [^] | – | 5,991 | 5,991 |
| | | <u>983,157</u> | <u>15,577</u> | <u>998,734</u> |
| Contingent consideration (receivables) payables | (應收) 應付或然代價 | <u>(452)</u> | <u>15,916</u> | <u>15,464</u> |
| Total consideration | 總代價 | <u>982,705</u> | <u>31,493</u> | <u>1,014,198</u> |

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34. ACQUISITION OF SUBSIDIARIES (Continued)

(c) (Continued)

34. 收購附屬公司 (續)

(c) (續)

| | | Next Concept Group Acquisition 進念集團 收購事項 HK\$'000 千港元 | Lepei Group Acquisition 樂佩集團 收購事項 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|--|--|---|--------------------------------|
| Recognised amounts of identifiable assets acquired and liabilities assumed: | 所收購可識別資產及所承擔可識別負債之已確認金額： | | | |
| Property, plant and equipment (note 11) | 物業、廠房及設備 (附註11) | 2,209 | 144 | 2,353 |
| Intangible assets (note 12) | 無形資產 (附註12) | 127,664 | – | 127,664 |
| Inventories | 存貨 | – | 307 | 307 |
| Trade and other receivables [^] | 貿易及其他應收款項 [^] | 54,073 | 8,925 | 62,998 |
| Bank balances and cash | 銀行結存及現金 | 29,522 | 1,223 | 30,745 |
| Tax payable | 應付稅項 | (11,806) | – | (11,806) |
| Trade and other payables | 貿易及其他應付款項 | (11,942) | (2,930) | (14,872) |
| Deferred tax liabilities (note 25) | 遞延稅項負債 (附註25) | (31,916) | – | (31,916) |
| Total identifiable net assets | 可識別淨資產總值 | 157,804 | 7,669 | 165,473 |
| Non-controlling interests[#] | 非控股權益[#] | (77,324) | (1,917) | (79,241) |
| Goodwill arising on acquisition (note 13) | 收購時產生之商譽 (附註13) | 902,225 | 25,741 | 927,966 |
| | | 982,705 | 31,493 | 1,014,198 |
| Net cash inflow (outflow) on acquisition of subsidiaries[^] | 收購附屬公司之現金流入 (流出) 淨額[^] | | | |
| Consideration paid in cash | 已付現金代價 | – | (9,586) | (9,586) |
| Bank balances and cash acquired from the subsidiaries | 從附屬公司收購之銀行結存及現金 | 29,522 | 1,223 | 30,745 |
| | | 29,522 | (8,363) | 21,159 |
| Acquisition-related costs | 收購相關成本 | 484 | 63 | 547 |



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34. ACQUISITION OF SUBSIDIARIES (Continued)

(c) (Continued)

- ▲ The fair value of the consideration shares was determined by JLL.
- ^ The fair value of trade and other receivables at the date of acquisition amounted to HK\$62,998,000. The gross contractual amounts of those trade and other receivables acquired amounted to HK\$62,998,000 at the date of acquisition, of which no balance is expected to be uncollectible. The capital contribution was also included in other receivables of Lepei Group and as there is no cash flow effect to the Group, the capital contribution is excluded from the calculation of net cash flows on acquisition of subsidiaries.
- # The non-controlling interests are measured at the non-controlling interests' proportionate share of fair value of the identifiable net assets of Next Concept Group and Lepei Group.

(d) The goodwill is attributable to the economies of scale expected to arise after the Group's acquisitions. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

Acquisition-related costs have been excluded from the consideration transferred and have been recognised as "general and administrative expenses" in the consolidated statement of comprehensive income.

Included in the revenue for the year ended 31 December 2016 are approximately HK\$308,567,000 and HK\$23,937,000 attributable to the additional business generated by Next Concept Group and Lepei Group respectively. Profit before tax for the year includes profit of approximately HK\$106,100,000 and HK\$10,191,000 contributed by Next Concept Group and Lepei Group respectively.

34. 收購附屬公司 (續)

(c) (續)

- ▲ 代價股份之公平值由仲量聯行釐定。
- ^ 貿易及其他應收款項於收購日期之公平值為62,998,000港元。該等所收購貿易及其他應收款項於收購日期之合約總金額為62,998,000港元，當中並無結餘預期不可收回。出資亦計入樂佩集團之其他應收款項，而由於其對本集團之現金流量並無影響，故計算收購附屬公司之現金流淨額時已撇除出資。
- # 非控股權益按非控股權益於進念集團及樂佩集團應佔可識別淨資產公平值之比例計量。

(d) 商譽源自本集團經歷收購事項後預期會產生之規模經濟效益。該等利益由於不符合可識別無形資產之確認標準，故不會與商譽分開確認。預期已確認之商譽不可用於扣除所得稅。

收購相關成本並無計入所轉讓之代價，其已於綜合全面收入報表確認為「一般及行政開支」。

於截至二零一六年十二月三十一日止年度之收益中，由進念集團及樂佩集團產生之額外業務所佔者分別約為308,567,000港元及23,937,000港元。年內除稅前溢利包括進念集團及樂佩集團分別貢獻之溢利約106,100,000港元及10,191,000港元。

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34. ACQUISITION OF SUBSIDIARIES (Continued)

(d) (Continued)

If the business combination effected during the year had been taken place at the beginning of the year, the revenue contributed to the Group by Next Concept Group and Lepei Group would have been HK\$359,895,000 and HK\$26,000,000 respectively, and the profit before tax contributed to the Group by Next Concept Group and Lepei Group combined with the results from Next Concept Group and Lepei Group would have been HK\$164,001,000 and HK\$10,795,000 respectively. The revenue and profit before tax of the Group would have been HK\$1,256,971,000 and HK\$311,639,000 respectively. This pro-forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisitions been completed on 1 January 2016.

35. ACQUISITION OF NON-CONTROLLING INTERESTS OF SUBSIDIARIES WITHOUT A CHANGE IN CONTROL

34. 收購附屬公司 (續)

(d) (續)

倘於年內實行之業務合併已於年初進行，則進念集團及樂佩集團為本集團貢獻之收益將分別為359,895,000港元及26,000,000港元，而進念集團及樂佩集團為本集團貢獻之除稅前溢利與進念集團及樂佩集團之業績合併將分別為164,001,000港元及10,795,000港元。本集團之收益及除稅前溢利分別應為1,256,971,000港元及311,639,000港元。此備考資料僅供說明用途，並不一定反映倘收購事項於二零一六年一月一日完成，本集團實際上會達到之收益及經營業績。

35. 收購附屬公司之非控股權益 (並無改變控制權)

| | | FSCE Acquisition 實達外設 收購事項 HK\$'000 千港元 (Note a) (附註a) | CNEOP Acquisition 中光遠科技 收購事項 HK\$'000 千港元 (Note b) (附註b) | Total 總計 HK\$'000 千港元 |
|--|-----------------|---|---|--------------------------------|
| Consideration paid in cash | 已付現金代價 | 63,022 | 16,753 | 79,775 |
| Acquisition of additional equity interests in subsidiaries | 收購於附屬公司之額外股本權益 | (50,994) | (7,359) | (58,353) |
| Difference recognised in consolidated statement of changes in equity | 於綜合股東權益變動表確認之差額 | 12,028 | 9,394 | 21,422 |



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35. ACQUISITION OF NON-CONTROLLING INTERESTS OF A SUBSIDIARY WITHOUT A CHANGE IN CONTROL (Continued)

(a) Acquisition of 17% equity interests in FSCE (the "FSCE Acquisition")

As at 31 December 2015, the Group held 83% equity interests in FSCE. The Group has further acquired the remaining 17% equity interests in FSCE from a related company which is incorporated in the PRC with limited liability and is owned as to 90% by the controlling shareholder of the Company, at a cash consideration of RMB52,372,200 (equivalent to approximately HK\$63,022,000).

The FSCE Acquisition was completed in April 2016 and FSCE then became an indirect wholly-owned subsidiary of the Company.

Details of the acquisition of 17% equity interests in FSCE are set out in the Company's announcements dated 6 November 2015 and 13 January 2016 and circular dated 26 November 2015.

(b) Acquisition of 10% equity interests in CNEOP (the "CNEOP Acquisition")

As at 31 December 2015, the Group held 51% equity interests in CNEOP. The Group has further acquired 10% equity interests in CNEOP from a related company which is incorporated in the PRC with limited liability at a cash consideration of RMB15,000,000 (equivalent to approximately HK\$16,753,000). The CNEOP Acquisition was completed in December 2016.

35. 收購附屬公司之非控股權益 (並無改變控制權) (續)

(a) 收購實達外設之17%股本權益 (「實達外設收購事項」)

於二零一五年十二月三十一日，本集團持有實達外設83%股本權益。本集團已向一間關連公司（其為於中國註冊成立之有限責任公司，由本公司控股股東擁有90%權益）進一步收購實達外設其餘17%股本權益，現金代價為人民幣52,372,200元（相等於約63,022,000港元）。

實達外設收購事項已於二零一六年四月完成，而實達外設其後已成為本公司之間接全資附屬公司。

收購實達外設17%股本權益之詳情載於本公司日期為二零一五年十一月六日及二零一六年一月十三日之公佈，以及日期為二零一五年十一月二十六日之通函。

(b) 收購中光遠科技之10%股本權益 (「中光遠科技收購事項」)

於二零一五年十二月三十一日，本集團持有中光遠科技51%股本權益。本集團已向一間關連公司（其為於中國註冊成立之有限責任公司）進一步收購中光遠科技10%股本權益，現金代價為人民幣15,000,000元（相等於約16,753,000港元）。中光遠科技收購事項已於二零一六年十二月完成。

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36. CONTINGENT PAYMENTS UNDER PROFIT GUARANTEE ARRANGEMENTS

(a) Profit guarantee in relation to financial results of CNEOP

In August 2015, the Group completed the acquisition of 51% equity interests in CNEOP. As part and parcel of the acquisitions, Holly Good and a selling shareholder of CNEOP (the "Selling Shareholder C") entered into a profit guarantee agreement, pursuant to which the Company shall issue and allot its shares up to the value of HK\$29,060,000, which could be settled in cash at the discretion of the Company and pay up to HK\$8,290,000 in cash to the Selling Shareholder C if the profits after tax of CNEOP for the six months ended 31 December 2015, the year ended 31 December 2016 and year ending 31 December 2017 reach RMB6,000,000 (equivalent to approximately HK\$7,457,000), RMB15,600,000 (equivalent to approximately HK\$19,388,000) and RMB22,400,000 (equivalent to approximately HK\$27,839,000) respectively (the "CNEOP Profit Guarantee"). In the opinion of the directors, the nature of the CNEOP Profit Guarantee is to remunerate the Selling Shareholder C for future services. The shares and/or cash to be issued/paid are therefore accounted for as other long-term employee benefit.

The profit after tax of CNEOP for the year ended 31 December 2016 exceeded RMB15,600,000 (equivalent to approximately HK\$19,388,000) and as a result, the CENOP Profit Guarantee for the year was met and an amount of HK\$18,870,000 (2015: HK\$7,862,000) was recognised as long-term employee benefits in profit or loss.

36. 溢利保證安排下之或然款項

(a) 有關中光遠科技財務業績之溢利保證

於二零一五年八月，本集團完成收購中光遠科技51%股本權益。作為收購之一部分，浩金與中光遠科技之售股股東（「售股股東C」）訂立一份溢利保證協議，據此，倘中光遠科技截至二零一五年十二月三十一日止六個月以及截至二零一六年及二零一七年十二月三十一日止年度之除稅後溢利分別達到人民幣6,000,000元（相等於約7,457,000港元）、人民幣15,600,000元（相等於約19,388,000港元）及人民幣22,400,000元（相等於約27,839,000港元），則本公司將向售股股東C發行及配發價值最高29,060,000港元之本公司股份（可由本公司酌情以現金清償）及支付最多8,290,000港元現金（「中光遠科技溢利保證」）。董事認為，中光遠科技溢利保證之性質為就未來服務向售股股東C提供報酬。將發行之股份及／或將支付之現金因而入帳列作其他長期僱員福利。

中光遠科技截至二零一六年十二月三十一日止年度之除稅後溢利超過人民幣15,600,000元（相等於約19,388,000港元）。因此，本年度之中光遠科技溢利保證已達成，而本集團已於損益帳確認18,870,000港元（二零一五年：7,862,000港元）為長期僱員福利。



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36. CONTINGENT PAYMENTS UNDER PROFIT GUARANTEE ARRANGEMENTS (Continued)

(b) Profit guarantee in relation to financial results of Hexicom

In September 2015, the Group completed the acquisition of 70% equity interests in Hexicom. As part and parcel of the acquisitions, Red Square and the selling shareholders of Hexicom (the "Selling Shareholders D") entered into a profit guarantee agreement, pursuant to which the Company shall allot and issue up to 79,648,445 consideration shares and pay cash up to the value of HK\$458,667 to the Selling Shareholders D if the profits after tax of Hexicom for the years ended 31 December 2015 and 2016 and the year ending 31 December 2017 reach RMB10,000,000 (equivalent to approximately HK\$12,428,000), RMB15,000,000 (equivalent to approximately HK\$18,642,000) and RMB22,500,000 (equivalent to approximately HK\$27,963,000) respectively (the "Hexicom Profit Guarantee"). In the opinion of the directors, the nature of the Hexicom Profit Guarantee is to remunerate the Selling Shareholders D for future services. The consideration shares to be issued and cash to be paid are therefore accounted for as share-based payment and other long-term employee benefit respectively.

The profit after tax of Hexicom for the year ended 31 December 2016 exceeded RMB15,000,000 (equivalent to approximately HK\$18,642,000), as a result, the Hexicom Profit Guarantee for the year was met and amounts of HK\$190,000 (2015: HK\$48,000) and HK\$10,423,000 (2015: HK\$2,606,000) were recognised as long-term employee benefits and share-based payment in profit or loss respectively.

36. 溢利保證安排下之或然款項 (續)

(b) 有關海億康科技財務業績之溢利保證

於二零一五年九月，本集團完成收購海億康科技70%股本權益。作為收購之一部分，方鴻與海億康科技之售股股東（「售股股東D」）訂立一份溢利保證協議，據此，倘海億康科技截至二零一五年、二零一六年及二零一七年十二月三十一日止年度之除稅後溢利分別達到人民幣10,000,000元（相等於約12,428,000港元）、人民幣15,000,000元（相等於約18,642,000港元）及人民幣22,500,000元（相等於約27,963,000港元），則本公司將向售股股東D配發及發行最多79,648,445股代價股份及支付價值最高458,667港元之現金（「海億康科技溢利保證」）。董事認為，海億康科技溢利保證之性質為就未來服務向售股股東D提供報酬。將發行之代價股份及將支付之現金因而入帳列作以股份支付之款項及其他長期僱員福利。

海億康科技截至二零一六年十二月三十一日止年度之除稅後溢利超過人民幣15,000,000元（相等於約18,642,000港元）。因此，本年度之海億康科技溢利保證已達成，而本集團已於損益帳確認190,000港元（二零一五年：48,000港元）為長期僱員福利及確認10,423,000港元（二零一五年：2,606,000港元）為以股份支付之款項。

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36. CONTINGENT PAYMENTS UNDER PROFIT GUARANTEE ARRANGEMENTS (Continued)

(c) Profit guarantee in relation to financial results of Wealth-Depot

In October 2015, the Group completed the acquisition of 51% equity interests in Wealth-Depot. As part and parcel of the acquisitions, King Billion and the selling shareholders of Wealth-Depot (the "Selling Shareholders E") entered into a profit guarantee agreement, pursuant to which the Company will allot and issue up to 65,079,365 consideration shares to the Selling Shareholders E if the profits after tax of Wealth-Depot for the years ended 31 December 2015 and 2016 and the year ending 31 December 2017 reach RMB12,000,000 (equivalent to approximately HK\$14,914,000), RMB16,800,000 (equivalent to approximately HK\$20,879,000) and RMB23,500,000 (equivalent to approximately HK\$29,206,000) respectively (the "Wealth-Depot Profit Guarantee"). In the opinion of the directors, the nature of the Wealth-Depot Profit Guarantee is to remunerate the Selling Shareholders E for future services. The consideration shares to be issued are therefore accounted for as share-based payment.

The profit after tax of Wealth-Depot for the year ended 31 December 2016 did not reach RMB16,800,000 (equivalent to approximately HK\$20,879,000). As a result, the Wealth-Depot Profit Guarantee for the year was not met. After taking into consideration of the probabilities of fulfilling the conditions specified in the Wealth-Depot Profit Guarantee, no share-based payment was recognised during the years ended 31 December 2016 and 2015.

36. 溢利保證安排下之或然款項 (續)

(c) 有關大庫工業財務業績之溢利保證

於二零一五年十月，本集團完成收購大庫工業51%股本權益。作為收購之一部分，景億與大庫工業之售股股東（「售股股東E」）訂立一份溢利保證協議，據此，倘大庫工業截至二零一五年、二零一六年及二零一七年十二月三十一日止年度之除稅後溢利分別達到人民幣12,000,000元（相等於約14,914,000港元）、人民幣16,800,000元（相等於約20,879,000港元）及人民幣23,500,000元（相等於約29,206,000港元），則本公司將向售股股東E配發及發行最多65,079,365股代價股份（「大庫工業溢利保證」）。董事認為，大庫工業溢利保證之性質為就未來服務向售股股東E提供報酬。將發行之代價股份因而入帳列作以股份支付之款項。

大庫工業截至二零一六年十二月三十一日止年度之除稅後溢利未能達到人民幣16,800,000元（相等於約20,879,000港元）。因此，本年度之大庫工業溢利保證未能達成。經考慮履行大庫工業溢利保證列明之條件之概率，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確認以股份支付之款項。



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36. CONTINGENT PAYMENTS UNDER PROFIT GUARANTEE ARRANGEMENTS (Continued)

(d) Profit guarantee in relation to financial results of Next Concept Group

As mentioned in note 34(a), the profit after tax of Next Concept Group for the year ended 31 December 2016 exceeded HK\$144,000,000, as a result, Next Concept Group had met the Next Concept Profit Guarantee and recognised as contingent consideration receivables. Details of the profit guarantee and contingent consideration receivables also set out in note 34(a) to the consolidated financial statements.

(e) Profit guarantee in relation to financial results of Lepei Group

As mentioned in note 34(b), the profit after tax of Lepei Group for the year ended 31 December 2016 exceeded RMB4,500,000 (equivalent to approximately HK\$5,346,000), as a result, Lepei Group had met the Lepei Profit Guarantee and recognised as contingent consideration payable and no compensation would be received from the Selling Shareholders B. Details of the profit guarantee and contingent consideration payables also set out in note 34(b) to the consolidated financial statements.

36. 溢利保證安排下之或然款項 (續)

(d) 有關進念集團財務表現之溢利保證

誠如附註34(a)所述，進念集團截至二零一六年十二月三十一日止年度之除稅後溢利超過144,000,000港元。因此，進念集團已達成進念溢利保證，並確認應收或然代價。有關溢利保證及應收或然代價之詳情亦載於綜合財務報表附註34(a)。

(e) 有關樂佩集團財務表現之溢利保證

誠如附註34(b)所述，樂佩集團截至二零一六年十二月三十一日止年度之除稅後溢利超過人民幣4,500,000元（相等於約5,346,000港元）。因此，樂佩集團已達成樂佩溢利保證，並確認應付或然代價，且不會向售股股東B收取賠償。有關溢利保證及應付或然代價之詳情亦載於綜合財務報表附註34(b)。

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37. COMMITMENTS

Commitments under operating leases

The Group leases a number of properties under operating leases, which typically run for an initial period of 1-3 years. None of these leases includes contingent rentals. At end of reporting period, the Group had future lease payments under non-cancellable operating leases, which are payable as follows:

37. 承擔

經營租賃承擔

本集團以一般初步為期一至三年之經營租賃租用多項物業。有關租賃並不包括或然租金。於報告期結束日，本集團於不可註銷經營租賃之未來租賃付款應按以下年期支付：

| | | 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 | 11,712 | 8,701 |
| In the second to third years inclusive | 第二至第三年（包括首尾兩年） | 2,911 | 6,526 |
| | | 14,623 | 15,227 |



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38. CONTINUING CONNECTED TRANSACTIONS AND RELATED PARTY TRANSACTIONS

In addition to information disclosed elsewhere in the consolidated financial statements, the Group had the following significant related party transactions during the year:

38. 持續關連交易及關連人士交易

除綜合財務報表其他部分所披露之資料外，本集團於年內進行之重大關連人士交易如下：

| Related party relationship 關連人士關係 | Nature of transaction 交易性質 | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|--|----------------------------------|----------------------------------|
| Key management personnel, i.e. the directors 主要管理人員（即董事） | Salaries and other allowances 薪金及其他津貼 | 3,086 | 3,479 |
| | Contributions to defined contribution plans 界定供款計劃供款 | 54 | 79 |
| | Equity-settled share-based payment 權益結算以股份支付之款項 | 12,846 | 6,354 |
| | Total compensation 補償總額 | 15,986 | 9,912 |
| Related company [^] / Non-controlling interests 關連公司 [^] /非控股權益 | Operating lease expenses 經營租賃開支 | 3,726 | 2,770 |
| A subsidiary of non-controlling interests 非控股權益之附屬公司 | Sub-contracting fee expenses 分包費開支 | – | 11,836 |
| Related company [^] 關連公司 [^] | Sale of IoT products 銷售物聯網產品 | – | 2,361 |

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38. CONTINUING CONNECTED TRANSACTIONS AND RELATED PARTY TRANSACTIONS (Continued)

The related party transactions in respect of operating lease expenses and sale of IoT products above also constituted continuing connected transactions as defined in Chapter 14A of the Listing Rules.

[^] The related company controlled by the controlling shareholders.

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments are available-for-sale financial assets, pledged bank deposits, bank balances and cash, interest-bearing borrowings, promissory notes and convertible bonds. The main purpose of these financial instruments is to raise and maintain finance for the Group's operations. The Group has various other financial instruments such as financial assets at fair value through profit or loss, loan receivables, trade and other receivables and trade and other payables, which arise directly from its business activities.

The main risks arising from the Group's financial instruments are equity price risk, credit risk, liquidity risk, interest rate risk and foreign currency risk. The directors generally adopts conservative strategies on its risk management and limits the Group's exposure to these risks to a minimum. The directors review and agree policies for managing each of these risks, which are summarised below.

38. 持續關連交易及關連人士交易 (續)

上述有關經營租賃開支及銷售物聯網產品之關連人士交易亦構成上市規則第十四A章所界定之持續關連交易。

[^] 該關連公司由控股股東控制。

39. 財務風險管理目標及政策

本集團之主要財務工具為可供出售財務資產、已質押銀行存款、銀行結存及現金、計息借貸、承兌票據以及可換股債券。此等財務工具之主要用途乃為本集團之營運籌集及維持融資。本集團有若干其他財務工具，如直接自其業務活動產生之於損益帳按公平值處理之財務資產、應收貸款、貿易及其他應收款項以及貿易及其他應付款項。

本集團財務工具所產生之主要風險為股價風險、信貸風險、流動資金風險、利率風險及外幣風險。董事一般對風險管理採取審慎策略，並將本集團面對之風險減至最低。董事為管理以上各種風險檢討及協定有關政策，各種風險已概列於下文。



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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Equity price risk

The Group is exposed to equity price risk arising from trading of listed securities included in financial assets at fair value through profit or loss and certain available-for-sale financial assets. The sensitivity analysis has been determined based on the exposure to equity price risk.

At the end of the reporting period, if the quoted stock prices had been 7% (2015: 14%) higher or lower while all other variables were held constant, the Group's net profit would increase or decrease by HK\$100,622,000 (2015: increase or decrease by HK\$164,210,000) and other equity reserves would increase or decrease by HK\$7,707,000 (2015: HK\$15,415,000) as a result of changes in fair value of investments. The Group's sensitivity to equity price has decreased significantly during the year mainly due to less volatile price fluctuation.

The sensitivity analysis has been determined assuming that the reasonably possible changes in the stock prices or other relevant risk variables had occurred at the end of the reporting period and had been applied to the exposure to equity price risk in existence at that date. It is also assumed that the fair values of the Group's investments would change in accordance with the historical correlation with the relevant stock market index or the relevant risk variables, and that all other variables remain constant. The stated changes represent management's assessment of reasonably possible changes in the relevant stock market index or the relevant risk variables over the period until the end of the next annual reporting period. The analysis is performed on the same basis for 2015.

In the opinion of the management, the sensitivity analysis is unrepresentative of the inherent equity price risk because the exposure at the end of each reporting period does not reflect the exposure during the year.

39. 財務風險管理目標及政策 (續)

股價風險

本集團面對之股價風險來自買賣計入於損益帳按公平值處理之財務資產及若干可供出售財務資產之上市證券。敏感度分析乃根據所面對之股價風險釐定。

於報告期結束日，倘若所報股價上升或下跌7%（二零一五年：14%），在所有其他變數不變之情況下，投資公平值變動將令本集團純利增加或減少100,622,000港元（二零一五年：增加或減少164,210,000港元），而其他股權儲備將增加或減少7,707,000港元（二零一五年：15,415,000港元）。本集團對股價之敏感程度於年內因價格波動相對輕微而顯著減少。

敏感度分析乃假設股價或其他相關風險變數於報告期結束日出現合理可能變動而釐定，並適用於當日存在之股價風險。敏感度分析亦假設本集團投資之公平值隨相關股票市場指數或相關風險變數之歷史關係而變動，以及所有其他變數不變。上述變動指管理層對相關股票市場指數或相關風險變數於下年度報告期結束日前期間出現合理可能變動之評估。分析之基準與二零一五年相同。

管理層認為，由於各報告期結束日所面對之風險不反映年內所面對之風險，故敏感度分析不能代表潛在股價風險。

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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk

The credit risk of the Group is primarily attributable to trade and other receivables, loan receivables, pledged bank deposits and bank balances.

In respect of trade and other receivables, in order to minimise the credit risk, the management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. Credit evaluations of its customers' financial position and condition are performed on each and every major customer periodically. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 20% (2015 (represented): 24%) and 51% (2015 (represented): 71%) of the trade receivables were due from the Group's largest customer and the five largest customers respectively within the IoT solution business segment and 5% (2015 (represented): 12%) and 20% (2015 (represented): 28%) of the trade receivables were due from the Group's largest customer and the five largest customers respectively within the HMID business segment.

Due to the change in segment information as mentioned in note 4 to the consolidated financial statements, the comparative credit risk information for the year ended 31 December 2015 has been represented to conform with the presentation adopted in the current year.

39. 財務風險管理目標及政策 (續)

信貸風險

本集團之信貸風險主要來自貿易及其他應收款項、應收貸款、已質押銀行存款及銀行結存。

就貿易及其他應收款項而言，為將信貸風險減至最低，管理層設有信貸政策，並會持續監察該等信貸風險。本集團會定期就每名主要客戶之財務水平及狀況進行信貸評估。該等評估着眼於客戶過往之到期付款紀錄及目前之付款能力，並計及客戶之個別資料及與客戶經營所在經濟環境有關之資料。

本集團面對之信貸風險主要受每名客戶之個別特點影響，而非取決於客戶經營之行業或國家。因此，當本集團面對有關個別客戶之重大風險，即出現信貸風險高度集中之情況。於報告期結束日，貿易應收款項中20% (二零一五年(經重列): 24%) 及51% (二零一五年(經重列): 71%) 分別為應收本集團物聯網解決方案業務分類最大客戶及五大客戶之款項，而5% (二零一五年(經重列): 12%) 及20% (二零一五年(經重列): 28%) 分別為應收本集團人機互動業務分類最大客戶及五大客戶之款項。

鑑於綜合財務報表附註4所述分類資料有變，截至二零一五年十二月三十一日止年度之比較信貸風險資料已重列，以符合本年度採納之呈列方式。



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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk (Continued)

In respect of loan receivables, the Group has adopted procedures in extending credit terms to loan borrowers and in monitoring its credit risk. The credit policy on extending credit terms to loan borrowers includes assessing and evaluating loan borrowers' creditworthiness and financial standing. Management also closely monitors all outstanding debts and reviews the collectability of other receivables periodically. At the end of the reporting period, 92% (2015: 100%) and 100% (2015: 100%) of the total loan receivables were due from the Group's largest borrower and the two largest borrowers (2015: largest borrower) respectively within the unallocated segment.

The Group has limited credit risk with its money deposited in financial institutions and brokers, who are with high credit ratings and assessed as having low credit risk. The Group has not had any significant loss arising from non-performance by these parties in the past and management does not expect so in the future.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated financial statements.

39. 財務風險管理目標及政策 (續)

信貸風險 (續)

就應收貸款而言，本集團已採納若干有關給予貸款借人之信貸期之程序以及監察有關信貸風險之程序。給予貸款借人信貸期之信貸政策包括評定及評估貸款借人之信用度及財務狀況。管理層亦會密切監察所有未收債項及定期審閱其他應收款項之收回情況。於報告期結束日，應收貸款總額中92%（二零一五年：100%）及100%（二零一五年：100%）分別為應收本集團最大借款人及兩大借款人（二零一五年：最大借款人）之款項，而該等借款人乃屬於未經分配分類。

本集團於財務機構及經紀之存款面對之信貸風險有限，原因是該等財務機構及經紀均具高信用評級，獲評定為低信貸風險。本集團過往並無因有關人士不履行責任而產生重大虧損，而管理層預期日後亦不會出現該等情況。

信貸風險之最高額度為綜合財務報表內各項財務資產之帳面金額。

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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk

Liquidity risk refers to the risk in which the Group is unable to meet its short-term obligations. Liquidity risk is minimal and is managed by matching the payments and receipts cycles. The Group's operations are financed mainly through its business activities.

The maturity profile of the Group's non-derivative financial liabilities at the end of the reporting period, based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates at the end of the reporting period) are summarised below:

39. 財務風險管理目標及政策 (續)

流動資金風險

流動資金風險指本集團無力履行其短期責任之風險。流動資金風險微不足道，乃透過配合還款及收款週期加以管理。本集團之營運主要透過業務活動提供資金。

於報告期結束日，按合約未貼現現金流量（包括利用合約利率或（如屬浮動）按照於報告期結束日之利率計算之利息款項）計算，本集團之非衍生財務負債之到期情況概列如下：

| | | On demand or within | | | Total contractual undiscounted cash flows | Total carrying amount |
|-----------------------------|----------------------|---------------------|------------------|---------------|---|-----------------------|
| | | 1 year | 2 to 5 years | Over 5 years | contractual cash flows | Total carrying amount |
| | | 按要求或一年內 | 二至五年 | 五年以上 | 合約未貼現現金流量總額 | 帳面總額 |
| | | 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 |
| At 31 December 2016 | 於二零一六年十二月三十一日 | | | | | |
| Trade and other payables | 貿易及其他應付款項 | 270,253 | - | - | 270,253 | 270,253 |
| Interest-bearing borrowings | 計息借貸 | 41,784 | 449 | - | 42,233 | 41,982 |
| Convertible bonds | 可換股債券 | 24,769 | 761,788 | - | 786,557 | 599,150 |
| Promissory notes | 承兌票據 | 588,044 | 467,197 | - | 1,055,241 | 998,049 |
| | | 924,850 | 1,229,434 | - | 2,154,284 | 1,909,434 |
| At 31 December 2015 | 於二零一五年十二月三十一日 | | | | | |
| Trade and other payables | 貿易及其他應付款項 | 265,098 | - | - | 265,098 | 265,098 |
| Interest-bearing borrowings | 計息借貸 | 374,603 | 613 | - | 375,216 | 374,601 |
| Promissory notes | 承兌票據 | 73,363 | 504,000 | 21,000 | 598,363 | 531,337 |
| | | 713,064 | 504,613 | 21,000 | 1,238,677 | 1,171,036 |



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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Interest rate risk

The management believes that the Group's fair value interest rate risk is minimal and no sensitivity analysis is performed.

The Group is exposed to cash flow interest rate risk in relation to bank balances and variable-rate interest-bearing borrowings (see note 24(a)). The exposure to cash flow interest rate risk is mainly concentrated on the fluctuation of the prevailing interest rate of the People's Bank of China (2015: HSBC's HK\$ best lending rate) arising from the Group's bank borrowings (2015: margin loan). The Group currently does not have a formal interest rate hedging policy. However, the management monitors the interest rate exposure on an ongoing basis and will consider hedging the interest rate risk should the need arise.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for the variable-rate interest-bearing borrowings at the end of the reporting period. The analysis is prepared assuming the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease in interest rates is used when reporting interest rate risk internally to management's assessment of the reasonably possible change in interest rates over the period until the end of the next annual reporting period.

If interest rates had been 50 basis points (2015: 50 basis points) higher/lower and all other variables were held constant, the Group's profit for the year would decrease/increase by approximately HK\$27,000 (2015: HK\$1,869,000).

In the opinion of the management, the sensitivity analysis is unrepresentative of the inherent interest rate risk because the exposure at the end of each reporting period does not reflect the exposure during the year.

39. 財務風險管理目標及政策 (續)

利率風險

管理層相信，本集團之公平值利率風險微不足道，故並無進行敏感度分析。

本集團就銀行結存及浮息計息借貸（見附註24(a)）面對現金流量利率風險。所面對之現金流量利率風險主要集中於本集團銀行借貸（二零一五年：孖展貸款）所產生中國人民銀行之現行利率（二零一五年：滙豐港元最優惠借貸利率）波動。本集團現時並無設有正式利率對沖政策。然而，管理層持續監察所面對之利率風險，並將於有需要時考慮對沖利率風險。

敏感度分析

下文之敏感度分析乃按照浮息計息借貸於報告期結束日面對之利率風險而釐定。編製敏感度分析時已假設於報告期結束日尚未償還之負債於整個年度尚未償還。內部向管理層報告利率風險以評估利率於下年度報告期結束日前期間之合理可能變動時，使用50個基點之利率升幅或跌幅。

倘若利率上升／下跌50個基點（二零一五年：50個基點），在所有其他變數不變之情況下，本集團年內溢利將減少／增加約27,000港元（二零一五年：1,869,000港元）。

管理層認為，由於各報告期結束日所面對之風險不反映年內所面對之風險，故敏感度分析不能代表潛在利率風險。

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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Currency risk

Substantially all of the Group's sales and operating costs are denominated in the functional currency of the group entity making the sales or incurring the costs. Accordingly, the management considers that the currency risk is not significant. The Group currently does not have a formal currency hedging policy in relation to currency risk. However, the management monitors the currency risk exposure on an ongoing basis and will consider hedging the currency risk should the need arise.

Capital management

The objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to provide returns for shareholders. The Group manages its capital structure and makes adjustments, including payment of dividend to shareholders, return capital to shareholders or issue new shares or sell assets to reduce debts. No changes were made in the objectives, policies or processes during the years ended 31 December 2016 and 2015.

39. 財務風險管理目標及政策 (續)

貨幣風險

本集團絕大部分銷售及經營成本乃以進行銷售或招致成本之集團實體之功能貨幣計值。因此，管理層認為貨幣風險並不重大。本集團現時並無設有關於貨幣風險之正式貨幣對沖政策。然而，管理層持續監察所面對之貨幣風險，並將於有需要時考慮對沖貨幣風險。

資本管理

本集團管理資本之目的為保障本集團能持續經營，並為股東帶來回報。本集團管理其資本架構並作出調整，包括向股東派付股息、向股東退還資本或發行新股或出售資產以減少債項。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更改有關目標、政策或程序。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Capital management (Continued)

The Group monitors capital on the basis of debt-to-equity ratio, which is net debt divided by total equity. The debt-to-equity ratios at end of reporting period were as follows:

39. 財務風險管理目標及政策 (續)

資本管理 (續)

本集團根據債務與股本比率(以債務淨額除以股權總值計算)監察資本。於報告期結束日之債務與股本比率如下:

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|------------------------------|------------|----------------------------------|----------------------------------|
| Convertible bonds | 可換股債券 | 599,150 | – |
| Interest-bearing borrowings | 計息借貸 | 41,982 | 374,601 |
| Promissory notes | 承兌票據 | 998,049 | 531,337 |
| Total debt | 債務總額 | 1,639,181 | 905,938 |
| Less: Pledged bank deposits | 減: 已質押銀行存款 | (2,954) | (3,848) |
| Less: Bank balances and cash | 減: 銀行結存及現金 | (439,726) | (228,247) |
| Net debt | 債務淨額 | 1,196,501 | 673,843 |
| Total equity | 股權總值 | 3,433,492 | 2,264,310 |
| Debt-to-equity ratio | 債務與股本比率 | 34.85% | 29.76% |

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綜合財務報表附註

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

40. FAIR VALUE MEASUREMENTS

The following presents the assets and liabilities measured at fair value or required to disclose their fair value in these consolidated financial statements on a recurring basis at 31 December 2016 and 2015 across the three levels of the fair value hierarchy defined in HKFRS 13, *Fair Value Measurement*, with the fair value measurement categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical financial assets or liabilities that the Group can access at the measurement date;
- Level 2: input other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 (lowest level): unobservable inputs for the asset or liability.

40. 公平值計量

下文呈列於二零一六年及二零一五年十二月三十一日，按公平值計量或須於本綜合財務報表中按經常性基準根據香港財務報告準則第13號「公平值計量」所界定公平值等級三個級別披露公平值之資產及負債，當中會按對有關公平值計量有重大影響之最低輸入級別將整項公平值計量分類。輸入項目之級別界定如下：

- 級別一（最高級別）：使用於計量日期本集團能夠取得於活躍市場上相同財務資產或負債之報價（未經調整）；
- 級別二：級別一所涵蓋報價以外，可直接或間接觀察之資產或負債輸入項目；
- 級別三（最低級別）：不可觀察資產或負債輸入項目。



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綜合財務報表附註

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

40. FAIR VALUE MEASUREMENTS (Continued)

a) Assets (liabilities) measured at fair value

40. 公平值計量 (續)

a) 按公平值計量之資產 (負債)

| | | 31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元 | Level 1 級別一 HK\$'000 千港元 | Level 2 級別二 HK\$'000 千港元 | Level 3 級別三 HK\$'000 千港元 |
|--|-----------------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Assets (liabilities) measured at fair value | 按公平值計量之 資產 (負債) | | | | |
| Available-for-sale financial assets | 可供出售財務資產 | | | | |
| - Listed equity securities | - 上市股本證券 | 110,106 | 110,106 | - | - |
| Financial assets at fair value through profit or loss | 於損益帳按公平值處理之 財務資產 | | | | |
| - Listed equity securities | - 上市股本證券 | 1,437,445 | 1,437,445 | - | - |
| - Equity-linked notes | - 股票掛鈎票據 | 677,200 | - | 677,200 | - |
| - Wealth management product, unlisted | - 財富管理產品， 非上市 | 412,428 | - | - | 412,428 |
| Contingent consideration receivables | 應收或然代價 | 452 | - | - | 452 |
| Contingent consideration payables | 應付或然代價 | (15,540) | - | - | (15,540) |
| | | 2,622,091 | 1,547,551 | 677,200 | 397,340 |

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

40. FAIR VALUE MEASUREMENTS (Continued)

a) Assets (liabilities) measured at fair value (Continued)

| | | 31 December 2015 二零一五年 十二月三十一日 HK\$'000 千港元 | Level 1 級別一 HK\$'000 千港元 | Level 2 級別二 HK\$'000 千港元 | Level 3 級別三 HK\$'000 千港元 |
|---|------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Assets measured at fair value | 按公平值計量之資產 | | | | |
| Available-for-sale financial assets | 可供出售財務資產 | | | | |
| - Listed equity securities | - 上市股本證券 | 110,106 | 110,106 | - | - |
| - Wealth management products | - 財富管理產品 | 83,559 | - | 83,559 | - |
| Financial assets at fair value through profit or loss | 於損益帳按公平值處理之財務資產 | | | | |
| - Listed equity securities | - 上市股本證券 | 1,172,929 | 1,172,929 | - | - |
| - Equity-linked notes | - 股票掛鈎票據 | 475,123 | - | 475,123 | - |
| - Derivative contract | - 衍生工具合約 | 59,706 | - | 59,706 | - |
| | | <u>1,901,423</u> | <u>1,283,035</u> | <u>618,388</u> | <u>-</u> |

During the years ended 31 December 2016 and 2015, there was no transfer between Level 1 and Level 2 fair value measurements and no transfer into and out of Level 3 fair value measurement.

40. 公平值計量 (續)

a) 按公平值計量之資產 (負債) (續)

於截至二零一六年及二零一五年十二月三十一日止年度，並無於公平值計量級別一與級別二之間進行轉撥，公平值計量級別三亦無轉入及轉出。



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綜合財務報表附註

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

40. FAIR VALUE MEASUREMENTS (Continued)

a) Assets (liabilities) measured at fair value (Continued)

The details of the movements of the recurring fair value measurements categorised as Level 3 of the fair value hierarchy are as follows:

Movements in Level 3 fair value measurements
2016

| Description | 描述 | Financial assets at fair value through profit or loss | Contingent consideration receivable | Contingent consideration payables | Total |
|--|----------------|---|-------------------------------------|-----------------------------------|----------------|
| | | 於損益帳按公平值處理之財務資產 | 應收或然代價 | 應付或然代價 | 總計 |
| | | Unlisted wealth management product | | | |
| | | 非上市財富管理產品 | | | |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| At beginning of reporting period | 於報告期初 | - | - | - | - |
| Initial recognition | 初步確認 | 405,418 | - | - | 405,418 |
| At completion date of acquisition | 於收購完成日 | - | 452 | (15,916) | (15,464) |
| Gains or losses recognised in profit or loss | 於損益帳確認之收益或虧損 | 7,092 | - | (743) | 6,349 |
| Exchange realignment | 匯兌調整 | (82) | - | 1,119 | 1,037 |
| At end of reporting period | 於報告期結束日 | 412,428 | 452 | (15,540) | 397,340 |

The above gains or losses are reported as "changes in fair value of financial assets at fair value through profit or loss/contingent consideration payables" in the consolidated statement of comprehensive income.

40. 公平值計量 (續)

a) 按公平值計量之資產 (負債) (續)

分類為公平值架構級別三之經常性公平值計量之變動詳情如下:

公平值計量級別三之變動
二零一六年

上述收益或虧損於綜合全面收入報表內呈報為「於損益帳按公平值處理之財務資產／應付或然代價之公平值變動」。

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40. FAIR VALUE MEASUREMENTS (Continued)

a) Assets (liabilities) measured at fair value (Continued)

Description of the valuation techniques and inputs used in Level 3 fair value measurement

The Group recognises the fair value of those purchase considerations receivables and payables for acquisitions, as of their respective acquisition dates as part of the consideration transferred in exchange for the acquired businesses. These fair value measurements require, among other things, significant estimation of post-acquisition performance of the acquired businesses and discount rates. These calculations use cash flow projections for post-acquisition performance and the probability of occurrence of each expected earnings scenarios.

The unlisted wealth management products investment portfolio mainly comprise investment in debentures, bank debentures, bank savings, corporate bonds, listed securities and other investments in the PRC with high credit rating (the "Investment") and the fair value of the Investment is reported by the banks and an external fund manager.

Valuation processes of the Group

The Group reviews estimation of fair value of the unlisted wealth management products and contingent consideration receivable/payables which are categorised into Level 3 of the fair value hierarchy. Reports with estimation of fair value are prepared by the banks and an external fund manager on a monthly basis and independent valuers on a semi-annually basis. Discussion of the valuation process and results with those charged with governance is held twice a year, to coincide with the reporting dates.

40. 公平值計量 (續)

a) 按公平值計量之資產 (負債) (續)

公平值計量級別三採用之估值技術及輸入項目描述

本集團會就收購事項確認相關應收及應付購買代價於相關收購日期之公平值，作為就交換所收購業務而轉讓之部分代價。該等公平值計量需（其中包括）對所收購業務之收購後業績及貼現率作出重大估計。就收購後業績及發生各個預期盈利情況之概率而言，有關計算採用現金流預測。

非上市財富管理產品投資組合主要包括於債權證、銀行債權證、銀行儲蓄、公司債券、上市證券之投資以及於中國具高信貸評級之其他投資（「投資」），而投資之公平值乃由銀行及外部基金經理報告。

本集團之估值程序

本集團會審閱分類為公平值架構級別三之非上市財富管理產品及應收／應付或然代價之公平值估計。銀行及外部基金經理會每月編製附帶公平值估計之報告，而獨立估值師則每半年編製一次。與管治人員討論估值程序及結果會配合報告日期每年舉行兩次。



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40. FAIR VALUE MEASUREMENTS (Continued)

b) Assets and liabilities with fair value disclosure, but not measured at fair value

Except for certain available-for-sale financial assets for which fair values cannot be measured reliably, all other financial assets and liabilities including loan receivables, trade and other receivables, trade and other payables and interest-bearing borrowings are carried at amounts not materially different from their fair values as at 31 December 2016 and 2015.

41. EVENTS AFTER THE REPORTING PERIOD

Other than disclosed elsewhere in these consolidated financial statements, a summary of events transacted after the end of reporting period is set out below:

(a) Memorandum of understanding (“MOU”) in relation to a proposed acquisition

On 9 May 2016, the Company entered into a non-legally binding MOU with Advanced Investment Holdings Limited* (the “Vendor”), a company incorporated in the PRC with limited liability which is owned as to 90% by the controlling shareholder of the Company, in relation to a proposed acquisition of approximately 30% equity interests in Fujian Start Group Company Limited*, a company incorporated in the PRC and the shares of which are listed on the Shanghai Stock Exchange in the PRC.

As at the date of these consolidated financial statements, the Company is still in negotiation with the Vendor and the details of the transaction have not been fixed and materialised. Details of the MOU are set out in the Company’s announcement dated 9 May 2016.

* The official name is in Chinese and the English name is translated for identification purpose only

40. 公平值計量 (續)

b) 須披露公平值但並非按公平值計量之資產及負債

於二零一六年及二零一五年十二月三十一日，除公平值無法可靠計量之若干可供出售財務資產外，所有其他財務資產及負債（包括應收貸款、貿易及其他應收款項、貿易及其他應付款項以及計息借貸）之列帳金額與其公平值並無重大差別。

41. 報告期後事項

除本綜合財務報表其他部分所披露者外，報告期結束日後進行之事項概述如下：

(a) 有關一項建議收購事項之諒解備忘錄

於二零一六年五月九日，本公司就建議收購福建實達集團股份有限公司（一間於中國註冊成立之公司，其股份於中國上海證券交易所上市）約30%股權與昂展投資諮詢有限公司（「賣方」，一間於中國註冊成立之有限責任公司，由本公司控股股東擁有90%權益）訂立不具法律約束力之諒解備忘錄。

於本綜合財務報表日期，本公司與賣方仍在磋商，並未訂定及落實交易細節。諒解備忘錄詳情載於本公司日期為二零一六年五月九日之公佈。

* 官方名稱以中文為準，英文翻譯名稱僅供識別之用

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

41. EVENTS AFTER THE REPORTING PERIOD

(Continued)

(b) Placing of HK\$300,000,000 unlisted bonds

On 20 January 2017, the Company entered into a placing agreement with Head & Shoulders Securities Limited in relation to a placing of 4 years, 5 years and 7 years 6% unlisted bonds in an aggregate principal amount of HK\$300,000,000. Details of the transaction are set out in the Company's announcement dated 20 January 2017.

As at the date of these consolidated financial statements, HK\$8,000,000 of unlisted bonds has been placed to certain independent third parties.

(c) Voluntary conditional cash offer

On 13 February 2017, Luck Success Development Limited (the "Offeror"), an indirectly wholly-owned subsidiary of the Company, proposed to the board of directors of Enterprise Development Holdings Limited ("EDHL") that the Offeror will make a voluntary conditional cash offer to acquire all of the issued shares of EDHL (other than those already owned by Offeror and parties acting in concert with it). Details of the transaction are set out in the Company's announcement dated 13 February 2017, the Offeror's circular dated 24 March 2017 and the Company's circular dated 27 March 2017.

41. 報告期後事項 (續)

(b) 配售300,000,000港元之非上市債券

於二零一七年一月二十日，本公司與聯合證券有限公司就配售本金總額300,000,000港元之四年期、五年期及七年期6厘票息非上市債券訂立配售協議。該交易之詳情載於本公司日期為二零一七年一月二十日之公佈。

於本綜合財務報表日期，8,000,000港元之非上市債券已配售予若干獨立第三方。

(c) 自願性有條件現金要約

於二零一七年二月十三日，Luck Success Development Limited (「要約人」，本公司之間接全資附屬公司)向企展控股有限公司(「企展」)之董事會提議，要約人將提呈自願性有條件現金要約，以收購企展所有已發行股份(要約人及與其一致行動人士已擁有者除外)。交易詳情載於本公司日期為二零一七年二月十三日之公佈、要約人日期為二零一七年三月二十四日之通函及本公司日期為二零一七年三月二十七日之通函。



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42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

42. 本公司財務狀況表

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--|------------------|----------------------------------|----------------------------------|
| Non-current assets | 非流動資產 | | |
| Interests in subsidiaries | 於附屬公司之權益 | 3,903,525 | 2,515,615 |
| Current assets | 流動資產 | | |
| Due from subsidiaries | 應收附屬公司款項 | 758,425 | – |
| Other receivables | 其他應收款項 | 19,669 | 20,377 |
| Bank balances and cash | 銀行結存及現金 | 19,325 | 17,750 |
| | | 797,419 | 38,127 |
| Current liabilities | 流動負債 | | |
| Other payables | 其他應付款項 | 62,633 | 21,109 |
| Promissory notes | 承兌票據 | 563,846 | – |
| | | 626,479 | 21,109 |
| Net current assets | 流動資產淨值 | 170,940 | 17,018 |
| Total assets less current liabilities | 資產總值減流動負債 | 4,074,465 | 2,532,633 |
| Non-current liabilities | 非流動負債 | | |
| Promissory notes | 承兌票據 | 434,203 | 476,337 |
| Convertible bonds | 可換股債券 | 599,150 | – |
| | | 1,033,353 | 476,337 |
| NET ASSETS | 資產淨值 | 3,041,112 | 2,056,296 |
| Equity and reserves | 股權及儲備 | | |
| Share capital | 股本 | 10,148 | 8,136 |
| Reserves | 儲備 | 3,030,964 | 2,048,160 |
| | | 3,041,112 | 2,056,296 |
| TOTAL EQUITY | 股權總值 | 3,041,112 | 2,056,296 |

Approved and authorised for issue by the board of directors on 28 March 2017 and signed on its behalf by

經由以下人士代表董事會於二零一七年三月二十八日簽署批准及授權刊發

Yang Xiaoying
楊曉櫻
Director
董事

Choi Chi Fai
蔡志輝
Director
董事

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

42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

(a) Reserves

42. 本公司財務狀況表 (續)

(a) 儲備

| | | Share premium | Capital redemption reserve | Capital reserve | Contributed reserve | Convertible bonds equity reserve | Share option reserve | Retained profits | Total |
|---|-------------------------|---------------|----------------------------|-----------------|---------------------|----------------------------------|----------------------|------------------|-----------|
| | | 股份溢價 | 資本贖回儲備 | 資本儲備 | 繳入盈餘 | 可換股債券權益儲備 | 購股權儲備 | 保留溢利 | 總計 |
| | | 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 |
| At 1 January 2015 | 於二零一五年一月一日 | 1,649,267 | 1,173 | 4,492 | 16,692 | - | - | 85,460 | 1,757,084 |
| Loss for the year and total comprehensive loss for the year | 年內虧損及年內全面虧損總額 | - | - | - | - | - | - | (15,976) | (15,976) |
| Transaction with owners: | 與擁有人進行之交易: | | | | | | | | |
| Contributions and distributions | 出資及分派 | | | | | | | | |
| - Issue of bonus shares | - 發行紅股 | (6,512) | - | - | - | - | - | - | (6,512) |
| - Issue of new shares, net of expenses | - 發行新股 (已扣除開支) | 281,614 | - | - | - | - | - | - | 281,614 |
| - Equity-settled share-based payments | - 權益結算以股份支付之款項 | - | - | - | - | - | 31,950 | - | 31,950 |
| Total transaction with owners | 與擁有人進行之交易總額 | 275,102 | - | - | - | - | 31,950 | - | 307,052 |
| 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 | 1,924,369 | 1,173 | 4,492 | 16,692 | - | 31,950 | 69,484 | 2,048,160 |
| Profit for the year and total comprehensive profit for the year | 年內溢利及年內全面溢利總額 | - | - | - | - | - | - | 29,722 | 29,722 |
| Transaction with owners: | 與擁有人進行之交易: | | | | | | | | |
| Contributions and distributions | 出資及分派 | | | | | | | | |
| - Issue of new shares, net of expenses | - 發行新股 (已扣除開支) | 204,168 | - | - | - | - | - | - | 204,168 |
| - Issue of new shares on acquisition of subsidiaries | - 於收購附屬公司時發行新股 | 664,220 | - | - | - | - | - | - | 664,220 |
| - Recognition of equity component of convertible bonds | - 確認可換股債券之權益部分 | - | - | - | - | 22,079 | - | - | 22,079 |
| - Equity-settled share-based payments | - 權益結算以股份支付之款項 | - | - | - | - | - | 67,155 | - | 67,155 |
| - Share options forfeited during the year | - 年內沒收之購股權 | - | - | - | - | - | (4,540) | - | (4,540) |
| Total transaction with owners | 與擁有人進行之交易總額 | 868,388 | - | - | - | 22,079 | 62,615 | - | 953,082 |
| At 31 December 2016 | 於二零一六年十二月三十一日 | 2,792,757 | 1,173 | 4,492 | 16,692 | 22,079 | 94,565 | 99,206 | 3,030,964 |



Financial Summary

財務概要

The following is a summary of the published results and assets and liabilities of Rentian Technology Holdings Limited (the "Company") and its subsidiaries (together the "Group") for the past five years.

以下為仁天科技控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）過去五年之已刊發業績以及資產及負債概要。

RESULTS

業績

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 | 2012 二零一二年 HK\$'000 千港元 |
|---|-------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Revenue | 收益 | 1,203,580 | 904,096 | 525,517 | 13,234 | 2,189 |
| Cost of sales | 銷售成本 | (739,321) | (550,404) | (158,827) | - | - |
| Gross profit | 毛利 | 464,259 | 353,692 | 366,690 | 13,234 | 2,189 |
| Other revenue | 其他收益 | - | - | - | 23,051 | 21,301 |
| Other income | 其他收入 | 40,154 | 23,650 | 7,426 | 1,765 | 1,849 |
| Selling and distribution expenses | 銷售及分銷開支 | (68,414) | (79,319) | (29,917) | - | - |
| General and administrative expenses | 一般及行政開支 | (314,305) | (171,415) | (38,531) | (19,365) | (15,845) |
| Other operating expenses | 其他經營開支 | - | (49) | (444) | - | - |
| Changes in fair value of financial assets at fair value through profit or loss | 於損益帳按公平值處理之財務資產之公平值變動 | 264,436 | (77,666) | 611,528 | 93,623 | (34,716) |
| Changes in fair value of a financial liability at fair value through profit or loss | 一項於損益帳按公平值處理之財務負債之公平值變動 | - | - | - | (194,912) | - |
| Changes in fair value of contingent consideration payables | 應付或然代價之公平值變動 | (743) | - | - | - | - |
| Gain on disposal of subsidiaries | 出售附屬公司之收益 | - | - | 5 | - | - |
| Loss on disposal of available-for-sale financial assets | 出售可供出售財務資產之虧損 | (414) | - | - | - | - |
| Loss on disposal of debt investment | 出售債務投資之虧損 | - | - | - | (26,840) | - |
| Impairment loss of available-for-sale financial assets | 可供出售財務資產之減值虧損 | (41,114) | - | (12,536) | - | - |
| Impairment loss on assets held by a disposal group | 出售集團所持資產之減值虧損 | - | - | - | - | (16,937) |
| Finance costs | 融資成本 | (109,685) | (37,732) | (9,177) | (853) | - |
| Share of results of an associate/associates | 應佔一間聯營公司／聯營公司之業績 | 18,960 | 48,059 | (10,051) | 2,308 | 282 |
| Gain on bargain purchase on acquisition of an associate | 收購一間聯營公司之議價購買收益 | - | 8,740 | - | - | - |
| Profit (Loss) before taxation | 除稅前溢利（虧損） | 253,134 | 67,960 | 884,993 | (107,989) | (41,877) |
| Taxation | 稅項 | (22,120) | (6,956) | (196) | - | - |
| Profit (Loss) after taxation | 除稅後溢利（虧損） | 231,014 | 61,004 | 884,797 | (107,989) | (41,877) |
| Profit (Loss) attributable to: Owners of the Company | 下列應佔溢利（虧損）： 本公司擁有人 | 154,446 | 38,258 | 881,837 | (107,989) | (41,877) |
| Non-controlling interests | 非控股權益 | 76,568 | 22,746 | 2,960 | - | - |
| | | 231,014 | 61,004 | 884,797 | (107,989) | (41,877) |

Financial Summary

財務概要

ASSETS AND LIABILITIES

資產及負債

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 | 2012 二零一二年 HK\$'000 千港元 |
|--|-----------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Non-current assets | 非流動資產 | 1,848,292 | 920,767 | 427,949 | 152,592 | 424,622 |
| Current assets | 流動資產 | 3,588,320 | 2,547,185 | 1,892,184 | 839,834 | 534,112 |
| Current liabilities | 流動負債 | (923,276) | (723,856) | (340,660) | (7,563) | (7,627) |
| Net current assets | 流動資產淨值 | 2,665,044 | 1,823,329 | 1,551,524 | 832,271 | 526,485 |
| Total assets less current liabilities | 資產總值減流動負債 | 4,513,336 | 2,744,096 | 1,979,473 | 984,863 | 951,107 |
| Non-current liabilities | 非流動負債 | (1,079,844) | (479,786) | (80,752) | (60,000) | – |
| Net assets | 資產淨值 | 3,433,492 | 2,264,310 | 1,898,721 | 924,863 | 951,107 |



RENTIAN TECHNOLOGY HOLDINGS LIMITED
仁天科技控股有限公司*

